Stratification in a Neoliberal Society: The Making of Elites and Occupationally Disabled in Contemporary Sweden

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During the last years, organization sociologists have examined neoliberalism in terms of the construction of “employable people,” stressing individuals’ “entrepreneurial” and “self-managing capabilities” as critical factors for their attractiveness on today’s labor markets (e.g. Alvesson and Willmott, 2002; Fleming and Sturdy, 2009; Holmqvist et al., 2013; Maravelias, 2020). Neoliberalism, which emphasizes people’s individual capabilities to act and choose rationally, idealizes certain human qualities and characteristics that are different variations of the theme activity (e.g. Dean, 1995; Garsten and Jacobsson, 2013). But the modern making of the “employable self” through various organizational settings such as schools and corporations is not only about identity formation and regulation according to certain norms and ideals, which is a standard perspective; it is also about the stratification of societies, which have implications for people’s general social and economic status and standing.

In order to substantiate this argument, in this essay I will offer an analysis of what kind of people are made in two of Sweden’s most important institutions today: The elite business school The Stockholm School of Economics, founded in 1909 by the Swedish business community and the country’s only private university, and the state-owned social corporation Samhall that was founded in 1980 by the then center-liberal government. Today, Samhall makes up a central part of the social-democratic government’s labor market policy. Key to my analysis of these two prominent institutions are the notions of consecration, that is, the social and moral promotion of individuals through processes of sacralization (see Accominotti, 2021; Holmqvist, 2017), and desecration, that is, the degradation of people’s social and moral standing through processes of desacralization (e.g. Newman, 1988; Pargament et al., 2005). Indeed, consecration is critical to elites’ legitimacy to act as a powerful group in society at large; as Weber (1946: 262) famously concluded: formal authority positions can only become socially legitimate and influential if they are transformed from objective aspects of power into rights that are ‘sanctified’ (see also Bourdieu, 1996: 116–117; Durkheim, 1973: 175). As Pargament et al. (2005: 60) noted, however, history is full of examples of people’s perceptions of sacred loss or desecration, that is, fall from grace (see also Newman, 1988). Desecration occurs when people fail to re-produce dominant social norms, thus losing essential cultural and social capital, eventually resulting in a status of marginalization and exclusion (cf. Bourdieu, 1984).
Despite Sweden’s reputation for egalitarianism and social democracy, the country is today representative of a global neoliberalization and financialization, manifested by growing social and economic inequality and a wider separation between classes (e.g. Aaberge et al., 2018; Offer and Söderberg, 2016; Piketty, 2020). A market-based way of organizing society characterizes most sectors, including health care, pensions and education; the private corporate sector dominates the labor market morally and socially by idealizing deregulation and entrepreneurship—as a result, “new public management” is a widespread phenomenon (e.g. Hammerschmid et al., 2019). The relevance of an organizational analysis of stratification in a neoliberal society should therefore not be regarded as limited to Sweden only, but should be useful for understanding how key social institutions in nations’ economies make certain people employable and powerful through processes of consecration, and others powerless and dependent through processes of desecration, and what the social and political consequences are.¹

The Elite Business School: Consecrating Students as Leaders

The Stockholm School of Economics (SSE) is an institution that I ethnographically studied between 2016 and 2018, focusing on student life and student socialization, and examining how students were constructed as leaders and elites in terms of their identities and selves (see Holmqvist, 2018). Founded in 1909 as a private university by the Wallenberg family, Sweden’s leading financial dynasty that is in control of many of the country’s leading corporations, and that has maintained close relations to the Swedish social democratic party for decades, the SSE is widely considered Sweden’s elite business school, educating future leaders in business and finance, but also leading decision-makers in the economic-political sphere; the current social democratic minister of finance and the current governor of the Swedish national bank are but two examples of graduates from the school.

The SSE admits the very top of Swedish students; they have the best grades and are commonly considered the ablest and most intelligent, also the ones that are deemed the most employable of all students in Swedish higher education, destined for higher duties. According to my observations, the SSE teaches students the professional skills that are deemed necessary to manage today’s economy, for example, microeconomic analysis and corporate finance. But much in line with other elite business schools, students also learn what social and aesthetic codes are necessary to master in order to exercise power (see, e.g. Anteby, 2013; Schleef, 2006). Through a number of rituals and practices, for example, the illustrious admission processes that are organized by the student union; confirms the students’ status as elites also, the social environment offered, for example, the majestic school building, and the content of the courses that promise to educate future managers and decision-makers, the school, much in line with other elite schools, consecrates its students, that is, it socially and morally elevates them, turning them into a sacred class with the legitimacy to act as future leaders (see Jackall, 1988; Khurana, 2003).

