

The Rise and Fall of Swedish Social Democracy

Kjell Östberg

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The Social Democratic Party (SAP) in Sweden held power from 1932 to 1976. The social democracy and welfare state model championed by SAP became so hegemonic that even the radical right-wing Sweden Democrats (SD) support the welfare state. The party's ability to maintain its position can be attributed to the improvement of the Swedes' quality of life through welfare state policies, development of democracy, achievement of income justice, and the expansion of social policies such as health insurance, housing, and child benefits. These policies sought to ensure social justice and secure the support of disadvantaged classes. Kjell Östberg's book analyzes the rise and decline of SAP over an extended historical period, spanning from the mid-19th century—when capitalism began reshaping Swedish society—to the present day. The author aims to understand the rise and fall of social democracy in Sweden within the historical process of capitalist transformation and its aftermath. Employing the Marxist historical method—historical materialism—the author examines the reflection of class conflict on social democracy in Sweden and SAP's response to capitalism's contradictions.

In the introduction, the author discusses various explanations for Swedish Social Democracy's success in the twentieth century. These include the party's shift from class politics to a reformist ideology that encompasses the entire Swedish population while controlling the free market; the transformative impact of the welfare state; the party's organizational strength and its close relationship with trade unions; its effective use of divisions within bourgeois parties; and its ability to build alliances between the working and middle classes. However, the author finds these explanations limited, arguing they overlook the party's relationships with other actors. As a result, the author emphasizes the party's strategic relationship with capitalism and the impact of social movements on democracy. The author presents two main arguments. First, social reforms were not solely the result of the SAP's capabilities. Social movements—some of which the SAP tried to suppress—played a decisive role in implementing reforms and advancing social democracy. Second,

SAP sought to make capitalism more efficient in funding socialist reforms, but failed as it became bureaucratic and integrated into the capitalist state.

The first chapter, “Origins,” examines social movements in Sweden from the 1880s onward. The author argues that Sweden’s industrialization and integration into international markets shaped society in terms of class and social structures, giving rise to new social classes. Because feudalism began disintegrating, dispossessed peasants migrated to urban areas, working in factories. This led to a working class and a large bourgeoisie of factory owners. The author argues that social movements pursuing democratic and social rights became radicalized during this period. The 1879 timber workers’ strike was the first sign of this. According to the author, the pressure of social movements was crucial in recognizing universal suffrage in 1921, including for women. The chapter also explores ideological conflicts between revolutionary and reformist factions within SAP. The revolutionary faction rejected integration into bourgeois democracy and opposed militarism before the Great War, while reformists took an opposing stance. These debates reflected broader conflicts within the Second International.

The second chapter, “Revolutionary Years,” explores the Social Democratic movement during and after the Great War. Radical labor movements marked the period between 1917 and 1921. The revolutionary faction’s belief that workers would not wage war against each other was shattered, thereby strengthening the reformists in Sweden. The revolutionary wing split from SAP. Broader factors shaped the party’s position on capitalism. The 1917 liberal government, supported by social democrats, introduced economic and financial reforms that laid the foundation for capital-labor cooperation in the 1930s. The chapter concludes with debates over industrial democracy. The vision of a “people’s power” distinct from bourgeois democracy, outlined in SAP’s new program, was postponed by the economic crisis of the 1920s and gradual reforms transforming parliamentary democracy. According to the author, establishing a socialist democracy was missed.

The third chapter, “Social Democracy in the Face of Reality,” examines Sweden’s democratization struggles during the interwar period. Östberg portrays the 1920s as an era of radicalization, where mass movements influenced democratic systems, pushing for social reforms. However, by the late 1920s, radical movements began to decline as SAP formulated mixed economic policies to make capitalism more rational and efficient. It was the only party focused on improving working-class conditions and consolidating its power, but it gradually abandoned socialist policies. The author argues that SAP’s success resulted from political, social, cyclical, and structural factors. There were political disagreements among bourgeois parties at the time. Industrialization created new social classes, and the working class needed political representation from parties like SAP. They also established a balance between the bourgeoisie and the working class by advocating for more efficient capitalism.

The fourth chapter, “The Crisis of the 1930s and the Social Democratic Breakthrough,” discusses the Great Depression’s impact on Swedish politics. Östberg explains that the economic crisis and rising unemployment led to radicalization in social movements. SAP shifted from a class-based party to a people’s party by forming alliances with bourgeois parties.

Its economic program was described as Keynesian before Keynes, and the 1932 election set the stage for SAP's 44 years in power. The party formed alliances benefiting large landowners and independent farmers. By adapting to Sweden's changing social and economic landscape, SAP achieved hegemony through class alliances and the welfare state model. The chapter also addresses Sweden's cooperation with Nazi Germany during World War II, despite its official neutrality, which increased pressure on communists.

The fifth chapter, "Harvest Time," focuses on SAP's policies after World War II. Despite expectations, radicalism in social movements decreased. With the Cold War's onset, Marxist terminology faded from SAP's program, and socialist goals were downplayed. The government aimed to reconcile class interests through institutional agreements between labor and capital, with the state acting as a mediator. However, Östberg argues that these agreements limited the right to strike and weakened unions. The chapter also explores Sweden's foreign policy, emphasizing neutrality while aligning with the U.S. and the Western bloc.

The sixth chapter, "The 1960s: The People's Home and Its Cracks," examines the resurgence of radicalization driven by new and old social debates. Class differences emerged within SAP's grassroots, reflecting unfinished welfare state policies and inequalities between blue-collar and white-collar workers. Prosperous segments of Swedish society developed new political, social, and cultural expectations. The chapter highlights Swedish youth's growing interest in post-colonial movements and demand for international government support. Expectations for radical democratic reforms also grew.

The seventh chapter, "The 1970s: A Socialist Sweden?" analyzes the peak and decline of social democracy. Despite significant achievements, SAP lost power in 1976 after 44 years. Economic growth led to environmental issues, and right-wing political discourse began to integrate environmental and anti-nuclear rhetoric, appealing to younger voters and contributing to SAP's electoral defeat. By the late 1970s, economic crises led to austerity measures, diminishing the public sector and paving the way for neoliberalism. This period saw the destabilization of the welfare state model, and SAP's stance on capitalism began to shift, abandoning socialist ideals.

The eighth chapter, "Under Neoliberalism: Social Democracy," explores Sweden's neoliberal transformation. The SAP, regaining power in 1982, adopted neoliberal economic policies, demonstrating its full integration into capitalism. Despite opposition from social movements, the 1986 assassination of Party Leader Olof Palme weakened resistance. Östberg attributes SAP's success to its engagement with social movements, but neoliberal adaptation weakened its economic program and ideological foundations. This loss of hegemony within the working class created space for the far-right SD, who prioritized anti-immigration policies in the 2010s.

The chapter "Conclusions: What Are the Strengths and Weaknesses of Swedish Social Democracy?" summarizes the book's key arguments. The ideological and organizational evolution of the SAP is outlined chronologically. The author emphasizes that Sweden's reforms occurred during the intense class struggle. The reasons for the bourgeois parties' failure until

1976 and later success are explained. The author attributes SAP's decline to its inability to counter capitalism effectively.

The book is a valuable resource for understanding the rise and fall of social democracy in Sweden, primarily through the "history from below" perspective. However, it mainly focuses on social democratic political transformation, leaving a gap in studies of Sweden's right-wing shift. Examining social democracy's collapse from the right-wing perspective would enrich the literature on Swedish politics.