

The Swedish welfare model: A road ahead? A road to socialism? Or a dead end?

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Abstract

In the wake of the current crisis of neo-liberalism and The New Right, made apparent by the 'financial crisis', but also in the continuing impasse of the Left, many, both domestic and international, commentators and political activists look at Sweden as a possible road ahead for a socialist alternative. In this light this paper re-addresses the longstanding question of what kind of 'socialism' the Swedish welfare model historically was and presently is, in order to determine its limits. I argue that the distinctive trait of the Swedish model is neither the specific institutions of the model nor its 'reformist' strategy – but the fact that it was perceived as a specific form of *socialism*, based on the *ontology* of *class collaboration*: '*the social policy road to socialism*'. Inasmuch as Swedish society via its welfare model ever was a form of socialism, I argue, this is a form of socialism that has much more in common with the various (Neo-) Proudhonist or 'ethical' versions that envisage socialism as the consummation of 'socialist ideals' such as 'social justice', 'equal markets' etc. than with the Marxian conception of socialism as the total overthrow of capitalist social (re)production relations. Being that Swedish 'socialism' of the welfare model builds on a specific conception of socialism as moving 'within' capitalism in order to 'perfect' (or at least 'regulate') it into 'socialism', I argue that already from its inception 'the social policy road to socialism' has been inflicted with contradictions that cannot be solved. As regards politics, from the alternative viewpoint of the *ontology* of *class struggle*, I argue at the same time that current popular struggles to defend the Swedish welfare model are vital for the mobilization and unification of the working class and other social movements in Sweden as means to create the necessary *preconditions* for genuine socialism. This requires, however, that the Left on the one hand drops any previous illusions of the Swedish welfare model as 'socialism' and on the other *unequivocally* supports the popular movements in its defence.

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INTRODUCTION

‘The Swedish Model’ has at least from the 1960s and onwards been under scrutiny, from friend (in envy) and foe (in fear) alike. All other differences aside, what most commentators share, is the idea that Sweden represents ‘a middle way’ of ‘democratic socialism’ to both the more unbridled ‘free capitalism’ of the USA and the ‘command economies’ of the former Eastern Bloc. That is nothing new.

Recent events have re-emphasized this focus on Sweden. In the wake of the ‘financial crisis’, making apparent the failure of neo-liberalism, previous free-marketeters and political leaders in Europe, have embraced regulation of the market, akin to the social model of Sweden. Likewise, as a native Swede, one cannot help but note the debate in the USA, with the right-wing rhetoric of ‘The Town Hall meetings’ and the FOX News propaganda of Sweden as a horrific example of socialism, to where Obama allegedly is moving the USA, with his health-care reform bill. Moreover, with the continuing crises of the political Left in general and the failure of ‘real socialism’, many turn to Sweden in search for a successful example of ‘socialism’. A typical comment I as a Swede have encountered from exponents of the international Left is ‘I would like my own country to be more like Sweden’. To which I find myself replying: ‘so would I’.

The purpose of this paper is to revisit the question of in what sense Sweden is ‘socialist’ and more particularly what kind of ‘socialism’ that is entailed in Sweden’s famous welfare model. What will come out of this analysis is that Swedish ‘socialism’ has very little in common with the Marxian conception, but is rather a particular exponent of both pre-Marxian ‘Proudhonist’ conceptions of socialism and subsequent ‘post-Marxist’ ones from the late 19th century and onwards. Moreover, realities in Sweden increasingly do not correspond to the image of it.

To drive home the points on the limits of conceptions of Sweden as ‘socialist’, I start the analysis with a short overview of the Swedish welfare model (section 1). From there, in Section 2, I describe the particular form of ‘socialism’: ‘the social policy road to socialism’ that is a main characteristic of the self-image of the Swedish welfare model.

In section 3, I critique the limits of this vision of socialism, on theoretical grounds, but more importantly on political grounds, exposing how it is responsible for the political impasse of the Left in Sweden.

In section 4, I suggest a road ahead for the Left, out of this impasse.

1. AN OVERVIEW OF THE SWEDISH WELFARE MODEL

The Swedish government sector is comparatively large with high levels of social transfer. For core social services such as health care, subsidies are substantial and the coverage is universal in relation to citizenship. As statistics reveal (see table 1 below), an era of government expansion to the 1980s, has since been followed by some retrenchment in government provision of welfare, but none of which grounds a perception of a deep-going systematic change in the Swedish model itself. The description of Sweden as an ‘institutional’ welfare state does have its continuing merits.¹

Table 1: Government Consumption as percentage of GDP, 1950-2006

<i>Year</i>	<i>% of GDP</i>
1950	13,0
1960	16,4
1970	22,2
1980	29,8
1990	27,4
2000	26,6
2006	26,8

Source: SCB (Swedish National Accounting Bureau), *PROP. 2006/07:1 Bilaga 2*.

However, these facts notwithstanding, the Swedish welfare model is best described as inhibiting *different forms* of institutional logic, in its different parts.

Social services (health and elderly care, education etc.) most resemble the image of a general welfare state, in that they are almost fully tax-funded and provided as government monopoly, both in terms of production and financing. Social services in Sweden are a matter of social rights and although produced at regional levels (‘landsting’) and municipal levels (‘kommun’) the centralized state, through regulation and auditing, acts as a guarantee for overall social goals such as equal access and equality all over the country and the principle of distribution on the basis of need, rather than the cash nexus of the market.²

Those visiting Sweden will notice that everything from local hospitals, unemployment offices, social security offices and other welfare agencies look more or less exactly the same

¹ For an overview of the Swedish model as ‘institutional’ see Esping-Andersen, G. and Korpi, W. (1987) ‘From Poor Relief to Institutional Welfare States’, Erikson, R. et al. (eds.) *Welfare Research and Welfare Societies: The Scandinavian Model*, M.E. Sharpe.

² These principles are ratified e.g. in the specific laws and regulations that regulate health care, *Hälso- och Sjukvårdslagen*, and primary education, *Skollagen*, in Sweden.

all over the country. The very structure of government welfare helps to ground the sentiment that Sweden is ‘A Peoples’ Home’. Close to universal access also helps explain the enigma that although very wide-ranging and funded by high tax levels, core social services in Sweden continue to have widespread popular support.³ For some time now, a trend of down-sizing (alongside waves of privatization and de-centralization) in social services has occurred in Sweden (see tables 2 and 3), but arguably not to the extent of systematic change.

Table 2: Number of government employed, 1980-2004

<i>Year</i>	<i>Gov. employed</i>
1980	1 509 000 pers.
1987	1 629 000 pers.
1990	1 652 000 pers.
2000	1 321 000 pers. (figure comparable back in time)
2000	1 285 000 pers. (adjusted figure comparable forward in time)
2002	1 317 000 pers.
2004	1 328 000 pers.

Source: SCB. (Swedish National Accounting Bureau)

Table 3: Number of employed in health and elderly care sectors, 1987-2002

<i>Year*</i>	<i>Employed</i>
1987	815 000 pers.
1990	884 000 pers.
2000	770 000 pers.
2002	792 000 pers.

Source: SCB. (Swedish National Accounting Bureau)

* NB! The years are chosen because the statistics are not comparable before 1987 and after 2002, when changes in official statistics were made.

Social security is for the most part not a universal system proper, connected to citizens’ rights, but rather best described as *wage-labor based*. In bulk, it is financed via compulsory payments on the wage to a nationally administered system (*‘Försäkringskassan’*).⁴ This agency, through state regulation and with funding via payments on the wage, as well as some basic support from taxes, administers *a national system* of social security. Both in the incoming and outgoing directions, payments are related to previous wage income. *Social security in Sweden is a nation-based system of ‘income maintenance’, founded on ‘the loss of income principle’*. Fundamental to the system is also the work ethic, ‘*arbetslinjen*’ (‘the work-

³ The first comprehensive and most referred-to study on the popular attitudes towards state welfare in Sweden is Svallfors, S. (1989) *Vem älskar välfärdsstaten?* (Who Loves the Welfare State?), Arkiv. In English an update of his findings are Svallfors, S. (1999) ‘The middle class and welfare state retrenchment: Attitudes to Swedish welfare policies’, Svallfors, S. and P. Taylor-Gooby (eds.) *The End of the Welfare State?*, Routledge.

⁴ Special rules apply to the self-employed. But I leave that aside here.

line'), of 'being at the disposal of the labor market', which is the requirement for qualifying for the social security system.

