

DEMOCRACY AND HUMAN RIGHTS

REINVENTING SWEDISH SOCIAL DEMOCRACY

Vital Challenges and Major Policy Choices ahead

Mats Engström
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Sweden's Social Democrats are reviewing policies after losing power in the 2022 elections. Economic reform, social security, combatting crime and segregation, and climate policy are four priority areas.



Leading Social Democrats want to address growing inequality, improve social welfare, reduce crime and thus undermine right-wing populists. However, there are no signs of a fundamental rethink regarding frugal economic policy. Without such a shift, necessary to improve welfare and counter segregation, the party might win the 2026 elections on voters' mistrust in the right-wing government but find it difficult to convince voters in 2030 and beyond.

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INTRODUCTION

Sweden's Social Democrats are an interesting case for progressives around Europe. The party was a major force in shaping the Swedish welfare state with a unique strength over many decades, remaining in government for more than 40 successive years (1932–1976). The identity of many Social Democrats is linked to the dominant role of the party, the creation of the Swedish welfare state, and a clear centre-left majority in parliament over long periods.

But, since 2006, there has been a centre-right majority, and in particular the rise of the right-wing populist Sweden Democrats has changed the balance of power. To reduce the influence of the anti-immigration party with neo-Nazi roots, the Social Democratic leadership has felt a need to compromise with market-liberal parties such as the Centre Party, making traditional Social Democratic reforms more difficult and requiring some painful compromises, such as the abolition of a tax on people with the highest incomes ("värnskatten").

After the 2014 elections, Stefan Löfven was able to form a government that was tolerated by the centre-right to keep the Sweden Democrats from power. But in 2021, the Moderates changed course under a new party leader, Ulf Kristersson, opening the door for cooperation with Jimmie Åkesson's Sweden Democrats. On that basis, Kristersson was able to form a government after the 2022 elections that is dependent on support from the Sweden Democrats as described in an agreement, "Tidöavtalet", which inter alia includes tough measures against migration.

After last year's election, the Social Democratic Party is out of power at the national level (Wingborg 2022). In fact, the party has not been able to form a clear majority alliance in the Riksdag for 17 years, relying instead since 2014 on weak agreements with other parties. In 2026, when the next election is scheduled to take place, it will have been 20 years.

From a European perspective, Sweden's Social Democrats are still among the strongest parties. Recent opinion polls show public support to be well above 35 percent¹. Still, the leadership as well as many members are thinking about the future. What kind of party should we be, how can we regain power? Not only in the next election but in order to shape society for decades.

Partly because of having to make many compromises while in government, there is a feeling of lost identity among Social Democrats. "In 2014 as in 1994, the Social Democrats put the interests of Sweden before the interests of the party," says Tomas Eneroth, an alternate member of the executive committee. He wonders what the long-term effects are for his party when it has to make compromises to form government, and the parliamentary basis is weak. Others have similar views.

The Social Democratic Party needs a new analysis of society, stated party leader Magdalena Andersson in March 2023, after a decision in the party board. She urged critical self-reflection within the party. Together with party secretary Tobias Baudin, she presented four areas where policy development is particularly needed: economic policy, social security, crime and segregation, and climate.

Eleven working groups have been tasked with performing this analysis and formulating proposals for the path forward with a view towards 2030. The next party congress, scheduled for 2025, will decide on future policy.

This process is natural for a party that has just lost power in government. Policy development is needed for several reasons, and when not forced to compromise with other parties in a coalition, the Social Democrats can discuss their own positions more openly. At the same time, by appointing working groups with many younger "up-and-coming" party activists, the leadership might avoid a damaging internal debate and demands for an additional party congress before 2025.

The working groups have described their approaches in a series of articles in the party magazine *Aktuellt i Politiken*. However, one should note that the more operative decisions are made in the influential executive committee of the party. As we now move to a description of how some leading Social Democrats view the future of the party, this may partly reflect some of the discussions already taking place there.

Based on conversations² with eight leading personalities in the party, the party's own election analysis, and public debate, this study will describe some of the major policy choices the party faces heading towards 2030. What picture emerges from present thinking? And what seems to be missing?

GROWING ECONOMIC AND SOCIAL DIFFERENCES

Sweden was once described as an egalitarian society. This picture has changed. In recent decades, social disparities have increased (Andersson et al 2021).

This development does not fit well with Social Democratic values. Although inequality increased under centre-right governments the Social Democratic Party leadership also recognises its own responsibility for what happened during its years in government. Now, "Social Democracy needs to be more clearly associated with equality and reduced social division," states Morgan Johansson, member of the executive committee. And Tomas Eneroth issues a warning: "Social division has increased. Too many people do not trust politics to deliver change."

