

Swedish moderates launch first attacks on working class

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In the run-up to September's elections, the 'Alliance for Sweden' recognised that it would be disastrous to present itself as an opponent of the welfare state and close collaboration between government, employers and trade unions and instead described its policy as modernisation. Fredrik Reinfeldt, the leader of the Moderate Party, went so far as to describe his party as the new workers' party, committed only to 'streamlining' the existing system. However, the right's electoral victory was less an endorsement of its vague and, as we shall see, duplicitous, election campaign and much more a rejection of the previous social democratic-led coalition.

Social democracy's defeat was a direct result of their failure to fight rising unemployment, especially amongst the youth, and increasing inequality in Swedish society.¹ Having been in office for all but nine of the last 76 years, the Social Democrats, together with their Left Party and Green allies, had their worst results since the 1920s. In effect, their policies paved the way for Reinfeldt and his Christian Democratic, Liberal and Centre Party allies. Although they only have a seven seat majority in Parliament, they are now in a strong position to force through the policies long demanded by Swedish capital but which Sweden's bosses thought the Social Democrats were not implementing with sufficient vigour because of their continued reliance on trade union and working class support.

Whatever the Alliance for Sweden might have said to win the election, the programme of the new government is clearly designed to begin dismantling key elements of the welfare state and other gains made by the working class in the past. This does not mean that they are seeking an open confrontation immediately. Instead, they have begun with piecemeal attacks as they test the level of resistance and prepare the ground for further attacks. This means that militant and determined resistance could force them into retreat and allow the working class not only to stop further attacks but to go onto the offensive around its own programme. There are already signs that this is understood within the rank and file of the trade unions so that their leaders, and even some Social Democrats, have found it necessary to talk left. But, if the working class is to go beyond such rhetoric and into action, there will have to be a break with the methods and politics of the past.

The government's offensive

The first target of the new government is unemployment benefit. Although benefits are administered via the trade unions, until now, the state has contributed to the unemployment benefit funds. Reinfeldt is proposing that unemployment benefit funds 'should be self-financed'. The government's original plan was to cut its payments by 50 per cent and require individual workers to increase their payments to cover this. This would have meant an average increase of some £20 per month (about 275 kronor at time of going to press). In fact, the actual impact would have been very unequal because the proposal would have tied the increases to the number of unemployed members a particular union had. Members of the funds of the Fishermen's Union and the Musicians' League would have had the most drastic increases and bigger

collectives of workers, such as those dependent on the funds of the Hotel and Restaurant Union and the Grocery Workers' Union would also have faced a real blow.

However, in the face of strong opposition from both the LO (Swedish TUC, representing most workers) and the TCO (the civil servants' central organisation) the minister of employment, the Moderate Sven Otto Littorin, retreated and agreed to maintain the system of levelling out unemployment costs between all the unions. Even so, most unions will see fees rise by around 60 per cent, so this is only a partial retreat from one of the most severe aspects of the original proposal.

The government also plans to abolish tax relief on contributions to unemployment funds and on union dues, worth about £80 per year for the average worker. As well as increasing tax revenues, these cuts are intended to undermine union membership, especially amongst the low paid. It also means that it will be harder for unions to recruit young people, who generally work for the lowest wages.

The government is also planning to cut unemployment benefits by limiting access to the fund to 300 days (or 450 days for parents with children below 18 years of age). After 200 days, the benefit will go down from 80 per cent to 70 percent of the average wage in the twelve months worked before being unemployed. After 300 days, the unemployed will be thrown into a 'work and development guarantee' scheme that will finance only 65 percent of the earlier average wage. At the same time, other benefit levels will be set lower.

The message is crystal clear. The unemployed are to be punished to force them to accept whatever job is available. The long-term unemployed will be hit hardest. The goal, of course, is to increase the number of workers on low pay and poor conditions. A number of measures for keeping unemployment down, such as the 'free year' by which workers could go on leave for a year on 80 per cent of their wage, if an unemployed person replaced them, state funded 'plusjobs', scholarships and education opportunities for the unemployed, will be abolished altogether. Added to this, there will be radical cutbacks in the employment agency at the same time as the government is inviting private agencies and recruitment companies, such as Manpower, to play a bigger role. This will result in the creation of more part-time and insecure jobs and further weaken the trade union movement.

The new government will pay less sick pay and health insurance contributions will be raised. The bosses will also be granted the right to demand a medical certificate from the first day of sickness, rather than the sixth. So a general attack on living standards and an increase in discipline and surveillance over the work force is the government's cure for the growing numbers of workers on long-time sick leave, much of which is caused by stress and insecurity at work.