This configuration of a large, close to universal, social services sector, as well as the 'work-line' in the social security system, is one main contributing factor to the high level of women in the wage-labor workforce in Sweden. This also entails 'the socialization of the family', since both parents usually wage-work in the Sweden.⁵ Swedish social security is wide-ranging and 'generous' in terms of payment levels (currently compensation levels are 75-80 % of the current wage income, but in the 1970s and 80s they were 90 %). The 'work-line', the fundamental principle of the Swedish social security system, has been upheld by state-run labor market policies of re-training programmes for unemployed and by the compulsion for individuals to move to where jobs are to be had, on threat of being cut off from social security. Contrary to some received opinions, the Swedish labor market has historically been quite flexible, and social democracy has encouraged this flexibility with the slogan 'the right to work, but not to your job'.⁶

Exceptions to the rule do exist. Some security systems like pensions, and parental leave have a ground level irrespective of labor market participation, and employment benefits are administered by the unions, but since Sweden historically has an extremely high level of union participation, almost all wage-workers are connected to that system as well. The social security system with its compulsory elements and its national administration has also fostered a sense of community. In that all wage-workers are part of the same system, loyalty towards the system has continued to be very strong.

Within social security, the post-war trend of expansion has since the 1990s been reversed into one of stagnation and, in some cases, relative retrenchment, but arguably only to a marginal extent, as far as the characteristic of the model is concerned (see tables 4-6 below).

⁵ A typology characterization of the Swedish model along these lines is presented in Anttonen, A. and Sippilä, J. (1996) 'European social care services: is it possible to identify models?', *Journal of European Social Policy* vol. 6, no 2.

⁶ Employment levels in Sweden, especially for women, have since the 1970s and onwards been comparatively very high. From the year 1970 to 1990 employment levels continuously rose and reached its highest level at 83 % of the population at the (potential) disposal of the labour market, i.e. 16-64 years old (1990). Over the years changes in the estimation of the population actually 'employed' make comparisons over time somewhat shaky – but statistics between 1970 and 1990 suggest two things: (i) Almost all net growth in the number of people employed was in the government sector. (ii) About 80 % of the net growth in employment 1970-1990 consisted of women entering the labor market. After the turmoil of 1991-1994 in the Swedish economy, employment levels and patterns have changed in the sense that, due to mass-unemployment, levels have as compared to 1990 been lower, and the largest growth of employment since 1994 is in the private service sector.

Table 4: Social security, current prices, in relation to GDP 1980-2006, billion Swedish Kronor

<i>Year</i>	<i>Outlays</i>	<i>GDP</i>	<i>% rel. GDP</i>
1980	90,4	548,6	16,5 %
1985	152,4	899,7	16,9 %
1990	257,6	1 433,4	18,0 %
1995	307,6	1 787,9	17,2 %
2000	333,7	2 217,3	15,1 %
2006	436,4	2 837,0	15,4 %

Source: Försäkringskassan (Swedish Social Security Agency)

Table 5: Social security for “Old age”, current prices, in relation to GDP 1980-2006, billion Swedish Kronor

<i>Year</i>	<i>Outlays</i>	<i>GDP</i>	<i>% rel. GDP</i>
1980	42,2	548,6	7,7 %
1985	72,5	899,7	8,1 %
1990	115,7	1 433,4	8,1 %
1995	155,2	1 787,9	8,7 %
2000	169,9	2 217,3	7,7 %
2006	221,5	2 837,0	7,8 %

Source: Försäkringskassan (Swedish Social Security Agency).

Table 6: Social security for “Illness and Disability”, current prices, in relation to GDP, 1980-2006, billion Swedish Kronor

<i>Year</i>	<i>Outlays</i>	<i>GDP</i>	<i>% rel. GDP</i>
1980	34,5	548,6	6,3 %
1985	58,1	899,7	6,5 %
1990	100,3	1 433,4	7,0 %
1995	86,9	1 787,9	4,9 %
1998	74,6	1 987,2	3,8 %
2000	104,3	2 217,3	4,7 %
2003	132,3	2 459,4	5,3 %
2006	137,6	2 837,0	4,8 %

Source: Försäkringskassan (Swedish Social Security Agency).

Marginal welfare consists of means and needs tested benefits, which are administered at local levels. Its main component is ‘ekonomiskt bistånd’ (‘economic support’), which is a means-tested benefit system for those with an income below ‘basic living’. This system is very marginal. Its total costs, yearly ranges around 10 billion Swedish Kronor, which in relation to GDP is 0,4 % and little more than 2 % of total spending on social security. Being marginal systems where taxpayers in general pay for benefits for ‘the Other’, in Sweden, they are quite unpopular and myths of extensive free-riding in these systems prevail – especially as

regards immigrants on ‘welfare’. As traits of the Swedish welfare model these systems are of minor weight – even by some described as an ‘anomaly’, a leftover of Poor Relief.⁷

2. A ROAD TO SOCIALISM

The specific institutional features of the Swedish welfare model notwithstanding, it is my contention that the distinctiveness of it does not so much lie in its institutional make-up as in the political self image of it. The Swedish welfare model has for some time been perceived as a particular strategy *for socialism*. This notion does form the basis for the social democratic self image of the foundation of the Swedish welfare state as its own specific *political project* and it is from this viewpoint, I analyze it. Welfare theorist *par excellence*, Gösta Esping-Andersen, describes this political notion very accurately:

The social democratic model, then, is the father to one of the leading hypotheses of contemporary welfare-state debate: parliamentary class-mobilization is a means for the realization of the socialist ideas of equality, justice, freedom, and solidarity.⁸

Before giving my account of the main features of this particular political project, I stress that the ideological and social development of Swedish social democracy has not been uniform, consistent or without conflict and turmoil. The Swedish model is not uniquely the result of a consistent plan, reached in advance in overarching consensus, within social democracy in the post-war era.⁹ Rather I wish to pinpoint, as a matter of fact how the creation of the welfare model in the long post-war rule of social democratic governments in Sweden is connected to a vision of socialism. I call this ‘the social policy road to socialism’

2:1 ‘The social policy road to socialism’

The concept of ‘social policy road to socialism’ denotes the notion of a ‘welfare state’ as the political project for a better and more equal society, a form of socialism, that was proclaimed

⁷ Johansson, H. (2001) *I det sociala medborgarskapets skugga* (In the shadow of social citizenship), Arkiv.

⁸ Esping-Andersen, G. (1990), *The three Worlds of Welfare Capitalism*, Polity Press, p. 12.

⁹ The leading social policy scholar, Per-Gunnar Edebalk in Edebalk, P.G. (2000) ‘Emergence of a Welfare State – Social Insurance in Sweden in the 1910s’, *Journal of Social Policy* 29:4, has argued that the institutional foundations of the Swedish model, e.g. progressive taxation, universality and ‘the loss of income principle’, were laid with the social reforms of the 1910s. From then on, he argues, the model was more or less path dependent. Bo Rothstein has, from the perspective of the implementation problematic within public administration, argued that there is a gap between what the (welfare) state thinks it ought to do, and what it can do. Hence, he does recognize the limits of politics and he has in numerous cases argued for the discrepancy between what the ideologues of the social democratic corporatist state think they ought to do (and what they think they are doing) and what in fact they can do, and have done – but he does so from a purely administrative viewpoint. See e.g. Rothstein, B. (1998) *Just institutions matter*, Cambridge University Press.

by the social democratic party leader Per Albin Hansson in the metaphor of ‘The Peoples’ Home’ of 1928 – and which step-by-step was realized in post-war Sweden. This political project consisted of the following four decisive building blocks.

The first building block is the notion of class collaboration. Swedish social democracy in its infancy and early consolidation was indeed based on Marxist principles and although not untouched by the Bernsteinian ‘revisionism’ at the turn of the last centuries, Marxist social democrats remained a strong, if not the strongest, current within the party. However, from the 1920s, through the depression of the 30s, and onwards another current within social democracy gained strength, which began replacing Marxist class-based politics with one of class collaboration within capitalism, as a means to promote ‘socialist values’. Social democracy increasingly went from being a party in the class interest of wage workers to aspiring to becoming the party of the Swedish people as a whole. Social democracy increasingly became a ‘popular movement’ of the ‘grass roots’, or to use the phrase of American populism: ‘the common man’. This shift from class to people fostered the specific idea that socialism would grow ‘from within capitalism’, in that socialism could be reached through the *collaboration* between the working class and other classes.

This collaboration was aimed at the then influential and important peasant classes of the countryside – but also the bourgeoisie and capital owners. The aim was to conceive a social model for society, where a popular consensus on socialism could grow in community and collaboration with capital. Ernst Wigforss in his *Memoirs* summarizes this viewpoint:

This line of thought ... can be characterized, liked or discarded, with one simple slogan: reformist utopia. Society would be transformed, dress itself up in ever more socialist features with the willing co-operation of the capitalist entrepreneurs themselves.¹⁰

Although Wigforss himself, as well as critics and adherents alike to this day, use ‘reformism’ as the essential feature of this vision of society, I would argue that ‘reformism’ is not the essence of ‘the social policy road to socialism’, but rather a consequence of the specific ontological vision of socialism (and *a fortiori* conception of capitalism) that this conception entails. Socialism would *without confrontation* in due course be realized together *with* capital – not against it. In the 1970s, famous welfare sociologist Walter Korpi described the essence of this vision – as well as the then current optimism regarding its realization:

¹⁰ Wigforss, E. (1954) *Minnen III* (Memoirs III), p. 122. My translation from Swedish.

