

Social Democratic Dominance (and defeat)

Social Democratic Dominance

- Were in power from 1932-1976
- Then 1982-1991
- Then 1994-2006
- This means 65 of the last 77 years
- Center-Right governments in 1976-82 outspend previous social democratic governments, created a larger deficit and nationalized twice as many industries!
- The current center-right government won on the social democratic theme of unemployment
- 1991 electoral loss: SocDems had carried out a neo-liberal tax reform that caused an economic crisis
- Hegemony: even the right has to accept social democratic ideology in order to win elections!

Social Democratic Policy and The Working Class

- The need to have generous welfare policies so workers have an interest in supporting the party
- The need to have low unemployment so that workers would see the party as a guarantanty they will have jobs

Social Democratic Policy and The Working Class: Unemployment Insurance

- The social democrats came to power during the Great Depression
- In the 1930s the social democratic-peasant alliance introduced unemployment insurance
- To gain Peasant Party support the social democrats agreed to a lower level of support
- The Peasant Party agreed to allow unions to run the funds
- As a result many more people joined the unions, which made them much stronger
- In return, the Soc Dems agreed to control agricultural prices and set-up a producer cooperative with mandatory membership fees

Social Democratic Political Strategy and the Middle-Class

- Marx was wrong: the working class is declining in numbers
- Thus, social democrats need support from the *middle class* in order to win elections
- The middle class is not willing to pay taxes to finance programs that are “means-tested”
- Means-tested=benefits based on need (must be “poor”) rather than citizenship
- If the Social Democrats would continue in power, the party had to create new policies that would appeal to the white-collar segment without alienating the traditional blue-collar working class voters

Universal Policies

- Universalism: addresses the *entire population*
- *social rights* granted on the basis of *citizenship* rather than performance
- Example: I have the right to good health care not because I can afford to pay, but because I am a *citizen*

Universalism Builds Political Support

- If programs are means-tested, beneficiaries becomes “stigmatized”
- Middle-class voters think the poor are lazy and do not deserve benefits
- Thus, levels are very low and the middle class votes for rightist parties
- When the middle class believes it benefits from social policies, it supports them
- Thus, to help the poor, one must also help the middle-class!

Some basic facts

■ Nordic countries (ex. Norway)		US
■ Growth:	3,1%	3,2%
■ WEF rank:	3,4, & 6	1
■ GDP/Cap:	33000	41000
■ Public exp:	48%	27%
■ Inf. Mort:	3,5%	7%
■ Life exp:	79	77
■ Hours worked:	1600	1800
■ In poverty all:	5%	17%
■ Poverty child:	3,5%	22%
■ Social Trust:	59%	33%
■ In prison:	72 /100000	725 /100000

Note: WEF = Economic competitiveness

Other measures

- Human Development Index 2008: Iceland #1, Norway #2, Sweden #7, Denmark #13, USA # 15, CZ #35
- Economist Democracy Index 2006: Sweden #1, Iceland #2, Norway #4, Denmark #5, USA #17, CZ #18

Political parties in Sweden and distribution of seats in parliament

	2006	(2002)
■ Conservative Party (Moderate)	97	(55)
■ Centre Party	29	(22)
■ Liberal Party	28	(48)
■ Christian Democratic Party	24	(33)
	<i>178</i>	<i>158</i>
■ Social Democratic Party	130	(144)
■ Left Party	22	(30)
■ Green Party	19	(17)
	<i>171</i>	<i>191</i>
■ Total:	349	(349)

The Main Causes of the 2006 Electoral Defeat:

- The social democrats did not lose because the voters wanted radical changes in the country's social policies
- The center-right won because they assured the voters that they would not make radical changes
- The social democratic loss represented a victory of social democratic ideology

The causes of the electoral defeat

- Arrogance of power
- Tired, lack of vision
- Didn't discuss unemployment
- Problems with coalition partners (the Greens and Leftists)
 - could not unite on program
 - Greens and Leftists against the EU
 - Leftists would not agree on budget restraints

Causes of the electoral victory

- Unity
- Conservatives (Moderate Party) moves to the center and gives up market-liberalism
- The center party downplays its green profile
- The “fear factor” declined
- “last chance” to show they can show fiscal responsibility

The Move to the Center

- Acceptance of fiscal responsibility and decreased emphasis on lowering taxes
- Acceptance of labor market board and union power
- Emphasis on improving public services
- Emphasis on fighting unemployment
- “the new moderates”

Outflanked

- Social Democrats said that "the jobs are coming", Moderates said that we need political measures to create jobs
- Social Democrats seemed tired and out of a vision, Moderates promised "change".
- The "New Labour" message made voters think that the New Moderates was just a better form of Social Democrats. The voters who could afford the risk, dared voting for the opposition.

Best Social Democrat wins

- Most elections are won by the Social Dems
- When Social Democrats lose, it's most often because other parties are better at seeming to be Social Democratic (1976, 2006)
- or the social democrats are seen as becoming market liberal (1991)
- In 1976, the Centre Party promised to stick to full employment and close down nuclear power
- In 1998, the Left Party acted as the safeguard of the welfare state to Social Democrat cuts

The end – FINALLY!