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The Pole Star of Social Democracy Has Burnt Out, What Should We Do Now?

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For ages, Sweden has been the pole star of social democratic thought, albeit a fading one. Now it has burnt out, short of international alternatives to the victorious radical right and NATO. Self-critical liberals in the spirit of John Stuart Mill, greens, and leftists need to get together and decide on how to move ahead.

An iconic Swedish progressive song about the imperial *Titanic* hitting an iceberg describes it thus: “It started with a judder on the lower deck.” In the real world of the 1970s, however, market-oriented globalization brought down Willy Brandt’s and Olof Palme’s attempt to build a new Keynesian world order in collaboration with the Global South when national Keynesianism had become obsolete. The French President François Mitterrand had to give up his socialist reforms in 1983, and the Swedish Minister of Finance Kjell Olof Feldt deregulated the credit market in 1985.

The “third way,” subsequently, of Britain’s Tony Blair, Germany’s Gerhard Schröder, the United States’ Bill Clinton, and Sweden’s Göran Persson, among others, was linked to the collapse of the Soviet Union and a new global wave of democracy. However, it was countered by “strongmen,” appealing to ethnic nationalism and acting with the support of countless malcontents.

Swedish Social Democratic leader and Prime Minister Stefan Löfven, as well as Foreign Minister Margot Wallström, tried to overcome the limitations of the “third way” with social democratic internationalism, but they stumbled on the lack of support on part of the West for the Arab Spring. This led to the refugee crisis, the sealing of Swedish borders, and the idea of nativist democracy and welfare, which gained wider acceptance. The next retreat was the application for NATO membership in May 2022, followed by an election campaign in August-September 2022, which was dominated by “hard” issues of immigration and crime, and which lacked any clear alternative for the victims of increasing social and civic inequalities.

The new Social Democratic leader Magdalena Andersson rejoiced at the increase of two percentage points in the vote for her party, but these advances came at the expense of other parties in a possible government coalition. In addition, many abstained from voting. Eight percent of those who previously voted Social Democratic switched to the radical rightist Swedish Democrats, and eleven percent abandoned the Social Democratic Party in the “particularly vulnerable areas.”² The party did not manage to counter the radical right, which won the day. Its victory among the youth in the secondary school elections is even more frightening.

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² These statistics are according to the election survey by the Swedish Public Service Television in 2022.

The social-democratic Swedish pole star is no more. Rightists around the world are jubilant. Condolences from international colleagues and friends fill my mailbox. The universal, social-democratic cornerstone of sustainable development, based on social justice and achieved by democratic means, is more important than ever, but the retreats are devastating. What should we do now?

Insular reforms and NATO are not enough

The quests by leftist Swedish social democrats for more progressive economic policy, regional justice, and welfare reforms—with a focus on better education, healthcare and jobs for all to curb inequality, and the climate crisis—are important alternatives to the far-right thesis of security through ethnic nationalism and police batons. However, there are no ideas on how to influence international power relations and on how to address the crisis of democracy that reduces the national room for action to implement their good reforms. As such, rightists can sustain their support by asserting that it is necessary to bet on protecting “real Swedes” within nativist borders. To counter this argument, there must be an international alternative.

Acting by way of NATO, however, is not enough. Russian imperialism in Ukraine must be contained, but how can this be done best? The countries nearby, including Sweden, feel particularly threatened and must coordinate their defenses. Perhaps it is effective to do so within NATO. But in the long term, the situation can worsen if adapting to the priorities of the military alliance reduces possibilities of (1) countering the fundamental causes of aggression, (such as that of Russia or for that matter by the US and its allies), and (2) of supporting the struggle for rights and democracy, for example, in Turkey and Kurdistan.

Strangely enough, this was not considered in the security policy analysis that legitimized Sweden’s NATO application. The issues were also dealt with very sparingly in the dialogue within the Social Democratic Party. It cannot continue like this. An in-depth discussion about international cooperation is urgently needed.

The Russian attack is not a new evil but part of global right-wing nationalism against the downside of liberalism

It is often said that everything is different after 24 February, but this is not true. From a historical point of view, the Russian onslaught is not a new evil that can be dealt with separately. It is certainly exceptional to start a large-scale brutal war in Europe, but its reasons, motives, and methods are largely the same as that of worldwide conservative neonationalist aggression—in favor of nativist and identity politics, and against democratic freedoms and rights, the rule of law, dissidents, ethnic, religious and sexual minorities, women, immigrants, or poor drug addicts—within and beyond national borders.