Not surprisingly, the new government will, on the other hand, increase benefits for capital. It will be cheaper for the bosses to hire young people and those who have been unemployed for more than six months. They are already talking about introducing something similar to the CPE-law proposed in France earlier this year, eradicating the rights of young workers under the age of 26 for the first two years of employment. The Centre Party was the main proponent of this proposal but, fearful of losing electoral support, the other parties of the alliance were more careful in their comments before the elections. Now, however, according to Maud Olofsson, the Centre Party leader and commercial minister, the new government is 'considering' this.

Lowering tax for the rich is also on the agenda. The government will start by cutting the tax on capital fortunes by 50 per cent and abolish it completely next year. The many millionaire politicians in the Moderate Party will obviously benefit from this. Tax reductions will be based on earnings; the more you earn, the more you get back. For the poor, the reductions will, at best, only partly offset the increases in

trade union and insurance contributions.

Privatisation and cutbacks

Part of the cost of tax reductions will be paid for through a programme of privatisation. From a total list of 55 state-owned companies, only two, LKAB (iron ore processing) and Vattenfall (energy) have been excluded from possible sale, and the government expects to raise over £10 billion over the next three years. The first six have already been identified. They are: Vin & Sprit, the state monopoly alcohol company; TeliaSonera, the telephone company; the Nordea Bank; OMX, the company which owns the Nordic and Baltic stock exchange; SBAB, which finances housing,; and the real estate company Vasakronan.

Full privatisation of Scandinavian Airlines System and the state railway, as well as other parts of public transport, is already being discussed. Public health services are to be further commercialised and the new government has also repealed the law excluding acute hospitals from privatisation. A number of state owned institutions for research, such as the Working Life Institute, the authority for the development of the school system and the authority for animal protection, are to be abolished. Other authorities dealing with discrimination against women, immigrants and lesbian, gays and bisexuals are being fused to save money for the state.

The government will also continue to sell off as much as possible of the remaining public housing and encourage people to buy their houses. This will mainly be done by increasing the costs for those living in social housing. State subsidies on interest rates for public housing associations will be scrapped, forcing rents up. Similarly, the 20 per cent subsidy for public building will go and this is expected to lead to a rapid reduction in new projects. At the same time, subsidies that lower the cost of private housing will remain. The current tax on detached houses will be abolished altogether. In short, the government will make housing more expensive for the working class and cheaper for the upper middle classes and the rich who can afford private housing.

Harsher pressure on youth and women

Apart from the attacks on young workers, which are part and parcel of the attacks on the unemployed (Sweden has the third highest rate of youth unemployment in the EU), the Alliance for Sweden is also in the frontline of enforcing stricter discipline in the schools. Schools minister Jan Björklund, of the People's Party, is advocating a system of exams for the youngest seven year olds. At present, students are only graded from the second year in upper secondary school, when they are 14 years old. Harsher discipline is also advocated and teachers are to be given more rights to punish students. Nothing is being said about the need to employ more teachers and assistants as a solution to the problems stemming from poverty, racism and alienation. The new minister also wants to separate the 'academic' education programmes from the practically orientated ones. Altogether this is classic bourgeois educational policy in which the first priority is strengthening the school system's function as a 'sorting machine' to separate out the manual workers, white-collar workers and technicians of the future.

Government policy on childcare will reinforce inequality between men and women. Rather than strengthening the existing system of parental insurance, they propose to reintroduce childcare benefits. In this system local councils will pay approximately £415 a month to parents who decide to stay at home with their children for more than 18 months. Given the existing sexist gender roles, this is much more likely to affect women than men. At the same time, because the benefit is too low to be an adequate replacement for a wage, many working class families will be unable to make use of the benefit at all. In reality, therefore, it is likely to be taken up primarily by middle class families who can afford to live on one income, although here, too, it is likely to be women who remain at home.

The picture is even more depressing when it comes to environmental policies. The government's priorities can already be seen in Stockholm. Rather than encouraging further decline in car use, more motorways are to be built. At the same time, prices on public transport will increase and the 'unity tax', which levels out prices for those travelling long distances, will be scrapped. On the other hand, taxes on fuel will be cut. The government also plans to retain the nuclear plants, despite a referendum decision against them and the narrow avoidance of a major accident at Forsmark last summer. Rather than investing in a programme for the development of renewable energy sources, the government will keep buying electricity from coal plants in Poland and dumping its nuclear waste in the Eastern European countries. A gas pipeline is also to be laid on the bed of the Baltic Sea that is already almost dead as a result of industrial and agricultural pollution. The pipeline is likely to make matters even worse by disturbing loads of stored waste that has been packed together on the seabed.

