



# Re-politicising Nordic social democracy

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**In the sunlit uplands of social democracy the electorate is shifting to the right en masse. Poor strategy and the crisis of Nordic institutions call for the return of the primacy of politics over economics and a leap of faith into the world of ideas and values**

After a successful decade or so in power, European social democracy is in the midst of another electoral crisis. The centre-right has triumphed in many European countries, bringing to an end the Third Way project of modernisation, and in the process inviting questions about the future of all things social democratic. The welfare state is under attack and the global financial crisis has somehow become a very convenient political tool for the centre-right. They have been extremely successful in shifting the blame for the crisis from irresponsible banking to the reckless spending of social democrats.

The centre-right success story has also been accompanied by the rise of populist far-right politics. Notably, it is in the countries where social democracy has had both an impressive long term track record and enjoyed successful spells in power during the 1990s that these developments are most apparent. In the Nordic countries this is an increasingly worrying reality. The electorate seems to be shifting to the right en masse. Together with centre-right parties, the populist far right is enjoying more and more electoral success. There are reasons for arguing that these two developments are not interlinked, however this essay is premised on the view that both are intrinsically linked to the demise of social democracy.

## The shifting Nordic landscape

Most recently, in Sweden the populist far right party Sweden Democrats (*Sverigedemokraterna*) marched into Parliament for the first time, triggering a political crisis because, as an outcome of their success, both the incumbent centre-right government and the red-green opposition alliance struggled to form a majority government. Pia Kjaersgaard's Danish People's Party (*Dansk Folkeparti*), known for its anti-Islam and anti-immigration politics, has been supporting the Danish centre-right government and kept it in power since 2001. In Norway, the Progress Party (*Fremskrittspartiet*) has now consolidated its position as one of the major forces in Norwegian politics – also with a clearly anti-Islam and anti-immigration ticket. The Finnish political map has always been characterised by a rather strong sense of consensus but the increasing success of the populist True Finns (*Perussuomalaiset*) – widely expected to be one of the relative winners of the General Election in April 2011 – is shaking up that sense of agreement between parties. They have now consolidated their position as one of the "big four" in Finland with support figure of 17.2%, less than one percentage point behind the Social Democrats and the Centre Party.

While the conservative parties and the populist far-right are tabling record-high support figures, the support for most Nordic social democrats is at an all-time low. Arguably, only the Norwegian Social Democrats were registering support anywhere near their usual figures. To some this could mean that the Nordic model of social democracy has finally reached its finite moment. Maybe the Third Way and the 1990s modernisation push was a final attempt to save the movement but even that proved to be a failure.

Nevertheless, it has to be said that this pessimism is overly fatalistic. While it is clear that Nordic social democrats face a very difficult challenge, the current crisis does not imply the end of the Nordic model. Nor does it represent a seismic value shift from solidarity and egalitarian Nordic traditions to harsh neo-liberalism and dark shades of xenophobic nationalism. Rather, it is symptomatic of poor political strategy and a crisis in Nordic institutions.

This presents 21st century social democracy with two central dilemmas. The first is a more general problem for European social democracy, rooted in the neo-liberalisation of the 1990s and the Third Way project of social democratic renewal. The second is a more Nordic dilemma – largely related to the way in which the financialisation introduced from the mid-1980s onwards clashed with Nordic values and institutions.

### Modernisation mistakes

The first of these two dilemmas relates to the Third Way and the enthusiastic programme of renewal that took place during the 1990s. Intoxicated by the possibilities offered by the return to power, European social democrats sought to redefine the political centre and widen their appeal to a broader post-industrial knowledge society. This was done partly in good faith, as it was made clear by many that old-style social democracy would not be able to survive in the post-industrial age.

Yet the long term failure of this reinvention of social democracy rests in the very foundations of the renewal project itself. A shift was taken too far towards the centre into unknown territory. The project appealed to a new electorate but was, essentially, untrue to its own roots and traditional supporters. Here one of the key problems lay in the emphasis of economics over politics – and policy over the very values that underpin them. As a result a financialised and politically diluted social democracy was unable to fight the centre-field battle without becoming, eventually, on the one hand too ineffective and unambitious for right-leaning conservatives and, on the other, untrue and watered-down in the eyes of its traditional base.

A similar reinvention project has been going on within the centre-right and it can be argued that this was inspired and encouraged by third way social democracy. European conservatives have consciously expanded their political appeal and have arguably beaten the new social democrats at their own rhetorical game. As has been seen all over Europe, the conservative parties have now conquered that middle ground in a very effective way. Good examples are the green values endorsed by the Conservative Party in Britain, and the adoption by Nordic conservatives of terminology that flirts with old-social democratic themes such as social justice and solidarity. Rather like David Cameron's Conservatives, the Swedish New Conservatives (Nya moderaterna) are using softer values to appeal to the electorate. Work was one of the central themes of their election campaign and in one of the slogans adopted they claimed to be "*Sveriges enda arbetarparti*" – Sweden's only workers' party. The erstwhile Centre Party Prime Minister of Finland, Matti Vanhanen, also adopted the new social democratic rhetoric during 2009 by claiming that his centre-right government would create jobs in Finland through the methods and means of the Third Way.