Moreover, neonationalism is in turn a reaction to the downsides of neoliberal and ordoliberal (judicial) globalization, combined with the shortcomings of the third wave of rights and democracy that also reached Russia. Today’s Russian aggression is thus “only” the latest, but for us in Northern Europe, the clearest example of this setback. To counter it, it is not enough to describe how people and ideals are trampled, to fight against the perpetrators, and to demand justice. We must also ask ourselves why things have gone so badly and why it is so difficult to counter the deeper causes.

The third wave of democracy began among social liberals and broadly defined social democrats in Latin America and the Iberian Peninsula in the early 1970s. It spread to Asia and Africa and was reinforced by the fall of the Berlin Wall and the implosion of the Soviet Union. Soon, however, the advance of neoliberalism and the continued dominance and corruption of elites undermined the capacity of liberal democracy to offer ordinary people influence, as well as justice and prosperity. Mainstream liberals and social democrats lost much of their credibility. And the more radical democratic left in trade unions, social movements, and civil society groups was usually weak and fragmented; it had no political representation. There is no doubt about it. I am not the only concerned scholar who has studied it for a lifetime.

With the radical social-democratic theorist Wolfgang Streeck,³ it can be said that because global neoliberalism has undermined the possibilities of promoting welfare with the help of democratic decisions, more national autonomy is needed. But that is not enough, even if one adds more international organizations. It is certainly crucial to promote the national room for action by regulating transnational companies and finance capital, but the linchpin in the North, as well as the South, is the lack of powerful pro-democracy movements that can press for such demands and get their governments to implement them as part of social-democratic-oriented development and welfare policies.

Putin and other “strongmen”

Thus, many people who want progressive national reforms have instead been swayed by left-wing populism (which has failed) and, above all, by right-wing nationalism and “strong leaders.”

In economically weak Russia, Yeltsin’s elitist democratization combined with Western-backed neoliberalism and with oligarchs who could seize public property for their own gain. Dissatisfaction with this policy allowed Putin to criticize the spread of liberalism and NATO. He could offer stability, foster Russian nationalism and ideas of its superiority, win elections and the support of the Church, and strengthen his power through the security service, state control, and his own business partners.

In the Global South, outrage over the shortcomings of liberalization, including corruption, also increased. Consequently, for example, the Hindu fundamentalist Modi in India and “strong leaders” such as Duterte and Marcos in the Philippines were able to win elections and acquire absolute power, as did Bolsonaro in Brazil. In South Africa, the African National Congress’s project was destroyed. At the same time, the pro-democrats of the Arab Spring were left to their fate. Syria became an inferno, and the refugee flows increased. Similarly, the West bet on compromises with the military in Burma, which could then crush the democratic movement. These are just to name a few examples.

In the United States, Donald Trump also took over and his successors live on, as do Brexit and neonationalism in Europe—now in Sweden as well. All the while, China’s party-led state capitalism has been consolidated, Hong Kong’s pro-democrats have been imprisoned, and Taiwan’s democracy remains threatened.

Democracy assistance with obstacles and short-term sanctions

At the same time, much of established democracy aid takes on a routinized life of its own, with evaluations and technocratic reforms, while pro-democracy forces are left behind. Moreover, coordination between human rights activists and popular-interest organizations is usually poor, and the exceptions, such as in Chile, Colombia, and Indian Kerala are few and need more support. Meanwhile, the attempts to spread freedom and democracy by military means, as in Afghanistan, Iraq, and Libya, have failed.

In addition, many people in the South, in particular, are now reacting against sanctions policies that hit them harder than Russia. Progressive politicians like Lula da Silva in Brazil fear less popular support and mumble when asked questions about Ukraine, or they are overtaken by authoritarian leaders. In addition, inflation in the Western world is rooted in a shortage of goods due to nationalism during the pandemic and to conflicts such as that in Ukraine. Without policies to solve these problems, austerity policies return to the fore, electricity prices increase, and fossil fuels return to prominence. These trends create debt crises and exacerbate the climate crisis, which hit the weak worst.