The Social Welfare Organization: Desecrating People as Disabled

Fully owned by the Swedish state, Samhall is Sweden’s largest corporation. I ethnographically studied this institution between 2002 and 2006, paying particular attention to the way Samhall’s occupationally disabled employees acquired certain identities and selves when working in various Samhall premises (see Holmqvist, 2005; Holmqvist et al., 2013). Founded in 1980 by the then center-liberal government, Samhall is an essential part of the current social-democratic government’s employment policy: The organization hires long-term unemployed individuals, that is, the least employable in society, and then offers them “adapted work” in their industries and
service-programs as part of a rehabilitation scheme. Employment with Samhall requires that the unemployed person is officially declared “occupationally disabled” by the Swedish Public Employment Service, which takes place after the agency has considered the person unable to find a job on the regular labor market (see Holmqvist, 2009).

According to my observations, the work offered at Samhall is, typically, of a simple kind, for example, highly repetitive manual labor or cleaning, and could even be labeled “dirty work” in the sense of degrading employees’ social status. The work offered, unintentionally of course, contributes to constructing employees as disabled, irrespective of whether or not they suffer from any bio-medical disorders; employees eventually start to consider themselves dependent and helpless, resulting in the desacralization of their social standing (see Carrier, 1986; Scott, 1969). In stark contrast to the SSE students, Samhall employees are eventually considered the most “unemployable” of all people in Sweden; official statistics suggest very few of them find a regular job as a result of the stigma of “occupational disability” (cf. Tyler, 2020). From a social and even esthetic point-of-view, Samhall degrades its members, reducing their value in terms of their embodied symbolic and cultural capital (Bourdieu, 2001); as a stigma, disability is worse than being unemployed; hence, at Samhall there is a personalization of the social problem of unemployment (see Garsten and Jacobsson, 2013; Mills, 2000).

A Comparative Analysis

There is indeed a wide discrepancy between what happens to people in a sheltered workshop like Samhall and what happens to students at an exclusive business school such as the SSE. But today’s Swedish economy, based on a neoliberal program of privatization and marketization of the economy, not only contributes to the construction of the successful, highly employable elite business student, but also the creation of the “abnormal,” unemployable, occupationally disabled employee through institutional consecration and desecration: The education and social organization that the business school SSE offers its students create and maintain a power elite in Sweden, which functions in accordance with the demands of today’s labor market, where individual ability, commitment, entrepreneurship and activity are rewarded and encouraged: The SSE occupies a unique position in Swedish society to maintain these ideals through its close connection with the business world, particularly the finance industry; to this extent, the students become a “sacred group” through the influential positions that await them (see Alvesson, 2011).

Samhall’s function and purpose, on the other hand, is to provide labor for a sector of the market that deals with simple work: By diagnosing and designating people as disabled, and then offering them “appropriate work,” a well-intended welfare system contributes not only to maintaining class distinctions; but also to upholding the function of a labor market that thrives on re-producing segregation through rituals and practices of desecration. In other words, it is Samhall’s task to manage the other side of the coin of today’s labor market, where some people are disposed of as they are considered less valuable and unattractive, to which an institution as the SSE makes a significant contribution, essentially by teaching its students capitalism, both practically and spiritually. The principles of employability for the occupationally disabled are the same as for the business school students: a capacity for activity: Samhall recruits people that society has rejected, sometimes for bio-medical reasons, but usually because of their social, communicative and esthetic characteristics and abilities are not considered sufficiently attractive given today’s demands as stipulated by a financialized economy (see Ho, 2009; Rivera, 2016). By socializing people as occupationally disabled, Samhall makes them, however, ready for work in society’s worst-paid and socially most impotent spheres. The SSE creates a power elite based on a notion of status and supreme moral standing, Samhall contributes to its opposite, based on the same
neoliberal ideals. Both the SSE and Samhall are thus important institutions in a neoliberal system, but for diametrically different purposes.