### Nordic dilemmas

In the Nordic countries, a more specific dilemma has confronted the social democrats. There has always been, as the Swedish historian Lars Trägårdh has noted, a significant tension between the solidarity values of the welfare state on one hand and a tendency towards nationalism and a slightly

unhealthy sense of pride on the other. Nordic internationalism rested quite comfortably somewhere in between. In other words, the Nordic model had created a just and fair society that was essentially affluent and, according to its own principles, willing to spread its wealth and the good message of social democracy to the less fortunate parts of the world. However, this tension became increasingly pronounced as governments began to flirt more and more with neo-liberal globalisation in the 1990s.

In many ways, this exposed a political gap for populists to exploit which in some cases harks back to old style social democracy and what Jenny Andersson has labelled “peoples’ home nostalgia”. The old social democratic middle became increasingly vulnerable as society, with the support of centre-left governments, was exposed to finance and big business. The combination of new economic values, such as privatisation and generally decreasing levels of government responsibility, can be to a large degree linked to rising cultural insecurity.

The welfare state produced a shared identity for citizens, yet this tumultuous process of change created a vacuum. As a result, in searching for belonging and guidance in the contemporary world, people have been tempted to move towards the choices offered by the populists. The tension between solidarity and nationalism was torn wide open and the new social democrats played a significant role in this process.

Immigration further heightens these tensions. Many of the Nordic populist parties use a very strongly anti-immigration and also anti-Islam rhetoric. In particular, Nordic populist groups tend to talk about the challenge of immigration with regard to the welfare state. For instance, the Norwegian Progress Party (sic) has linked the question of immigration rather openly to the view that immigrants exploit the welfare state: “built by Norwegians for Norwegians.” Obviously, the debate on the Petroleum Fund and who should have access to it is also linked to this debate.

### **The primacy of politics and ideas**

Yet, once again the picture doesn’t have to be painted with such dark and dramatic colours. Research shows that certain core values of social democracy are still alive and that there is a future for progressive politics – at least if you pay any attention to what the electorate really wants. Recent evidence of the widespread acceptance of not only the values of welfare but the broad structures and policies that maintain the welfare state comes from Denmark. According to the Danish newspaper *Børsen*, around 66% of the Danish population is happy to maintain the current level of taxation. This is in and of itself a remarkable result, as the levels of taxation in Denmark are the highest in the world. In addition, according to the Citizen Barometer (*Kansalaisbarometri*) published in 2009, around 75% of Finns would be happy to pay more taxes if that meant better and more widely available welfare services. Similar attitudes have been measured elsewhere.

In other opinion and value research it has been regularly shown that the Nordic citizens value their welfare state highly and share the values that underpin its structures. In fact, the way in which the centre-right has so readily adopted social democratic political rhetoric is perhaps a sign that they have come to terms with the deeply embedded nature of these values – or, potentially, that they have come to share them.

It is clear that the social democrats in the Nordic countries face a serious challenge, not least because of the reasons outlined above. However, as has been pointed out, some of the wounds are self-inflicted and there is a way out of this rather problematic political cul-de-sac.

One potential solution for these problems lies in good old partisan politics. Too much emphasis has been placed on economics over politics and policy over ideas and the values that underpin them. Sheri Berman's work on the primacy of politics serves as a useful reminder to current day social democrats about the importance of "people power" in the history of the movement. However, I would go further than that to suggest that we also need to look at the power of political ideas. Political debates have become rather vacuous and pragmatic. Parties seem to be either uninterested in or afraid of having real debate on political ideas and values. It is clear that a modest leap of faith is needed in this regard.

In order to really bring politics back in, we need to have a frank discussion on values and ideas – what policy is there to achieve – and this can then be the basis for the kind of people power European social democracy will need in recovering from the crisis.

The Third Way has failed, but so might the "new conservatism" in its attempt to redefine the political centre. However, we cannot possibly wait for this to happen. Nordic social democrats, and their European colleagues, need to present a feasible progressive alternative to the current centre-right solutions – and to return to their more traditional values. Here the mechanisms through which this can be done are, at least to begin with, rather straightforward. Social democrats need to listen to citizens and engage in a reflective value debate through which they can again be the party that is in touch with voters. It is possible that economic conditions will provide constraints to what is doable but, at the very least, we do need to remind the centre-right that the origins of this economic crisis were not in the crisis of social democracy.

A pragmatic non-partisan approach to politics will only serve to alienate people further. Politics needs to be re-politicised. This might not be easily done but the crisis is deepening further and the options are limited for social democracy to bounce back without losing all of its core principles.

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