In Sweden, thus, capitalism will not be abolished through revolution but possibly through the more well-tryed way by proposed legislative measure to the interested parties involved.¹¹

The second building block lies in the socialisation of consumption – rather than socialisation of production. The institutional basis of class collaboration was founded on the ‘contract’ between the classes that private capital would be left alone to own the means of production in society. Social democracy hence abandoned its historical claim to socialize the means of production. At an ideological and programmatic level some obligatory statements on the need for socialization of key industries and the banking system remained for some time, but in practice the class monopoly of ownership by private capital was never seriously challenged, during the foundation and development of the Swedish welfare regime. With the late Olof Palme we can conclude: ‘In the Swedish socialism ... the question of ownership and expropriation of the means of production has never played a major role’.¹²

Instead class collaboration was built on the premise that production should be founded on private property and directed by the capital owners (‘to create wealth’) and social democracy focused on trying to achieve the ‘socialist values’ via a socialization of consumption (‘to redistribute wealth’). Correction and governance of *the market* through the state, thus, replaced the demand for expropriation of private property.

This focus entails an important ontological shift away from Marxism as regards the state. From the 1950s and onwards the dominating perception within social democracy became that the state is an autonomous – close to ‘neutral’ – arena in society. Even when Walter Korpi famously described Sweden’s societal evolution as a ‘democratic class struggle’,¹³ arguably he reduced this struggle to which class and interest group at any given time could mobilize enough electoral support and ‘power resources’ to command the state. Significantly, social democratic theorists such as Esping-Andersen and Korpi reject the idea that a capitalist state, *by definition*, is constrained by capitalist social relations and capital interests.

Within Swedish social democracy, and the Left of late, the state itself is not seen as class-based, but rather as an ‘empty form’, which can be filled with different class interests as they encapsulate the state, so that when social democrats are in power, the state becomes

¹¹ Walter Korpi 1978, quoted from Greider, G. (1998) *Arbetarklassens återkomst* (The return of the working class), Bonniers, p. 147. My translation from Swedish. Unfortunately the joke in Korpi’s utterance is unavoidably lost in the translation.

¹² Olof Palme quoted from Sjöberg, S. (2003) *Löntagarfundsfrågan – en hegemonisk vändpunkt* (The Wage-Earner Fund Debate – A Hegemonic Turning-Point), doctorate thesis, Uppsala University, p. 135.

¹³ Korpi, W. (1983) *The Democratic Class Struggle*, Routledge & Kegan Paul.

‘democratic socialist’. This is also the precondition for class collaboration, advocated by Swedish social democracy: they can own Volvo – we have the state.¹⁴ Hence, primacy of politics over the economy is maintained, making the economy the dependent variable and the state autonomous – even as regards the level of wage-employment. Again Esping-Andersen:

... [F]ull employment performance is largely a question of *political will*. ... [And] *left-party power* is decisive for decommodification, full employment efforts, and social democratization.¹⁵

The third building block is in the primacy of the government sector. The implementation of ‘socialism’ in Sweden consequently came to rely on the primacy of a social policy based on the government sector – which was, through the working class parties, under ‘our’ control. Hence the post-war era of 1945-1980 was characterized by the expansion and centralization of social and labour market policy in the hands of the state and government sector.¹⁶ A development, which by the 1970s had led to the maturation of the institutional setting of welfare, I have outlined in section 1 above. The expansion of government production and consumption, via taxes – above all in the welfare sector, but also in some key sectors in infrastructure and industry – could work to counter-balance the private sector in the economy.

At the same time, high-quality welfare provision in social services based on social rights was realized via government monopolies and tax-funding. The greatest welfare expansion took place, however, in the centralization of the social security system to the nation state. This road to socialism again is a consequence of the fact that the welfare model was an attempt at realizing socialism *without* expropriation of the means of production. Since capital owns the means of production, the government sector is seen as providing the prime institutions for the transition to socialism. As one observer once argued, in Sweden socialization is to be realized through ‘the rough tax route’.¹⁷

¹⁴ Class collaboration in Sweden has its expression in some very typical social democratic catch-phrases such as ‘what is good for Volvo is good for Sweden’ and ‘we are building the Peoples’ Home and IKEA is furnishing it’.

¹⁵ Esping-Andersen, G. (1990), p. 131 and 138. Italics added.

¹⁶ In strict terms ‘the Swedish model’ refers not only to social policy but also to the specific labor market relations – the tri-partism – where strong centralized workers’ unions and employers’ unions through collective bargaining and a ‘solidaristic wage policy’ (‘equal pay for equal work’) lay the foundations for wages and other working conditions and the state takes care of other labor market policy measures to deal with the consequences of the structural rationalization of industry that is a consequence of this tri-partism. In Sweden this is known as ‘saltsjöbadsandan’ (The spirit of Saltsjöbaden) which refers to the central accord between the blue collar workers’ union (LO) and the employers’ union (SAF) in 1938; an accord, which lay the foundation for class collaboration and ‘peace in the labor market’ for the centuries to come. In Sweden there is no state-set minimum wage. Although a decisive part of the Swedish model, I leave this aspect of it aside here.

¹⁷ Gunnarsson, G. (1971) *Socialdemokratins idéarv* (The ideological legacy of social democracy), Tiden, p. 151.

The fourth building block is the idea of a 'national' solution. If socialism is to be reached via class collaboration, and since primacy of the state in the transformation of capitalism into socialism is argued for, willy-nilly *the nation* becomes the locus of socialism. As the metaphor of The Peoples' Home exposes, 'the social policy road to socialism' demands the creation of both 'the people' and 'a home'. As both a matter of fact and ideology, *the nation* provides the key to both.

'The social policy road to socialism' has been constructed as a *national* political project in the interest of the whole (Swedish) people.¹⁸ Socialism becomes not the end-result of a workers' struggle but the realization of the wishes for a more equal, just, and rational order of 'the Swedish people' as a whole. The vision of capitalism and socialism as matters of antagonistic class interests is transcended in the logic of 'the common interest' of 'the people' expressed in 'full citizenship'. The slogan 'the liberation of the working class must be the result of its own making' has gradually been replaced by something akin to 'the liberation of the people must be the making of the nation-state'.

This shift in social democracy in Sweden, from the logic of 'class' to 'people', was, as hinted above, far from smooth. During the 1920s and 30s heavy internal ideological battles were fought between Marxist social democrats and the more liberal 'Functional socialists'. It was only in the mid 1940s with '*Efterkrigsprogrammet*' (The post-war programme), penned by Ernst Wigforss, and the new party program of 1944, that a workable compromise between the two fractions could be reached. A commentator summarizes the preconditions for this compromise very succinctly:

Social democracy, as it was formulated in the program text of 1944, dealt with the core elements of the two ideas which had formed it and formulated in programmatic text the partly contradictory ideology that had been used in the practical policies of the 30s. At the same time a class party and a peoples' party – at the same time a party for socialization and a party for a planned economy – at the same time a social revolutionary and social reformist movement. This is in practice achieved by pushing

¹⁸ In Linderborg, Å. (2001) *Socialdemokratin skriver historia* (Social democracy writes history), Atlas, the author argues that social democracy in the post-war era has consistently used a specific re-writing of its own history in Sweden for a number of important purposes. The one is to identify the history of social democracy with Sweden as a nation. Hence, party leaders have been glorified and likened with kings and nation-builders like Gustav Vasa to create the image of continuity between social democracy and Swedish history back in time. The second is, while creating continuity with 'the Swedish' back in time, this re-writing of party history fulfils the function of presenting social democracy and the Peoples' Home as a steady progressive movement *forward* – with roots far back in Swedish history. This has also fulfilled the function of downplaying and pushing aside the radical discontinuities and conflicts that have prevailed in both Swedish society and the party itself. As is further argued in Jonsson, T. (2001), 'Mellan intressekamp och röstmaximering' (Between struggle of interest and vote maximizing), *Fronesis* 6-7, the recreation of social democracy as genuinely 'Swedish' was also used against Swedish communists, which could then be labelled 'unswedish'.

socialism ahead in time – it can be introduced only after a long period of reforms which paves the way for the further march ahead... And this is the soul of social democracy – in itself dialectical in standing on both a socially subversive and socially conservative leg.¹⁹

The class collaborationist view of socialism as the realization of ‘full citizenship’ found its expression in the trinity: ‘political democracy’, ‘social democracy’, ‘economic democracy’; a path that would lead to a society, which ‘gets dressed up in ever more socialist features’.

2:2 A bridge...

Before I go on to discussing what I believe to be the impasse of the theoretical and practical understanding of the Swedish model within the Left, I want to emphasize some aspects of the welfare model, as a bridge from the model to current perceptions of it.