¹ 38.6% in SCB May 2023.

² Interviews mainly took place during the first half of 2023 and reflect the views at that time.

The population has grown, but the necessary social investments have not been made. “We underestimated the consequences of large-scale migration from 2005–2015,” says Ardalan Shekarabi, another member of the executive committee. “Simultaneously, from 2006 social protection was weakened.”

Increased gang violence has captured the political agenda, while classical conflicts between capital and labour are no longer highlighted as much. Social Democrats have tried to adapt a “tough-on-crime, tough-on-the-causes-of-crime” policy, but as noted by the party election analysis group, the aspect of preventing and combatting segregation has not been concrete enough (Socialdemokraterna 2023).

How can Social Democrats forge the necessary alliances between the working class and the progressive middle-class in this situation? This is a classical question, where Swedish social security for everybody has been seen as key.

For Tomas Eneroth, stronger redistributive policy is needed: “What kind of party do we intend to be? For the well-established middle-class, a party that wins elections but does not challenge current conditions? In my view, we need an agenda for societal change.”

Losing the vote of many male workers in particular is perceived as a significant threat³. Sweden still has a high level of membership in trade unions, but it differs between sectors (Sjölander 2023). “The community of blue collar workers is changing,” notes Anders Ygeman, another member of the executive committee, and continues: “Trade unions organise a smaller part. Many supporters of the Sweden Democrats are not members of a union. For example, many construction workers have become self-employed.”

Another change is that many workers today are born abroad. “We need both a restrictive migration policy and solidarity with all Swedes with a foreign background that are here and make important contributions to society,” says Ygeman: “So far, we have not done enough regarding the second part.” However, as Ardalan Shekarabi notes, the labour market is segregated and that reduces the ability of trade unions to bridge ethnic differences.

Jytte Guteland, member of parliament, emphasises the need to integrate climate policy in the equation: “It is necessary to forge a broad coalition. Between both the economically vulnerable and those who do not think about inequality every day, but who think about the planet.”

RISE OF THE AUTHORITARIAN RIGHT

The Social Democratic leadership nowadays uses the Swedish flag more often than before. A main slogan is that “Sweden should become more like Sweden”, referring to a previous era when social differences are considered to have been smaller, the welfare state stronger and crime not as violent. A tougher line on migration is also considered necessary by the present leadership.

One reason for these developments is a desire to stop the flow of traditional voters to the Sweden Democrats. The distance between the party and especially men living outside of cities is considered to have grown. Issues such as environmental policy and gender equality are used against the Social Democrats, who are accused by some of having gone too far to appease the Green Party.

Matilda Ernkrans, chair of the Örebro party district, sees a wider pattern: “We are facing a battle between the authoritarian right and democratic, progressive forces, as in other parts of the world. That is new.”

There are also those who warn of too strong a focus on men who vote for the Sweden Democrats. “We will not win back male workers by copying the Sweden Democrats,” says Jytte Guteland and continues: “Instead we need better redistribution policy and stronger organisation.” According to her, it is short-sighted to focus on push-back against the green transition of society and not prioritise the engagement of progressives in the cities.

Research results highlight the risk of adapting policy in order to appease parts of the working class that are regarded as critical towards migration, gender equality, LGBTQ rights and green policies. Losses among other voters might end up being greater (Fürst & Sjölander 2023, Abou-Chadi, Mitteregger & Mudde 2023).

Regional differences are part of the equation. Studies published by FES (Andersson et al 2021) and others show that several Swedish regions lag in terms of economic and social development.

A successful strategy in the 2018 election campaign was to attack the Sweden Democrats for supporting the centre-right in policies that had a negative impact on workers. Jytte Guteland would like to see such strong messages again: “It is important to show the conflict between workers and capital, that the Sweden Democrats walk hand-in-hand with the powerful in society.”

YOUTH TURNING RIGHT

In the 2022 national election, young people turned away from the Social Democrats. Right-wing parties attracted 58 percent of first-time voters, the Social Democrats only 20 percent. There is a clear gender divide, with this trend especially strong among young men.

³ In 2010, 8 percent of workers sympathised with the Sweden Democrats. That figure had grown to 26 percent by 2022. During the same time period, support for the Social Democrats decreased from 45 percent to 39 percent. Among male workers, support dropped from 52 percent in 2010 to 33 percent in 2022, while the Sweden Democrats increased from 10 percent to 33 percent. The Sweden Democrats have also won workers’ support from earlier sympathisers of the Moderate party. Source: SCB:s partisyniundersökningar.