Reduced aid to counteract basic problems and the risk of a new Cold War

Consequently, we should do everything to combine the immediate defense against Russia’s aggression and countering its root cause: the liberal democratic wave’s failure to link market-driven globalization with sustainable development and welfare. Instead, Sweden has cut aid to the prodemocracy forces

³ Wolfgang Streeck, *Critical Encounters: Capitalism, Democracy, Ideas* (London: Verso, 2020).

that must be strengthened to solve the problems of plunder and unequal development. Rather, it has made special concessions to the Turkish autocracy.

In addition, Asian allies against Russia and China were also invited to the NATO meeting in Madrid. Other signals, too, indicate that a new worldwide Cold War is emerging. We are experiencing rearmament, nuclear threats, proxy wars, and support for authoritarian allies at the expense of human rights, democracy, welfare, and the climate. These are in a way very similar to the undermining of the antifascist and anticolonial wave of democracy after the Second World War. Is it really a new Cold War we want, and one that is now even more unpredictable and dangerous?

Defense of liberal democracy requires more social-democratically oriented development

The crux, in other words, is that the liberal third wave of democracy has slowly nourished an authoritarian reaction due to its connection to global neoliberalism, continued elitism, and corruption. The principles of liberal democracy can now only be defended and deepened as part of a social-democratically oriented counter-movement for sustainable development: in the spirit of Keynes and with elements of productive welfare reforms and democratic partnership. This counter-movement is much like what evolved in Western Europe three decades after the Second World War, but now also aims to resist a more unpredictable Cold War, humanitarian suffering, and climate disaster.

This requires that the defense against Putin's imperialism be supplemented by specifying the weaknesses that caused the third wave of democracy to fail in Russia, as in most other cases. This way, right-wing nationalist reactions are countered with alliances for alternative reforms. It would be a new historic task for self-critical liberals in the spirit of John Stuart Mill, environmental and left-wing activists, and social democrats who do not back down to neonationalist moods to win elections but revive instead their ideological core of sustainable international development based on social equality by democratic means.

As far as my own studies go, the main things that need to be done can be summarized in six points, but others need to contribute more knowledge and experience:

1. Responsible politicians in NATO countries must show in practice that the security cooperation within the alliance, and the important reception of refugees from Ukraine can really be combined with more, not less, international support for the actors around the world who promote sustainable welfare-based development with the help of human rights and democracy.
2. In addition, NATO cooperation needs to be supplemented with investments in negotiations and compromises for peace and common security (without nuclear weapons) against a new Cold War.
3. At the same time, global autocratization means that much more democracy supporters must become independent of intergovernmental conflicts and be directed towards promoting prodemocracy forces in trade unions and other interest organizations, as well as among journalists, academics, cultural workers, and civic groups.
4. Nevertheless, it is not enough to support freedoms and rights, elections, and anticorruption work. The world is not driven forward by democracy aid alone. My own studies and those of many others show that to gain broad acceptance and strength, democracy support must be linked to cooperation with like-minded partners towards the regulation of finance capital and transnational production (including favorable trade and investment agreements). It must also be linked to development programs based on environmental sustainability, more and better jobs, free education, social security, gender equality, and protection against crime.

5. Unfortunately, different civic- and interest-based organizations, often with separate priorities, find it difficult to come together for this concern, especially when few people have permanent employment and unions are weak. This is especially the case in the Global South. Therefore, international support needs to prioritize trade unions and other organizations that, in addition to their core activities, build broad alliances for political and social reforms that include participatory democracy.
6. This has been proven. It is not impossible! However, transformative reforms, such as social security and democratic partnership, do not grow on trees. Therefore, an investment in studies and exchange of experience is also required, so that researchers, experts, and prodemocrats can help each other outline what is possible.

In the early 1990s, when Olof Palme's internationalism was weakened by the advance of neoliberalism, social democrats and like-minded people in Sweden congregated to renew the agenda. Twenty years later, new attempts were made under Stefan Löfven. They vanished, and now the Swedish pole star has burnt out. It is high time for internationally oriented democrats in Scandinavia and elsewhere, irrespective of party affiliation, to take new steps together.

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