First, although I am very critical of the perception of the Swedish welfare model as a means of realizing *socialism*, or rather of *the ontology* of capitalism and socialism that this perception entails, one must also recognize to what extent it indeed has been a success. During the post-war era, Sweden rose from being a semi-poor country in European context with glaring social inequalities to becoming one of the wealthiest nations of the world, with, *in a capitalist context*, both incomes and welfare provision relatively equally spread within the population.²⁰ In all welfare indexes, which look beyond just GDP, Sweden from the 1970s onwards ranks among the two, three highest in the world.²¹ Also as a means of mobilizing popular support for its welfare model, Sweden continues to be a success. In short, neo-liberal and neo-conservative conceptions of Sweden are simply wide off the mark.²²

Secondly, although a perception that the Swedish welfare model is in crisis due to its undergoing systematic changes has little scientific support, the welfare model no longer works to promote those values of social security, welfare for all and equality, envisioned with its inception. The development since the mid-1980s indicates increasing economic and social inequalities – although the model itself remains intact. This means that even those that wish to

¹⁹ Gustavsson, P. (2000) ‘Vad sjutton är egentligen socialdemokrati för något?’ (What the heck is social democracy really?), *Radikal opinions häftserie* no 1, p. 14-15. My translation from Swedish. This perception of socialism as something never present but only ‘ahead of time’ arguably to this day remains a main characteristic of the ideological underpinnings of the Swedish Left, of whatever trend.

²⁰ For arguments on how the Swedish model contributes to income equality, see Korpi, W. and Palme, J. (1998) ‘The paradox of redistribution and strategies of equality’, *American Sociological Review*, 63.

²¹ See Vogel, J. and Wolf, M. (2004) ‘Sverige i täten’ (Sweden in the Lead), *Välfärd* no 1.

²² In Ankarloo, D. (2008) *Marknadsmyter* (Market Myths), ETC förlag, I expose the misconceptions of the Swedish welfare model from advocates of neo-liberalism. A summary in English exists in Ankarloo, D. (2009) *The Swedish Welfare Model: Counter-arguments to neo-liberal myths and assertions*, unpublished paper, presented at AHE Conference, Kingston, UK, 9-12 July, available from the author upon request.

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argue that the Swedish welfare model once was a road to socialism, would have to concede that for the last quarter of a century, Sweden is moving in the opposite direction. Figure 1 below gives just one indication of increasing inequalities in Sweden, in the Gini-coefficient.

Figure 1: Equalized disposable and factor income, gini-coefficient and the share of the income sum that is hold by the family-units with the largest 10 % and 1 % income. Family-units with an older definition of households. Amounts in SEK thousands, 2005 prices

	Disposable income per F.U.					Factor Income per F.U.				
	Mean value	Median	Gini-coeff.	Top 10%	Top 1%	Mean value	Median	Gini-coeff.	Top 10%	Top 1%
1975	110,3	104,7	0,217	18,3	2,8	126,2	116,7	0,417	25,9	4,7
1978	113,0	107,0	0,205	17,6	2,6	123,4	117,1	0,429	25,7	4,4
1980	117,3	111,8	0,201	17,5	2,6	123,0	115,1	0,423	25,4	4,3
1981	114,9	109,1	0,199	17,5	2,5	118,6	112,3	0,423	25,3	4,1
1982	112,4	106,5	0,203	17,9	2,8	117,5	111,2	0,427	25,6	4,4
1983	112,7	106,7	0,201	17,7	2,6	116,6	111,0	0,431	25,7	4,3
1984	113,5	107,6	0,210	18,3	2,9	117,5	111,7	0,436	26,1	4,6
1985	117,8	110,8	0,211	18,5	3,3	120,2	111,5	0,440	26,7	5,1
1986	120,2	112,2	0,220	19,2	3,9	125,9	116,9	0,448	27,7	5,8
1987	123,2	116,4	0,209	18,3	3,1	128,9	120,2	0,443	27,0	5,3
1988	126,3	119,0	0,209	18,3	3,0	131,2	121,8	0,446	26,9	4,9
1989	132,4	124,6	0,213	18,6	3,2	139,8	128,3	0,451	27,5	5,7
1990	135,6	128,0	0,220	18,8	3,5	143,3	131,6	0,452	27,8	6,2
1989-rev	141,4	129,9	0,234	20,2	4,4	148,4	134,0	0,457	28,6	6,6
1990-rev	142,7	131,8	0,237	20,2	4,7	150,2	135,0	0,457	28,8	7,2
1991	145,8	131,5	0,249	21,1	4,7	139,1	122,6	0,475	29,7	7,0
1992	144,7	132,8	0,241	20,2	3,9	133,3	118,0	0,483	29,2	5,6
1993	138,1	126,2	0,243	20,3	3,9	124,6	106,5	0,506	30,5	6,0
1994	144,1	126,0	0,271	23,2	5,9	133,3	110,2	0,523	33,1	8,2
1995	132,7	121,6	0,244	20,4	4,0	126,5	108,7	0,511	30,7	6,4
1996	135,4	123,0	0,253	21,0	4,0	134,8	115,2	0,515	31,3	6,4
1997	142,1	124,7	0,277	23,2	6,5	148,0	121,5	0,529	33,4	9,5
1998	143,5	128,3	0,263	21,9	4,8	149,6	127,8	0,517	31,8	7,2
1999	152,8	133,8	0,281	23,5	5,4	161,2	135,8	0,520	32,7	7,6
2000	168,6	140,6	0,313	26,6	8,8	180,9	143,8	0,543	36,5	12,4
2001	165,7	145,5	0,282	23,5	6,1	172,0	146,1	0,515	32,8	8,8
2002	168,8	148,9	0,280	22,9	5,5	170,9	145,9	0,514	32,2	8,0
2003	169,0	149,8	0,276	22,7	5,5	171,4	146,8	0,513	32,1	8,0
2004	174,2	153,3	0,281	23,3	5,9	176,9	149,5	0,520	33,0	8,6
2005	180,6	157,2	0,296	24,5	6,9	185,9	153,5	0,528	34,1	9,8

Source: SCB

Thirdly, the concepts of ‘class collaboration’ and ‘the social policy road to socialism’ are of vital importance in creating a space for the Left to come out of the *political* impasse in welfare state issues. As I will try to lay bare in the following, all major trends within the Left, in their attempts to conceptualize and practically move within the current trends and challenges to the Swedish welfare state, all other differences of opinion aside, share this basic premise of ‘the social policy road to socialism’. I would summarize this in the following conceptual linkage: ‘*Socialism*’ = *welfare state* = ‘*nation-state*’ = ‘*people*’. And back again.

As I will now go on to argue, the whole debate of the ‘crisis’ of welfare in the light of those changes associated with ‘globalization’, boils down to how it changes the preconditions for the foundations of ‘the people’, ‘the nation’, ‘the welfare state’ and hence, *in the conception of ‘the social policy road to socialism’, of socialism* itself.

3. A DEAD END

So, now we are ready to tackle the limits of ‘the social policy road to socialism’ and to what extent it indeed is a dead end in trying to achieve socialism. I deal first with its theoretical underpinnings, exemplified in the highly influential theory of ‘decommodification’ from Esping-Andersen. From there, secondly, I will analyze the de-habilitating consequences as regards political practice that ‘the social policy road to socialism’ continues to have on the major trends of the Swedish labor movement and the Left in general.

3:1 The limits of ‘decommodification’

Within the Left as well as social democracy, Gösta Esping-Andersen’s ideas of ‘welfare’ as ‘decommodification’ are very popular. This conception of decommodification denotes the individual’s means of securing a livelihood ‘independent of pure market forces’.²³ Esping-Anderson clarifies:

[A] minimal definition [of decommodification] must entail that citizens can freely, and without potential loss of job, income or general welfare opt out of work when they themselves consider it necessary.²⁴

²³ ‘The extension of social rights has always been regarded as the essence of social policy. Inspired by the contributions of Karl Polanyi, we choose to view social rights in terms of their capacity for ‘decommodification’. The outstanding criterion for social rights must be the degree to which they permit people to make their living standards independent of pure market forces.’ Esping-Andersen, G. (1990), p. 3. This definition of decommodification as independence from *pure* market forces strikes me as very imprecise, since the very idea of ‘*pure* market forces’ itself is fiction rather than fact.

²⁴ Esping-Andersen (1990), p. 23.

From a ‘decommodification index’, Esping-Andersen derives his famous *typologies* of welfare, where the Swedish model qualifies as the main example of a ‘*social democratic welfare regime*’, with high levels of decommodification.

