Myrdal formally joined Sweden’s Social Democratic Party in 1932. He marked the occasion by writing an essay entitled ‘The Dilemma of Social Policy’ – which he described as a ‘moral’ one. (There is an arresting symmetry in his choice of language here and the usages he later deployed. In 1944, one of the crowning achievements of his career was the publication of *An American Dilemma: The Negro Problem and Modern Democracy*, which he then diagnosed as a ‘moral’ issue.)

His 1932 essay, intended to promote the interests of the Social Democrats, read more like a university seminar paper than a political tract. He traced the evolution of the classical liberal posture toward social policy over the past century. This tradition had been rooted in beliefs that government intervention was virtually always suspect. This view had moderated somewhat over the course of the nineteenth century when it became widely recognized that the state should properly provide relief to members of the community suffering from extreme distress. The liberal ideology, however, had become trapped in a dilemma because it still endorsed the ‘utility and necessity of individual responsibility.’ It thus distrusted social policies that ‘could lessen pressures on the individual to be self-sufficient through thrift, prudence, and entrepreneurship.’ When confronted with the crisis of depression-scale unemployment, the classical liberal perspective was inadequate and paralyzed by the fact that ‘helping the unemployed sometimes not only lessens their interest in looking for work, but above all strengthens the unions in their attempts to constantly raise wages…. (E)rgo: unemployment help has caused
more unemployment.’¹ Myrdal further maintained that ‘the upper and middle classes are beginning to lose faith in the societal order on top of which they are floating. And this happens at about the same time as social policies reached the limit where even the more reform-willing within these classes feel that they can’t in good conscience reach further.’²

A dilemma was also imbedded in the socialistic point of view. Socialist reformers had concentrated on unemployment in the current crisis. This was the ‘road of least resistance,’ but it failed to come to grips with a fundamental problem. Social policies in current circumstances, Myrdal insisted, could serve as ‘oil on troubled waters’ only when their benefits were continuously augmented. But, with ‘liberal upper-class interest in further extension of social policy... dampened,’ the situation was ripe for a ‘radicalization of labor opinion.’ There was a risk that workers would come to view all social policies as ‘just patches on the rags’ and to focus their attention on more profound changes in ‘the system.’³

In Myrdal’s view, remedies to these dilemmas should be sought by harnessing the talents of experts to address defined social problems, such as unemployment. This approach was more radical than that of the socialist reformers, though it stopped well short of ‘all-round revolution.’ It was not premised on egalitarianism as an objective, though some leveling of incomes and wealth might follow from measures dealing with specific social ills – for example, the housing needs of the poorer classes. What this added up to was a call for expertly led economic planning. The Social Democratic party came to power in the election of 1932 and was to remain the party of government in Sweden for the next four decades. Myrdal had now established his credentials as an ‘insider.’

**Work with the committee on unemployment**

In March 1932, Myrdal was appointed as a member of an official Committee on Unemployment. In one iteration or another, this Committee had been in being since 1927. Its work had initially focused on the nature and causes of long-term unemployment and some valuable statistical documentation was produced on this topic. With the onset of the Great Depression, the emphasis understandably shifted to the study of cyclical unemployment and its