Needless to say, the government is not only neoliberal at home but an advocate of imperialist interests abroad. More money for the armed forces and a more positive orientation towards 'peace keeping' missions in different parts of the world are certainly on the agenda. Carl Bildt, prime minister in 1991-93 and one of the key European players in the formation of the 'coalition of the willing', which supported the US and UK's war on Iraq, is now foreign minister and has already found time to visit Condoleezza Rice.

Workers' Radicalisation

Opposition to the government has grown as the reality of its policies has become clearer. Opinion polls in December put support for the Social Democrats at 51.5 per cent against the government's 44.5 per cent. More significantly, on 15 November, the smaller syndicalist union called a strike against government attacks, mobilising some 5,500 people in different cities. In addition, two sections of the Industrial Metal Union in the north of Sweden, representing 14,000 workers, called on the LO leaders to announce strike action for the planned day of protest on 14 December. The same demand was raised by eight leading figures in the miners' union and by Janne Ruden, the chair of the Union of Service and Communication Workers (SEKO). Opinion polls in the trade union newspaper and the daily paper, Aftonbladet, reported 66 per cent and 75 per cent support for strike action, respectively. Although the call for strike action fell on deaf ears, LO leaders did feel it necessary to respond to rank and file discontent at the 12,000 strong lunchtime demonstration in Stockholm on 14 December. In her speech, Wanja Lundby Wedin, the chair of the LO, warned the government 'not to confront the world's strongest trade union movement' and ended by threatening that 'if the government brings down unemployment benefits, we will bring down the government'.

Similar fighting talk could even be heard from Social Democrat leaders, such as Sven Erik Osterberg, the former finance market and municipal ties minister, who implied support for more radical action by commenting, after the demonstration, 'when the bourgeois government stabs you in the back, the protest should be much louder. I think the unions have been too collaborationist, I certainly think more should have been done.' Other leaders have tried to obscure the strategic importance of the government offensive. Stefan Lövgren, chair of the Industrial Metal Union, for example, criticised the proposals for being, 'careless and not well thought-through'.

Although the rhetoric from some leaders is testimony to the mounting pressure on them to launch a campaign of strike action that could stop the government in its tracks, the reality is that the official leadership is absolutely opposed to such action. Lundby Wedin has opposed it and so have Sture Nordh, the leader of the civil service union, and Anders Forbe of the Industrial Metal Union. They argue that such a political strike could only be used if the government were 'threatening democracy'.

In other words, they are prepared to see wholesale privatisations, cuts in unemployment benefit and social

service provision, and even the weakening of the organisations they themselves lead, rather than break the rules of the parliamentary game.

This is really no surprise. The union leaders, and the army of union officials who support them, whose role is to negotiate with the bosses and with governments, are thoroughly integrated into the network of committees and commissions that administer the Swedish state. They live in much the same world as the executives and civil servants with whom they negotiate and share similar values. Despite the fact that they owe their positions to the millions of workers who make up the trade union movement, they are not those workers' representatives in the boardrooms of big business but, as Lenin put it, the agents of capital in the workers' movement.

Nonetheless, they cannot entirely ignore their members or allow their organisations to be so weakened that they themselves become unimportant. As long as they remain in control of the union movement, it is absolutely necessary to maintain and increase pressure on them to mobilise that movement against the government. The chief negotiator of LO, Erland Olausson, while emphasising that he was opposed to strike action, recognised that it could not be completely excluded but he explained that, "pressure from our members would have to be really huge". He is absolutely right. But what kind of pressure could force him and his fellow bureaucrats to agree to lead strike action against the government? The answer is clear: the prospect of strike action against the government without LO's agreement!

In other words, militants such as those in the Industrial Metal Union and the Miners' Union, who immediately recognised what would be necessary to stop the government, now need to organise themselves independently of their leaders and across the different unions to campaign for mass strike action, with or without official backing. In the event of the LO deciding to take up the call for action, this will only be in order to regain control of the movement and rank and file organisations would have to fight to maintain their independence and ability to prevent any dilution of the action or sell-out of its aims.

[B]Social democracy and the Left party[/b]

The electoral defeat and the impending attacks have, not surprisingly, provoked debates within the Social Democracy and the Left Party, the two major bourgeois workers' parties in Sweden. There is a reaction both from the right and the left wings of these parties. In the Social Democracy, former MPs such as Erik Åsbrink, once a minister of finances under Persson, in an article in Dagens Nyheter (Daily News) argued that the party "lost the debate" about unemployment because it did not propose the same kinds of measures as the bourgeois alliance. Such arguments, however, are not echoed within the rank and file of the party.