Esping-Andersen’s *typology* has over the years provoked extensive criticism. But the idea of decommodification itself has to a large extent remained free from conceptual critique from the Left.²⁵ Some notable exceptions do exist. Jørgen Sandemose provides a serious blow to the concept from a Marxist perspective, when he argues that it is a ‘totally unsustainable theory’.²⁶ And I agree that the main weakness of Esping-Anderson’s conception of welfare regimes lies exactly in his idea of decommodification, which risks standing in the way of perceiving the real limits of the Swedish welfare model. To make a long story short, for the purposes of this analysis, I will limit my critique to pinpointing the fact that *the decommodification ascribed to the Swedish welfare model does only relate to the circulation sphere of the economy (the market) but not to the production sphere. Decommodification in the market sphere under capitalism, however, at the same time demands the ever increasing (re-) commodification of labor power in the production sphere.* As Esping-Andersen himself acknowledges, a precondition for the success of the social democratic welfare regime is ‘commitment to full employment’, i.e. more wage labor and *a fortiori* more capital.

A tax-funded, income-loss based welfare model demands ever more capital and ever more wage labor to function. It is in this sense that the Swedish model has a dual face, its ‘decommodification’ (‘socialism’) requires ever more ‘recommodification’ (‘capitalism’). And the alleged universality of welfare is at most restricted to social services, but in social security the requirement of being at the disposal of the labor market, is the decisive feature of the model.²⁷ A genuinely universal welfare model of *societal* livelihood ‘independent of the labor market’ is totally at loggerheads with the logic of capitalism, and has never been realized in Swedish society. It has not even been attempted. Therefore, also, Esping-Andersen’s conception emerges as individualistic. The single individual can only achieve

²⁵ The concept however has been criticized from gender perspectives, e.g. in Orloff, A.S. (1993) ‘Gender and the social rights of citizenship: The comparative analysis of gender relations and the welfare states’, *American Sociological Review* 58 (June).

²⁶ Sandemose, J. (2002) *Stat, Religion og Økonomi* (State, Religion and Economy), Aschehoug, p. 176 (footnote 263). Sandemose’s main point is that commodification (by the market) and the alleged decommodification (by the welfare state) are not opposites but two necessary phases in the capitalist production process as it buys labour power – i.e. as soon as the labour power is bought by capital it ceases to be a commodity with value, and becomes use-value in production (hence labour power is decommodified as soon it is consumed in the labour process). In summary: ‘Thus, we see that all phases of individual “decommodification” in actuality are transitory stages in a process of “commodification”’ (p. 179), my translation. A comprehensive overview of the debate on Esping-Andersen is provided in Fine, B. (2002) *The world of consumption*, 2nd ed., Routledge, p. 197-207.

²⁷ Cf. Marklund, S. and S. Svallfors (1987) *Dual Welfare – Segmentation and work enforcement in the Swedish welfare system*, Department of Sociology, Umeå University.

‘decommodification’, independence from wage income, in a society where the collective of individuals at the same time more and more are subjected to the logic of capital and wage labor, in order to ‘finance’ and secure this form of ‘welfare’.

These realizations do not prove that Esping-Anderson’s conception is *wrong*, but they form the basis of a critique in its original meaning, i.e. pinpointing *the limits* of the conception. We can conclude that in order for ‘welfare’ to be described as ‘decommodification’, even socialism one has to maintain the ontology where conflict and antagonisms are reduced to the redistribution of ‘resources’ at the circulation sphere – as well as move on the level of the individual. The wage and commodity forms are either left aside in the analysis – or they are viewed as inherently free of antagonism, at most giving rise to *distributional* conflicts over resources and ‘power’. In other words: *in order to describe the Swedish welfare model as a road to socialism, one needs an ontology of the capitalist mode of production as essentially free from conflict and of socialism as a more ‘rational’ and ‘just’ rearrangement of these capitalist social relations of production.*

Such ideas of socialism as the more ‘rational’, ‘just’ and ‘equal’ consummation of capitalist society, rather than its total overthrow, have a long history in the labor movement and have emerged in the different guises of Proudhonism in the 19th century, in the 20th century ideas of ‘state planning’ on the basis of ‘true value’ (*in lieu* of the market, not as the transcendence of it) with computations from the Gosplan or computers, ‘market socialism’ – or more recently in various post-Marxist ideas of socialism as ‘radical democracy’.²⁸ Esping-Andersen’s conception, inasmuch as we accept it as a form of socialism, is another example of this in the movement.²⁹

Those familiar with Marx will know of his ardent criticism of this idea of socialism as nothing but the rational consummation and ‘true’ expression of the social relations of capital – in his time most prominently argued by ‘French Socialists’, ‘True Socialists’ and the Lassalleians. Marx’s critique is exemplified in the following quote from the *Grundrisse*:

²⁸ For a critique of ‘post-Marxist’ trends of late, see Wood, E.M. [1986] (1999) *The retreat from class: A new ‘true’ socialism*, Verso. For an overview over modern versions of solutions to ‘the calculation problem’ as means to achieve a workable socialism, see Laibman, D. (2001) ‘Contours of the Maturing Socialist economy’, *Historical Materialism*, vol. 9. Akin to my take on the welfare state debate in this essay, Laibman says (p. 90): ‘Moreover, the idea that central solutions to the co-ordination problem are *possible* misses the point in another, and perhaps crucial, respect: are such solutions even *desirable*?’

²⁹ Cf. ‘The central question, not only for Marxists, but for the entire contemporary debate on the welfare state, is whether, and under what conditions, the class divisions and social inequalities produced by capitalism can be undone *by parliamentary democracy*.’ Esping-Andersen, G. (1990), p. 11, italics added. Esping-Andersen’s conception of socialism and welfare has more in common with Karl Polanyi (and a very domesticated version of his thoughts at that) and Austrian Marxists of the early 20th century than with Marx.

What this reveals, on the other side, is the foolishness of those socialists (namely the French, who want to depict socialism as the realization of the ideals of *bourgeois* society articulated by the French revolution) who demonstrate that exchange and exchange value etc. are *originally* (in time) or *essentially* (in their adequate form) a system of universal freedom and equality, but that they have been perverted by money, capital, etc. Or, also, that history has so far failed in every attempt to implement them in their true manner, but that they have now, like Proudhon, discovered e.g. the real Jacob, and intend now to supply the genuine history of these relations in place of the fake. The proper reply to them is: that exchange value or, more precisely, the money system is in fact the system of equality and freedom, and that the disturbances which they encounter in the further development of the system are disturbances inherent in it, are merely the realization of *equality* and *freedom*, which prove to be inequality and unfreedom. It is just as pious as it is stupid to wish that exchange value would not develop into capital, nor labor which produces exchange value into wage labor. What divides these gentlemen from the bourgeois apologists is, on one side, their sensitivity to the contradictions included in the system; on the other, the utopian inability to grasp the necessary difference between the real and the ideal form of bourgeois society, which is the cause of their desire to undertake the superfluous business of realizing the ideal expression again, which is in fact only the inverted projection [*Lichtbild*] of this reality.³⁰

In the course of time, within dominating sections of the working class in Sweden, and social democracy, the welfare model went from being *a road* to socialism to being conceived as the realization of *socialism itself*. Expressions such as: ‘the government sector is liberated islands of socialism in a sea of capitalism’ have gained influence in the radical Left in Sweden, even today. Esping-Andersen’s conception of de commodification is the most influential theoretical grounding of such ideas. These conceptions of welfare have both within social democracy and its leftist critics usually been described as ‘reformism’ or ‘democratic socialism’. As said above, however, my analysis builds upon the notion that ‘reformism’ is an imprecise misnomer of the specificity of the Swedish welfare model, since its essence is not a *strategy* for achieving socialism, but *a specific ontology of what capitalism is and socialism is*: what is better named *class collaboration*, i.e. ‘the social policy road to socialism’.³¹

³⁰ Marx, K. (1973) [1857-58] *Grundrisse*, Penguin, p. 248-49.

³¹ I’ll leave aside further elaboration to ground the arguments for the limits of the concept ‘reformism’ as a description of the social democratic welfare regime and why I prefer the ontological concept of ‘class collaboration’. But in summary, my arguments are these. If *reformism* is the one side of the coin what is the other? Usually this is taken to be, by adherent and critic alike, ‘*revolutionary socialism*’. However, historically in our movement this dichotomy mainly relates to two different *ways* (often delineated in time: ‘in due course’ or ‘NOW!’) to achieve what was perceived to be *the same end* – namely socialism. This dichotomy has had a debilitating effect on the Swedish far Left in relation to social democrats, who have been able to pinpoint the differences between ‘reformists’ and ‘revolutionaries’ not on the basis of different visions of what socialism is, but on the basis of *attitudes and personal characteristics* e.g. ‘pragmatism versus non-realism’, ‘patience (gradualism) versus impatience (violent overthrow)’, even ‘peacefulness versus militancy’ or ‘non-violence versus violence’ and ultimately ‘democratic versus undemocratic’. This is a dead end. Not disregarding the decisive historical and practical differences between reformism and revolutionary socialism, my argument is further that in this historical context, and as regards the welfare state, ‘reform or revolution?’ is simply is not the

3:2 Welfare state challenges in theory and politics within the Left

From what has hitherto been said I wish to lay bare that, granted all other disagreements, the main political trends within the Left in Sweden today all share the preconceptions of ‘the social policy road to socialism’. The theoretical linkages that this perspective has established as hegemonic in Swedish society are unquestioned and under-theorized – which, I argue, helps explain the current political impasse within the Left.