The “knowledge” acquired at both the SEE and at Samhall is to a lesser extent about tangible, vocational skills, and more about acquiring an identity for employment at the top and the bottom of society. At the SSE, students learn a symbolic, imaginary behavior of power, at Samhall a practical and real “occupational disability,” that is, “impotent” and dependent and helpless behavior. Both are in demand in today’s Swedish segregated labor market, where the behavior of the business school students is about occupying jobs, for instance as management consultants and investment bankers, which are often very well paid but also often very trivial in an intellectual sense. The behavior of the Samhall employees is also about occupying simple work, but which, by comparison, is not well paid at all.

For the first group, it usually means a prosperous and privileged life, for the second group a significantly less favorable economic and social situation is on offer, which in turn may translate into poor living conditions in relation to residential neighborhoods, children’s upbringing and schooling, personal security, individual health, and so on (e.g. Harrington, 2016; Lareau, 2003). Furthermore, for the first group, it often means being esteemed, respected and attractive. For the other group, it usually means being regarded as unattractive and even stigmatized as “disabled,” the ultimate form of desecration in social terms. As a Samhall employee, one is hardly worth investing in either in a social or economic sense: The “social credit rating” is strongly contingent on one’s institutional affiliation (see Bourdieu, 1996).

“Careers” as Elites and Disabled

The creation of identities in each institution itself is organized along similar lines: both the SSE and Samhall are classic institutions, almost of a “total kind” in Goffman’s sense (1961), based on three fundamental processes of consecration and desecration through which a person’s “career” is formed, in this case as a future power elite and as occupationally disabled persons, respectively.

The first involves a selection process of certain people as SSE students and occupationally disabled persons at Samhall, respectively. This selection takes place mainly when high school students are admitted to the SSE, many of whom come from a privileged upbringing, and when the long-term unemployed are classified as “disabled” by the Swedish Public Employment Service. Selection is the first important step in a large social classification and assessment of people’s value and status, which will affect their future in a number of pervasive ways.

The second is the segregation of the SSE students, on the one hand, and Samhall’s disabled, on the other, in relation to the outside world. This is done by the exclusive admittance to the SSE and the employment in Samhall, as well as through the social processes, entry rituals and ceremonies that dominate each institution. Samhall is sometimes called a “sheltered workshop,” but the SSE is at least as “sheltered” in the sense of being socially cut off from the rest of society.

The third is the institutional socialization inherent in being either an SSE student or a Samhall employee. In the former case, this is about interacting with other elite business school students, leaders and decision-makers in society, influential people visiting the school for guest lectures, and more, that all in all consecrate them as elite (cf. Anteby, 2013; Schleef, 2006). In the latter case, it is about interacting with other occupationally disabled colleagues, supervisors and the physical work environment (for instance assembly machines and tools), and, most importantly, being part of an environment that constantly defines them as “disabled,” for example, by offering them “work-for-the disabled,” thus resulting in an ongoing degrading of their social and moral standing, in the view of themselves, and others (see Scott, 1969; Tyler, 2020).
For the business school students, the relationship with the institution usually means a lifelong positive engagement; for the Samhall employee, however, a lifelong stigma. During the “education” offered by both the SSE and Samhall, the messages are in themselves diametrically opposite: in the former institution, members are constantly confirmed as “elite” and “leaders”; in the latter as “disabled” and “unemployable,” which is a result of both internal social relations and rituals as well as the external environment, especially today’s labor market and media’s way of describing these institutions, as an “elite school” and a “sheltered workshop” respectively: The consecration that the students of the SSE undergo, for example in connection with admission or graduation, prepare them to assume roles and positions in society that will enable them to exercise power and influence; while in the case of Samhall, processes and rituals of desecration have the effect of preparing the employees for roles and positions as powerless, without any significant ability to influence anything. Both take place in the context of the current Swedish economy and labor market, and both institutions are essential for maintaining this system. Put simply, one could describe the SSE and Samhall as two important classifying and socializing institutions in Swedish society, each of them aiming to produce employable or perhaps “useful” people for diametrically different parts of the economy and the wider social machinery. It is therefore important to understand their respective social functions, rather than concentrating solely on what is happening within each business.