How can this be explained? As chair of the youth organisation SSU, Lisa Nâbo observes that the situation among young people is extremely polarised already from early age. “But there is one common denominator,” she says, “and that is a sense of lack of control over life, one’s personal future, society. By encouraging empowerment, control and security, polarisation would decrease and support for the Sweden Democrats be reduced.” It’s about jobs, good schools, housing. About showing that Social Democrats have solutions to help the young to take steps to grown-up life. “But the party has not spoken about young people, unless it has been linked to gang crime,” states Lisa Nâbo.

“Rejuvenation is needed,” says Emma Fastesson Lindgren, chair of the Social Democratic Students. “The party lacks young representatives. We have not had policies that young people appreciate.”

Another explanation offered is that at the time of the 2022 elections the Social Democrats had been in government for the entire era the current young generation could remember.

Matilda Ernkran points to a wider change: “Young people have been influenced by a more individualistic society than before.” She believes there is a lack of trust in collective solutions. Emma Fastesson Lindgren largely concurs: “Many young people have doubts about the possibility of solving things together. They have experienced a market-oriented school system, waited in hospital emergency rooms, not found good homes.”

Uncertainty over the party’s future foreign policy line can also make it less attractive. “International engagement is very strong among our members,” notes Lisa Nâbo. “Iran, NATO and Sweden’s relationship to Turkey – many members are Kurds. And there is always the Israel-Palestine question.”

BUILDING A MAJORITY FOR POLITICAL CHANGE

There are also positive factors for the party. Big companies making a profit from tax-financed schools is a hotly debated issue, with several scandals highlighted by the media. Issues highlighted by researchers and think-tanks include private schools eroding the tax financing of public schools while having a shortage of qualified staff and often systematically grading too high. This has contributed to a backlash against previous centre-right policies with a clear majority of the public now supporting stricter rules. “Support for market-liberal ideas is lower now,” notes Jytte Guteland. “We have a time window to explain our welfare model with self-confidence.”

A potential game-changer might be the close links between the right-wing parties, welfare capitalists and lobbying firms. This topic is getting more attention in the

public and in media. Party leader Magdalena Andersson has attacked the governing parties for these close links, but so far not taken the full step of advocating stronger legislation on, for example, transparency registers as has been the case in Germany and several other European countries.

Cooperation with the market-liberal Centre Party has made reforms of market-based welfare systems difficult. A key question for the Social Democrats is whether to continue such an alliance or turning more to the left. Currently, the party leadership seems more inclined to close cooperation with the Centre Party.

CHANGING THE ECONOMIC PARADIGM

When in power, the Social Democrats have to deliver improvements to people’s day-to-day lives, states the party election analysis group. This might seem like a simple truth but as the group notes, “too many still feel that in practice it doesn’t matter what political colour the politicians in power have” (Socialdemokraterna 2023). Real improvements of welfare services and social benefits strain budgets, in particular since the Swedish population has grown significantly. “Many years have passed without people experiencing improvements of welfare,” notes Jytte Guteland.

The Social Democrats remain in power in Sweden’s biggest cities, together with various other parties. This is an opportunity to show a commitment to social cohesion and improved welfare, but in, for example, Stockholm the local party leadership has been reluctant to raise taxes and is accused of letting schools down in face of rising costs. Even if the main reason is a lack of financial support from the government, this might be difficult for ordinary citizens to understand.

Change is possible, though. During the 1950s and the 1960s, Swedish public investment was high and the welfare state grew, at a time of significant internal migration in the country.

Now, Sweden’s public debt is among the lowest in the EU. Both trade unions and the youth organisation SSU are calling for more expansive financial policies. “We must change course in economic policy,” says Lisa Nâbo. “To continue reducing public debt, among the lowest in Europe, cannot be an aim in itself.” She does not think that moving from a surplus target to a goal of balanced budgets, as advocated by the party leadership, is enough, at least not in the current situation: “Especially if we are to be successful in combating climate change and improving welfare.”

However, memories of the financial crisis in the 1990s remain strong. Magdalena Andersson then worked for a government that had to fight hard to avoid state bankruptcy. So far, she has not signalled any radical shift away from earlier frugal budget policies.

THE PARTY AS A SOCIAL MOVEMENT

There is a sense of relief in the party leadership that the election result did not lead to destructive infighting. Memories of how the former party leader Håkan Juholt was forced to resign in 2012 are still strong. Now, no one questions Magdalena Andersson, not even off-the-record. On the contrary, many emphasise the confidence she has among voters, according to polls.