Since the 1970s new issues of society, politics and debate have emerged. The names are endless: post-modernity, risk society, globalization, multiculturalism etc. What is at issue in this regard, is not the accuracy or inaccuracy of these concepts in describing current societal trends, but rather that the concepts indicate that *something* is perceived as undermining ‘the social policy road to socialism’. I repeat, the foundation of this conception is the linkage: ‘*socialism*’ = *welfare state* = ‘*nation-state*’ = ‘*people*’. And back again.

Recent developments under the pop-conceptions of contemporary social science challenge this linkage on all accounts: multiculturalism challenges the conception of ‘the people’ and hence the creation of ‘nation’. Globalization challenges the nation-state and hence the welfare state. The supposed individualization of risk society and post-modernity challenges all of them. And by the linkage forged by ‘the social policy road to socialism’ all this poses a serious challenge to *socialism* itself. It is from this linkage (and this linkage *alone*) that various strands of social democracy and the Left in Sweden have tried to respond to this challenge, both in theory and practice. What has emerged from this work in thought and practice in recent years can be put into three groups.

a. ‘A new welfare model’

One reaction to the challenges to the Swedish welfare model builds on the acceptance that the previous welfare model is bound to fail – and, thus, the task ahead is to found ‘a new welfare model’. Some do this hesitantly, more out of perceived necessity in the reality of things than anything else. Like those advocates, who from the conception that state welfare has to be

main division involved in the socialist movement. What is at issue is what different trends conceive socialism (and *a fortiori* capitalism) to *be*, because it is from these conceptions that we can trace the ontological meaning of the welfare state and its relation to socialism. The one is what I call *class collaboration*. Again this is not a description of an attitude or even of actions, but of a conception *of fact*: the belief that capitalism *is* class collaboration. The opposite of class collaboration is the other ontological understanding of capitalism and hence socialism, *class struggle*. Class struggle in this conception also entails a conception not of attitude or action but that capitalism *is* class struggle. I am not going to bet money on it, but I don’t find this conception of class struggle as *ontology* rather than action at odds with the formulation in the *The Communist Manifesto* that class struggle is ‘now *hidden*, now open’.

rolled back, are open to current trends of ‘market solutions’, or the Party elites that as a matter of fact embrace Third Way Blairism, but given its unpopularity within social democracy in Sweden, as yet, will not come out and say so.³² Others embrace ‘a new welfare model’ with more enthusiasm. Embracing a critique of the Swedish welfare model as ‘conformist, modernist repression’, which hampers individual creativity, this Left propagates ‘pluralism’, ‘flexibility’ and ‘empowerment’ in the arenas of ‘civil society’.³³ Still others have propagated that the solution to current welfare problems in Sweden, as well as the impasse of the Left, is to make them all more ‘queer’.³⁴

At first glance, a strategy of ‘a new welfare model’ seems to break with ‘the social policy road to socialism’ – but actually this is not the case. The preconception that the welfare state *is* socialism is retained, and hence the conception that there has to be ‘a new welfare model’ carries with it a very new form of ‘socialism’.

The Third Way is well known internationally so I will not spend time critiquing it here.³⁵ However, in a Swedish setting it strikes me in fact as a *consistent* way to address current problems of the welfare state *in the framework of ‘the social policy road to socialism’*. The Third Way in that sense is only the conclusion of the linkages between the welfare state and socialism, once forged. If the national welfare state was supposed to be socialism, and this welfare state is failing, as a matter of logic, so is socialism. The farewell to the welfare state as we know it becomes the farewell to socialism as we know it.³⁶ If so, the Third Way is not so much a break with social democratic tradition, as it is a liberal possible conclusion of it, in light of societal developments, post-1970s. Attempts to pass this off as ‘socialism’, however, are fading which explains its unpopularity within Swedish social democracy as yet.

The fate of ‘The Civil Society Left’ is very much the same. In the Swedish debate I have indeed had a whole lot to say on this particular trend of the Left, but I refrain from further elaboration on it here. I just point out that a telling indication how the propagation for ‘a new welfare model’ within this Left has transformed the conception of ‘socialism’ into something

³² Notably Tony Blair’s Third Way policies are very popular in large sections of bourgeois parties in Sweden.

³³ For an example of arguments propagated in this Left, see the articles in Trädgårdh, L (2007) (ed.) *State and Civil Society in Northern Europe: The Swedish Model Reconsidered*, Berghahn Books.

³⁴ Nilsson, L. (2003) “Queervänstern” (The Queer Left), *Clarté* 2003/4, provides a critical overview of this trend of the Swedish Left – with some very telling quotes from its exponents.

³⁵ Cf. Callinicos, A. (2001a) *Against the Third Way: An Anti-Capitalist Critique*, Polity Press.

³⁶ There are even attempts within social democracy to motivate this line of reasoning back into history. As the former social democratic prime minister Göran Persson uttered in the election campaign of 2002: ‘Social democracy has not been able to govern Sweden all these years thanks to all election promises, but because one has been able to cope with the unexpected crises that have occurred. What we can promise is that every time something happens which we have not been able to foresee, we are going to handle the situation forcefully and in accordance with our values’. Quote from Gustavsson, K. (2004) *Socialismen liv efter döden* (The life of socialism after death), p. 114. My translation.

historically previously unrecognized in our movement, is the fact that this is not the ‘socialism of the common man’ that the ‘social policy road to socialism’, as well as Marxism, grew out of, but a ‘socialism of the uncommon queer’.³⁷ Willy-nilly, in relation to existing popular movements in Sweden in defence of the welfare model, this Left remains aloof, even hostile, and definitely irrelevant – a fate that it shares with Third Way advocates.

In conclusion then, strategies to meet the challenges to the Swedish welfare state that opt for ‘a new welfare model’, inasmuch as they preserve a vision of socialism, *reinterpret and adapt* ‘socialism’ to what is perceived possible or desirable in the era of ‘globalization’ and ‘postmodernity’.³⁸ They do not so much break with ‘the social policy road to socialism’ as they are the conclusion of it. Once one of the linkages between the welfare state and socialism that were once forged by ‘the social policy road to socialism’ has been broken, socialism, as we know it, goes out with it too.

b. ‘Global social policy’

The second trend of responding to current challenges to the welfare model has a common thread in the idea that globalization makes necessary a rehabilitation of the welfare model on a *global*, or at least supra-national, scale only. This idea has its international counterparts in much social policy analysis. E.g. Ramesh Mishra has from the idea that ‘Keynesianism in one country is no longer a possible alternative’ propagated a ‘global social policy’.³⁹ The call for global governance also permeates the ‘cosmopolitan’ writings of David Held.⁴⁰ In Sweden, also, with the translation and spread of the ideas emanating from Hardt and Negri’s *Empire*, the calls for ‘global democracy’ and a farewell to the nation state as an arena for a ‘politics against markets’, have gained a ‘revolutionary’ and ‘activist’ air – seemingly free from the preconceptions of historical social democracy.⁴¹ As a political force in Sweden this current

³⁷ As one of the periodicals of this leftist trend in Sweden, *Arena*, once proclaimed: ‘There is no uglier word in our language than the word “normal”’.

³⁸ One example of this, with immediate consequences on welfare and the conception of socialism and the Left, is the recent trend to shift the focus of the welfare state in the ‘post-socialist era’ from the class politics of redistribution to ‘the politics of recognition’. E.g. Nancy Fraser, a leading exponent of this view (see e.g., Fraser, N. (1995) ‘From Redistribution to Recognition? Dilemmas of Justice in a “Post-Socialist Age”’, *New Left Review* 212)) has been translated into Swedish in: Fraser, N. (2003) *Den radikala fantasin. Mellan omfördelning och erkännande* (The radical imagination. Between redistribution and recognition), Daidalos.

³⁹ Mishra, R. (1999) *Globalisation and Social Policy*, Edward Elgar, p. 94 and chapter 7. In Sweden, the social democrat Lindberg, I. (1999) *Välfärdens idéer: Globaliseringen, elitismen och välfärdsstatens framtid* (The ideas of welfare: Globalization, elitism and the future of the welfare state), Atlas, expresses similar ideas in saying: ‘In the long run you could say that this is about being part of the building up of a global welfare state...’ (p. 185). My translation from Swedish.

⁴⁰ For an extensive and critical overview, see Smith, T. (2003) ‘Globalization and Capitalist Property Relations: A Critical Assessment of David Held’s Cosmopolitan Theory’, *Historical materialism* 11:2.