Medicalization in Consecrating and Desecrating People

In many ways, Samhall is a special institution since it only employs people with various “occupational disabilities.” However, in many cases, according to my observations, these do not represent any real bio-medical problems but have more to do with external factors, such as weak regional labor markets, resulting in relatively many people being long-term unemployed in certain places of the country, and then classified as occupationally disabled by the public employment agency. Hence, it can be argued that today’s labor market “makes” people disabled, not in a simplistic sense of becoming physically and/or mentally impaired, but in a sociological sense of being designated as “unemployable” and “deviant”: Any problems by an individual in getting a job, which usually have social and economic causes, are made into a personal medical problem, that is, medicalization (see Ballard and Elston, 2005; Conrad, 2007). Medicalization is commonly understood as a way in which society controls people, but also degrades their abilities: By transforming a person into a “disabled person,” he or she is considered only suitable for simple tasks, such as “work-for-the-disabled” offered by Samhall (see Holmqvist, 2009). Therefore, medicalization may be regarded as a mechanism by which people are made powerless, that is, degraded, socially, morally and spiritually. Hence, Samhall and the SSE appear as vastly different worlds.

But here too there are interesting parallels between these two social institutions. SSE enrollment sometimes is the result of medicalization: It takes place primarily in certain social environments in and outside of the capital of Stockholm, with the exclusive and wealthy community of Djursholm, an area where Sweden’s economic elite resides, appears as a stand-out example; the local high school being a relatively large provider of students to the SSE, year after year. It has been popular in Djursholm’s elite high school to consider and/or classify pupils as dyslexic. The diagnosis gives pupils advantages, such as prolonged time to do tests. This positively impacts their ability to earn very high grades, which is necessary in order to be enrolled at an institution such as the SSE (see Holmqvist, 2020; see also Blanchett, 2010; Hale, 2015).

Hence, medicalization in an elite community earns much more positive returns than the one that takes place in Samhall’s world, illustrating the fact that for some groups in society medicalization is a mechanism of consecration; for others a mechanism of desecration. Indeed, in a neoliberal society, where all is about enacting “the enterprising self,” health and disability becomes a social,
rather than medical issue: active; entrepreneurial, self-managing people are considered healthy, which is typical of elite business school students and other elite groups (see Anteby, 2013; Schleef, 2006); while those that don’t display such characteristics are considered unhealthy and disabled (see Bauman, 2007; Holmqvist et al., 2013; Maravelias, 2020).

Being officially classified as “occupationally disabled” by a government agency, against a background of a labor market that rewards people that manifest certain social and esthetic behaviors, means that certain doors in life are closed. Being classified as dyslexic in an elite community means that doors are opened instead. Based on the example of Djursholm in Sweden, and seen against a background of the same labor market, dyslexia can be regarded as an “elite diagnosis.” Thus, who is considered “employable” is very much a sociological issue, and has to do with the function of today’s labor market: The elite business school SSE produces “employable” people for today’s financialized economy, even role models, i.e., people who are looked upon as leaders; while Samhall produces the opposite, sociologically speaking, the “abnormal” and disabled, i.e., the powerless. One group is expected to lead, the other is expected to obey. However, the organizational processes and contexts are similar, as are the “skills” conveyed by both “educational institutions”—in the case of the SSE to make some people powerful through consecration, and in the case of Samhall to make others powerless through degradation and desecration.

Conclusions

In this essay, I have discussed how a neoliberal society such as Sweden contributes to consecrate some groups in society as elites, and desecrate others as disabled. I have drawn on my ethnographic studies of two of the country’s most important institutions: The private elite business school The Stockholm School of Economics (SSE), which educates people for decision-making positions in business, finance and the economic-political sphere; and the country’s largest corporation, the state-owned Samhall that offers “occupationally disabled” people work within the current social-democratic government’s labor-policy regime. My argument has been that both these institutions create and maintain social distinctions that are functional for the operation of the wider economy: The SSE socially and morally consecrate people as leaders and elites, giving them the legitimacy to manage and control the economy, and gain substantial social and economic benefits. Samhall desecrates people by classifying and socializing them as occupationally disabled, making them employable for work in society’s least attractive and least well-paid sectors. In comparing the two institutions, I have suggested how consecration and desecration are deeply intertwined in re-producing neoliberalism, and I have paid particular attention to how such a system is based on medicalization whereby people are socially constructed as disabled, expressed through people’s social and aesthetic behaviors. Hence, organizing in neoliberal societies is not only about the making of certain identities and selves that are more or less adapted to the demands of the labor market, which is a standard focus in the organization-sociological literature; it is also about the re-production of classes, thus resulting in a social and moral ranking of people with significant economic, social and political consequences.

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Note

1. This is a substantially reworked text that originally appeared in Swedish in my book “Handels – maktelitens skola”, see Holmqvist (2018), on Sweden’s elite business school The Stockholm School of Economics. The author is currently working on publishing this book in English.

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