Morgan Johansson, former social services minister, in the same paper, was only stating the obvious when he argued that the Social Democrats lost because they had not fought for policies that benefited the working class and that this also explained the rise of the far right party, the Sweden Democrats. "When unemployment and marginalisation are established, fascism sneaks in," he concluded.

Since the elections of 1994, Social Democracy's electoral support has shrunk from 2.5 million (45 per cent of the total vote) to less than 2 million (under 35 per cent) last September. It has also lost 100,000 members. For Johansson, and others like him, the priority now is to distance the Social Democratic Party from the previous government and leadership by focusing on the promotion of social welfare issues and emphasising "working class interests". Similarly, the social democratic newspapers are supporting Carin Jämtin for the party leadership. She is presented as belonging to a younger generation of social democratic leaders, not tied to the outgoing leadership and one who has maintained "traditional working class values". The strategy is clearly to restore the party's working-class credentials while in opposition and to wait the four years for the next election.

Much the same is true of the Left Party. In 1998, it won over 630,000 votes (almost 12 per cent) but this collapsed to just 320,000 (less than 6 per cent) last September. Having participated in the government that introduced privatisation and other neoliberal policies, it has now discovered a capacity for self-criticism and brought its left wing to the fore. Their argument is that the party should not compromise its politics just to ensure the formation of a government alliance with the Social Democrats. Lars Ohly, the Left Party leader, has been prepared to accept this critique, if only in words. In an interview for the paper of SEKO (Service and Communication Workers' Union) he also regretted some of the deals the party struck with the government while in office and said that the 'left profile' of the party was what was most important in the coming period. What both wings of the party avoid is any criticism of the party's fundamental political strategy, which is precisely to gain seats in a bourgeois government.

How to fight back?

Any effective campaign has to begin by recognising that the policies so far unveiled are only the first step towards the dismantling of the major social reforms of the last half-century. For Sweden's bosses, just like those of Germany, France or Austria, privatisations, the creation of an expanding low-wage sector, the commodification of health and education and the undermining of the trade unions are absolutely essential if they are to maintain their profitability and competitiveness on the world market.

In the short term, this is why a militant campaign based on mass mobilisations, strikes and occupations is absolutely necessary to force the government to rescind those measures it has already introduced. A government defeat over, for example, unemployment funding, would seriously jeopardise its ability to carry forward the rest of its programme. In the longer term, however, it also means that an effective campaign to defend existing rights and conditions will inevitably challenge not only the government's right to govern but the viability of the capitalist system itself. The struggle, in other words, is a political struggle and needs a political leadership committed to the overthrow of capitalism.

For revolutionaries, this means that the campaign against the government's programme has to be fought in such a way as to prepare the working class, politically and organisationally, to go over to the offensive, fighting to replace capitalism with socialism based on workers' councils and democratically planned production. Throughout the working class, in the unions, tenants' organisations, youth groups, women's organisations, unemployed groups, community groups and in campaigning organisations, revolutionaries will, therefore, argue for

? Mass mobilisations against the government's measures to be decided upon by democratic mass meetings.

? For all leaders, whether of the established official bodies or the ad hoc organisations that are set up in the course of the struggle, to be accountable and replaceable by such meetings

? Co-ordination of campaigns at local, regional and national level through delegate-based action committees

? Direct action based on mass mobilisations, pickets, strikes and occupations to prevent the implementation of government policy and to support all those defending working class interests.

? For an indefinite general strike against the cuts. Militants should demand their leaders should organise such a strike. If not workers need to build rank and file co-ordinations to build a general strike including the creation of councils of action to link up, co-ordinate and lead the strike and anti cuts movement.

At the same time, they will fight to win the best activists and militants to revolutionary politics and the need to build a new party, based on a programme of transitional demands, as the Swedish section of a new, Fifth International.

However, even in a vibrant campaign against the government, revolutionaries will initially find themselves

in a minority amongst a majority who, to one extent or another, identify with one of the main workers' parties; over 60 per cent of LO affiliated workers voted for the Social Democrats last September, despite their record in government. To those, especially those who already agree on the need for urgent action to stop the government, we will argue that they should demand that their leaders use their authority to bring the massive weight of the unions and their parties into the struggle. At the same time, we will explain why we do not think those leaders should be trusted and why they, too, should be subordinated to the decisions of mass meetings.

By using the united front, we can maximise the impact of the campaign. The more effective it becomes at challenging government cuts, the more the real loyalties of the reformist leaders will become clear to their working class supporters.

Endnotes

1 For more on the record of Social Democracy in office go [here](#) ^[1]

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Links:

[1] <http://www.fifthinternational.org/index.php?id=14,581,0,0,1,0>