⁴¹ Hardt, M. and A. Negri (2000) *Empire*, Harvard University Press. In Swedish: (2003) *Imperiet*, Vertigo.

remains weak, but it is nonetheless necessary to consider – not least because the ideas of a ‘supra-national’, EU social policy are part of the hopes for a ‘Social Europe’.⁴² The organization “Vänster för Europa” on its homepage lists its demands in typical fashion:

Vänster för Europa translates as ‘Left for Europe’. The organization was founded in 2004 as a non-partisan network on the left in Sweden. The aim of the organization is to work for:

- Democratic structures beyond national borders and an open society in Europe.
- A Europe that plays an active role for peace and solidarity.
- A world of equality, gender balance and active citizenship.
- A developed supranational cooperation between organizations, networks and trade unions.
- A globalized democracy.⁴³

I for one have serious misgivings about the practicality of the specific policy demands put forward in favor of global social policies administered by the UN or even if only at the EU level. Being, as they are in the Swedish case, abstract ideals in search of a movement rather than ideals emanating from a real movement, the calls for a global social policy all fall prey to the critique of ‘utopianism’ that Marx once launched against the French socialists.⁴⁴

However, my main argument of importance for the issue at hand is that, for all its self-proclaimed break with previous social democratic traditions, as well as in the Hardt and Negri case a ‘communist’, ‘internationalist’ and militant rhetoric, at bottom this strand of thought only reaffirms the preconceptions of ‘the social policy road to socialism’. Having changed the level from existing nation-states, all hopes for a ‘Social Europe’ have as preconditions all the hallmarks of ‘nation building’. Furthermore, in the proposals for world government based on world citizenship, the specific policies that this government should actually pursue, rarely go beyond the perspectives of ‘states against markets’ and ‘the social policy road to socialism’. Albeit, this time without the national class mobilization and power resources that once founded the Swedish welfare model. So, all the more problematic.

⁴² Especially the Swedish journal *Fronesis* has in a number of issues published extracts of books as well as interviews of Hardt and Negri. In one interview Negri states: ‘As a first step one must try to achieve two fundamental things which can work as a basis for such new, transversal alliances – universal citizenship and a guaranteed income for all; a set of judicial, economic and social rights that are independent of the nation state’, *Fronesis* no 6-7, p. 61. My translation from Swedish.

⁴³ See homepage: http://www.vfe.se/index.php?option=com_content&task=blogsection&id=5&Itemid=30.

⁴⁴ As one exponent of ‘The World Citizenship Left’, after having denounced both ‘The Nation State Left’ and ‘The Left Europeans’ and after proclaiming his support for world citizenship, acknowledges: ‘Sure, world citizenship is utopian. But hardly more utopian than the classless society.’ Lönnroth, J. (2002) ‘Världsmedborgarvänstern’ (The World Citizenship Left), *Vänsterns programfrågor* no 3, p. 47. My translation from Swedish.

In short, for the most part ‘global social policy’ theoreticians do not break with the specific ontology of capitalism, welfare and socialism, which is the defining characteristic of ‘the social policy road to socialism’.⁴⁵ The linkage between socialism – welfare – nation-state is preserved, albeit at another level than the *existing* national ones. The fact that some ‘cosmopolitans’ denounce ‘Fordist’ class collaboration as *a strategy* in favour of ‘struggle’ and ‘resistance’ to achieve their goals, as well as their pretence of ‘internationalism’ – to find support for their ideas in Marx’s own thoughts – should not divert us from the fact that they inherit the *ontology* of class collaboration.

So, again, in regard to the practical issues of existing popular welfare struggles, having denounced the possibility, even the desirability, of the nation-based state welfare model in Sweden, advocates of a ‘global social policy’, much like the advocates of ‘a new welfare model’ accounted for above, remain aloof, even hostile, and definitely irrelevant to the issue.

c. De-linking and ‘rehabilitation’ of ‘the national welfare state’

Arguably the strongest trend of analysis and political defence of the welfare model within the Left in Sweden is the one advocating forms of ‘de-linking’ and ‘rehabilitation’ of the Swedish welfare model, in light of the challenges to it accounted for above.⁴⁶ In relation to the overall issue at hand here, the prevalence of ‘the social policy road to socialism’ within the Swedish Left, this trend is the easiest, since it knowingly subscribes to it. Although the concept itself is not used, but rather ‘reformism’, ‘democratic socialism’ or ‘class collaboration’ (but only in the strategic sense).

And although, arguably, preferable to the other trends in relation to existing popular struggles to defend previous welfare achievements (mainly because the trend emanates from this movement) at present both the theories and practices to revive ‘the social policy road to socialism’ suffer from serious shortcomings.

To be able to revive ‘the social policy road of socialism’, its advocates have had to describe the current crisis of the welfare model (as regards outcomes) in close to ‘conspiratorial’ terms – much like Naomi Klein’s general description of ‘Disaster Capitalism’. As regards popular sentiment about what is indeed going on, a whole genre of literature and

⁴⁵ Note, I only argue for this in relation to the issue of the welfare state. Arguably Hardt and Negri in *Empire* and in Negri’s earlier works exchange Marx’s ontology of exploitation and class struggle not for one of class collaboration but for one of power and counter-power. As Callinicos has phrased it, Negri rewrites Marx as if he were Foucault. Callinicos, A. (2001b) ‘Toni Negri in perspective’, *International Socialism Journal* 92.

⁴⁶ Its most well-spoken and sensitive advocate is Aron Etzler, editor of the weekly Leftist journal *Flamman* (The Flame). See Etzler, A. (2002) *Ta det tillbaka* (Take it back), Nixon, especially chapter 6.

narratives has arisen on the ongoing ‘conspiracy’ against the Swedish model.⁴⁷ As analysis this falls short in the face of most welfare research, since this cannot confirm any systematic changes to the welfare model *per se*.⁴⁸ But worse still is that the analyses and practical policies, as a consequence, come to build on two major exaggerations. *First*, there is, as said, a tendency to exaggerate the extent of systematic changes and retrenchment going on within the welfare sectors in Sweden – i.e. there is confusion of the very reality that the model is working less well to promote equality and welfare with the idea that this *must* be caused by systematic changes in the model. This is a consequence of a *second* exaggeration, namely the glorification of the extent of previous achievements of the Swedish welfare model. The fact is that Sweden never was a country of equality, freedom from market imperatives or on the road to socialism. At best Sweden was not as bad on these counts as other capitalist countries of the West. And, as is becoming increasingly apparent in current economic and social circumstances, all hard-won welfare achievements are constantly under threat from the imperatives of capital.

Also to preserve the class collaborationist ontology, many proponents of this trend tend to describe the crisis of the model as the consequence of ‘political unwillingness’, ‘myths’ and in simplistic ‘interest’ terms. Hence, just as previous exponents of ‘the social policy road to socialism’, as well as its subsequent theorists, were of the opinion that the state is an ‘empty form’ and gave the state (politics) primacy over the economy (the market) and therefore put its explanatory focus on ‘political will’, this Left often draws the conclusion that current trends in the welfare model *must* be the consequence of ‘another political will’.⁴⁹ This is

⁴⁷ Founder of this genre with specific focus on how social democracy in Sweden has ‘betrayed’ their own ideals of The Peoples’ Home was the Keynesian economist Sven Grassman. See e.g. Grassman, S. (1991) *Från det lydiga landet* (From the obedient country), Ordfront. Similar narratives prevail in Sverenius. T. (1999) ‘Vad hände med Sveriges ekonomi efter 1970?’ (What happened to the Swedish Economy after 1970?), *SOU 1999:150*; Elmbrant. B. (1993) *Så föll den svenska modellen* (Thus fell the Swedish Model), Fisher. Narratives focusing on the *ideological* attacks on the Swedish model are: Israel, J. (1994) *Klappjakt på välfärden* (Witch-hunt on welfare), Ordfront; Carlén, S. et al (2006) *Åtta år med Reinfeldt* (Eight Years with Reinfeldt), Ordfront. And with the most telling title in this genre: Boëthius, M.P. (1997) *Några som inte älskar oss håller på att förändra vårt land* (Some who do not love us are about to change our country), Nordstedts.