However, there are also calls for renewal more generally, both politically and in leading positions. Many in the executive committee are older than 50. Lisa Nånberg is most outspoken: "I think it will be hard, at least with the current team. It seems strange if those who have caused the problem also would be those who would solve it all the way." She and SSU are calling for renewal, and the same is true for the Social Democratic Students

The risk of being perceived as an elite is recognised. Party rhetoric often mentions the need to do politics for "ordinary people". After eight years in government, now is the time for more critical views, according to Anders Ygeman: "Social Democracy has always shown anger about an unjust society. There is a risk we have now become too polished and satisfied, 'fat cats'". Lisa Nånberg suggests this is the time to advocate more radical reforms than was possible while in government: "We would benefit from putting forward proposals like higher capital taxes, cheaper dental care, and so on. In opposition, our role is to show what we really want instead of taking responsibility for things we don't want, as we did during eight years in government." However, so far the party has been rather careful in its alternative budgets in parliament, proposing more spending on the welfare system but not the kind of reforms Lisa Nånberg and others are asking for.

Another discussion is over the party's role as a social movement. "It's about organising," says Emma Fastesson Lindgren. She calls for a social movement against the market school system, for higher taxes on capital and for affordable housing.

"It is an enormous problem that we have so few blue-collar representatives from industry and construction," notes Jytte Guteland. And although some leading party representatives have a non-European background, the trade union leadership lacks that kind of diversity. The youth organisation SSU is an exception with a more representative board, but the chair Lisa Nånberg still issues a blunt warning: "A problem is that when they turn 20 only the students are left. There is no place for the working class in politics any more."

As in other European countries, party membership has declined. Politics is often seen as driven by media coverage and opinion polls. "There is a risk with the 'short-term capitalism of politics,'" warns Tomas Eneroth, and continues: "We need to work for societal change even if opinion polls are not favourable to our proposals." The concept of empowerment is important to him, to communicate that

political engagement is vital. A problem according to Eneroth is the perception that political representatives don't really have the power over day-to-day decisions affecting people's lives: "New Public Management has caused much damage."

Swedish politicians are well aware of the German political landscape. Lisa Nånberg would like to see Swedish Social Democracy develop as a combination of SPD and Die Grünen: "We have a big challenge in combining the green movement with the labour movement." Success in this endeavour is difficult with the centre-periphery conflict resulting in the party losing support in some parts of the country and gaining in others, she notes. However, she sees a risk of party support collapsing on short notice as has happened in other parts of Europe. "I am afraid of a new green party with a better image than the current one, as in Germany, for example," Lisa Nånberg notes, but adds: "At the same time, perhaps such a challenge is needed."

A specific challenge is the threat from the right-wing majority to ban lotteries as a source of party financing, important for Social Democrats that don't have the extensive support of business enjoyed by the Moderates.

SOME REFLECTIONS

The party has kicked off a process of renewal but the results will not be apparent until the party congress in 2025 and publication of the 2026 election manifesto in particular. Given the current strong polling and public confidence in Magdalena Andersson, radical change seems unlikely. However, as several people interviewed for this study advocate, renewal both of politics and of the party leadership will be important to show a party prepared to give Sweden a new direction with a view to 2030 and beyond.

In particular, there is a need to show concrete improvement to the welfare system if the party returns to power after 2026. Simultaneously, the challenge of "breaking segregation" and preventing crime requires large-scale investment in social programmes. It is hard to see how this will be possible without a more significant shift away from the current frugal budget policies.

INTERVIEWS WITH SOCIAL DEMOCRATS

Tomas Eneroth, alternative member of the party executive committee, member of parliament.

Matilda Ernkrans, member of the party board, chair of Örebro region party district and member of parliament.

Emma Fastesson Lindgren, chair of Social Democratic Students of Sweden.

Jytte Guteland, member of parliament, former chair of the youth league SSU and former member of the European Parliament.

Morgan Johansson, member of the party executive committee and member of parliament.

Lisa Nåbo, chair of the youth league (SSU).

Ardalan Shekarabi, member of the party executive committee, chair of Uppsala region party district and member of parliament.

Anders Ygeman, alternate member of the party executive committee, chair of Stockholm party district and member of parliament.

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ABOUT THE AUTHOR

Mats Engström is an independent writer. He has worked as an editorial writer at the newspaper *Aftonbladet* and has many years' experience in the Swedish Social Democrats as a party activist and as a political advisor.

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<https://nordics.fes.de>

Contact/Orders: josefin.furst@fes.de

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Further information on the topic can be found here:
<https://nordics.fes.de/>