

Robert Taylor on the fate of Swedish social democracy

Swedish Models

Social-Democratic Sweden has been an understandable inspiration for the Left ever since the 1930s, when it appeared to have found the democratic answer to mass unemployment through the use of demand management economics. Over the years a diverse range of Labour Party figures have waxed lyrical over the virtues of what became known as the Swedish model, a successful socially regulated market economy based on a compromise between the needs of private capital and the demands of organised labour.

Even today socialists around the world look to Sweden as an example of how to reconcile the existence of a huge and generous welfare state founded on universalist principles of provision with a manufacturing sector which can compete effectively on world markets.

Revisionists in particular have been heavily influenced in debates over the role of nationalisation in socialist ideology by a Swedish pragmatism that seemed principled in its commitment to equality and social justice, but did not make a fetish out of the ownership of the means of production, distribution and exchange.

But there are increasing signs that the days of social democratic hegemony are drawing to a close in Sweden. It is not just that the party has dropped to only around a 32% approval rating in the opinion polls and shows no signs of electoral recovery with only nine months before the next general election.

Many of the fundamental ideas that lie at the heart of the Swedish example have lost their resonance in a rapidly changing Swedish society, which is growing more sensitive to both the internationalisation of the country's economy and the rise of a much more individualistic attitude to life.

A recent major study of democracy and power in Sweden commissioned by the government concluded that 'the period of Sweden's history which was characterised by a strong public sector expansion, centralised col-

lective agreements, social engineering and centrally planned solutions is over'.

Ever since the heyday of the model in the 1960s, successive governments have found it progressively harder to make it work.

The social consensus that bound the Swedes together derived from a degree of self-discipline, respect for paternalistic authority and belief in the virtue of large organisations. These have been slowly eroded by the impact of countervailing cultural pressures stressing decentralising solutions, self-help rather than dependence on bureaucracy, and above all a sense of individual fulfilment through expressions of personal freedom rather than public provision.

None of this means that Swedish social democracy cannot adapt to such changes. Indeed, much of its success has come from an uncanny ability to accommodate its basic core of beliefs with different trends in society, which might seem to be inherently hostile to their practice.

There is an eloquent chapter in the party's programme for the 1990s that seeks to find a synthesis between the individualistic and collectivist tendencies in Swedish society. What this attempts

to do is place human needs at the centre of social democratic ideology.

It argues: 'The duty of politicians is to try and shape the conditions so that every individual can realise the dreams and aspirations of both themselves and their loved ones.' But it stresses that there is a severe limitation on how far politics can go in this objective. What social democracy must do is create the conditions in society to enable people to choose their own lifestyles.

The party programme admits the huge welfare state created over the past 50 years has become impersonal, that it has taken over many responsibilities from families and individuals, thereby making them less socially responsible, helpless and alienated. It is concerned that social democracy is seen as synonymous by many Swedes with the over-powerful state.

But the document also seeks to redefine equality and social justice in such a way as to reconcile them with the encouragement of diversity in freedom. It is the very success of social democratic welfare policies that has narrowed income and other differences in Sweden between people, creating the foundations upon which they can

each achieve their own self-development.

Of course, there is an obvious danger in Sweden, as elsewhere, that social democracy ceases to have any meaning distinct from the maintenance of liberal values. In a recent study of the party's political thought, Professor Tim Tilton highlighted what he saw as the distinctive characteristics of its ideology and their translation into policy aims - full employment; universal social welfare provision; industrial democracy; egalitarian wage policy; active labour market strategy; and a belief in collective capital formation.

Today, as Sweden heads into recession, these admirable objectives are in danger

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of being abandoned. In the past the social democrats won admiration in their own country, not just for their competence in government but because they had the self-confidence, the élan to take the initiative, to dominate the public debate. Now the party is very much on the defensive. It has begun to question its own ability to survive.

But nobody should doubt that it can still draw on its own internal ideological resources to mount a counter-attack of ideas. Socialists outside Sweden may have an out-dated view of what is happening in the country, but they can still examine with value the current debate in social democracy. After all, many of the market and liberalising pressures reshaping Swedish society are also making an impact across western Europe. In the search for a new, credible social democracy, Sweden may have lessons after all even if the famous model is now more myth than reality.