⁴⁸ Marklund, S. (1988) *Paradise Lost?*, Arkiv, was an early investigation to question this conception of the Swedish model in crisis and retrenchment. He was followed by Olsson, S-E. (1990) *Social Policy and Welfare State in Sweden*, Arkiv, which argues along the same lines. Most notably the major government appointed investigation on the welfare developments of the 1990s, led by Joakim Palme, has confirmed this conclusion: ‘It is difficult to find support for the view that there has occurred any thorough-going systematic change in the model in Sweden during the 1990’s either in the area of social services or of social transfers.’ *SOU 2001:79: Valfärdsbokslut för 1990-talet*, Fritzes, p. 249. A summary in English is: Palme J. et al. (2002) ‘Welfare Trends in Sweden: Balancing the Books for the 1990s’, *Journal of European Social Policy*, no 4 vol. 12

⁴⁹ Ironically, as regards the Swedish model, this viewpoint comes out not unlike neo-liberal analyses of the market. Just as neo-liberals can only acknowledge market failures as the result of someone or something having conspired to ‘distort’ the market, the proponents of the revival of ‘the social policy road to socialism’ have the tendency to ascribe the acknowledged current failures of the Swedish welfare model to the ‘distortion’ of it from

consistent: if commitment to full employment and welfare is largely a question of political will, then current mass unemployment and stagnation in welfare *must* be caused by another (hostile) political will.

The idea that the Swedish welfare model always was subjected to the ever-expanding logic of capitalist imperatives, and hence filled with contradictions of its own, is scarcely contemplated. And if contemplated, it is contemplated only with the utmost unease.⁵⁰ From this perspective of ‘political will’ as the driving force of societal evolution, it is not surprising that this trend within the Left has been so quick to translate into Swedish, and adhere to, books like *The Global Trap* and the works of Naomi Klein on the one hand (to ground the idea of a hostile political ‘other will’) as well as subsequently *Globalization in Question* and various ‘states against markets’ analyses (to preserve the idea that the political will of ‘the social policy road to socialism’ is still viable – even in the face of globalization). Swedish versions of both kinds of narratives exist in abundance.⁵¹

As previously mentioned, this trend within the Left does have the merit that it can ground support for practical policies to defend ‘welfare’ in Sweden, which the advocates of ‘a new welfare model’ and of ‘global social policy’ cannot. However, aside from just reaffirming the ontology of class collaboration, it can only ground its call for action at the very real risk of recreating the illusions and misguided hopes of the workings of the Swedish welfare model that they seek to defend. The most fundamental question one could pose is how one conceives of the possibility, at this conjuncture, of reinstating ‘the social policy road to socialism’, the very political project that has been rolled back, to the point of disarray, for the last 25 years? Why should this project succeed now – after more than 25 years of stagnation? Be that as it may, what is ultimately reproduced is the linkage of ‘the social policy road to socialism’. With the addition of a hostile ‘political will’.

So, I argue, that despite its high tone and seemingly diverse positions, all the major trends within the Left to answer the challenges to the Swedish welfare model, are but the different logical and political consequences of one commonly shared preconception: ‘the social policy

hostile political forces and wills like EU, global capital or other agencies of ‘hyper-capitalism’. Just as neo-liberals argue, the market ‘works’ when ‘left alone’ – this Left tends to argue that the Swedish model ‘works’ when ‘left alone’.

⁵⁰ Cf. ‘The period from the end of the forties to the beginning of the seventies was the time when Marx’s apocalyptic visions seemed the furthest away. But was it a parenthesis? The question returns. Is what we now see rather the normal condition while the post-war era is the miraculous exception? If so there awaits an icing polar night for those who believe in equality and democracy’. Greider, G. (1998), p. 118.

⁵¹ Lindberg, I. (1999) *Välfärdens idéer: Globaliseringen, elitismen och välfärdsstatens framtid* (The ideas of welfare: Globalization, elitism and the future of the welfare state), Atlas; Hermele, K. (2001) *Det globala kasinot* (The Global Casino), Ordfront; Ehrenberg, J. (1998) *Globaliseringsmyten* (The Globalization Myth), Nordstedts; Elmbrandt, B. (2000) *Hyperkapitalismen* (Hyper-Capitalism), Atlas.

road to socialism'. The notion that the welfare state can achieve 'socialist values', through 'politics against markets', is not questioned in its fundamentals. Above all, I believe that the Left of all trends in Sweden suffers from trying to answer the question on how, and at what level, one could create a *stable* model of welfare, to secure a road to achieving the 'socialist values'. The inability to break with these preconceptions remains the main obstacle for the Left and the labor movement. In the next section I will sketch how a different understanding of the relation between the welfare state and socialism can help remove this obstacle.

4. A ROAD AHEAD

The overriding challenge to the Left as regards the Swedish welfare model is to break the linkages that have been forged by 'the social policy road to socialism' to create an alternative viewpoint. We must do so, I would argue, in a way that connects both with the history and current realities of the existing popular and socialist working class movements *and* that helps to strengthen these existing movements in defence of previously hard-won achievements of the Swedish welfare model.

I will here outline what I believe to be such an alternative – and, indeed, I claim no specific originality in doing this, because in Marx's conception of capitalism and socialism there resides clear clues to such an alternative. Somewhat sketchily – since much of the specifics of strategy to meet the challenges of the Swedish model only make full sense in the Swedish context – I will in conclusion provide the main elements of a fruitful break with 'the social policy road to socialism'.⁵² I will also show how, in very general terms, this could help us in transcending the impasse in both theory and practice of the Left in the issue.

4:1 An alternative viewpoint on the relation 'welfare' – socialism

The first presupposition for breaking the linkage between welfare and socialism, once forged, is to replace the ontology of class collaboration with the *ontology of class struggle*. This entails adopting a straightforward Marxian viewpoint of capitalism and socialism, which is basic 'Marx ABC', and I won't bore the reader with those basics. To be clear about the issue

⁵² This section is based on my own interpretations of Swedish policy and the current state of social democracy and the Left in it, which have been analyzed in Ankarloo, D. (2005) *Kris i välfärdsfrågan*, (Crisis in the Welfare Question), Nixon, p. 25-61. Since this mostly relates to the very specific and tiresome question, which has consumed just about all the energy of all sides of the political spectrum in Sweden – namely the question of the (non-) possibility of the long-run *financing* of welfare, rather than what we can expect from welfare in relation to what we would *want* from it – I refrain from supplying the specific Swedish references that underlie the points made in this section. Those interested can consult *The Long-Term Survey of The Swedish Economy 2003/04* (<http://www.regeringen.se/sb/d/574/a/29497>) for a telling read.

of welfare, two major shifts in focus that follow from the adoption of the perspective of *class struggle* instead of ‘the social policy road to socialism’ are worthy of mention.

(i) *The ontology of class struggle* – in contrast to class collaboration – entails the notion that socialism can only be achieved, not in collaboration *with* capital, but in *opposition* to capital. The ontology of class struggle hence denies that validity of any ‘common interest’ in any system based on the class relations of commodity production, no matter how much social democrats or the Left hold state power. ‘Politics against markets’ and ‘the democratic socialist welfare regime’ are indeed important aspects of the welfare state, but they do not entail genuine *socialism* in any form.⁵³

(ii) *The ontology of class struggle* denounces any perceptions of capitalist welfare regimes as ‘stable’ *in achieving socialism*. All hard-won welfare achievements are unstable under capitalism. No welfare regime in capitalist social relations ‘works’ to achieve ‘socialist values’. Even if, as the case may be, the welfare *model* indeed remains ‘stable’ and ‘robust’. Under capitalist social relations, as Marx pointed out again and again, the economic logic has primacy over ‘political will’ – no matter if it is theirs or ours.

The perspective of class struggle and the denial of a stable capitalism as the road to socialism are of course not novel. However, as regards the welfare state, the Left in Sweden has for the most part, from lack of ontological foundation, been unable to deal adequately with the relation of ‘welfare’ to socialism. Some in the Left – having found out that ‘welfare’ is not socialism – have denounced previous welfare achievements and current popular welfare struggles in Sweden altogether.⁵⁴ This has left the playing field open for social democrats to lead the movement on issues of ‘welfare’ and subsequently ‘the social policy road to socialism’ has largely remained unchallenged. More prevalent, however, has been to try to overcome this impasse by balancing the ‘reformist’ policies of ‘welfare’ with the ‘revolutionary’ goal of ‘socialism’ as the overthrow of capitalist relations.

Unfortunately within the Swedish Left this has almost exclusively led to a de-habilitating gap between theory and practice, between today and tomorrow. Just as historical social

⁵³ Indeed, it seems more appropriate to argue that in ‘the social policy road to socialism’, ‘welfare’ is not something induced as, or even for, socialism, but *instead of socialism*. If this is the ‘socialism’ where they own Volvo, but we have the state – all we can try to do is ‘control’ and ‘tax’ it.

⁵⁴ This stand, to some degree, is a hangover from that particular trend, once popular within the Scandinavian Left, which argued that welfare is a ‘bribe’ which pacifies the workers, and dampens their radicalism. All other misconceptions aside that this form of ‘Hyena Marxism’ entails, Swedish working class history itself is its best counter-argument. The post-war era of steady welfare gains and social reform in Sweden, by the 1970s led to a widespread radicalization of the Swedish working class, which culminated in the adaptation of the Wage Earners Funds resolution within the social democratic labour unions. Today, 25 years hence, of stagnation and worsening social conditions for the working class, radical hopes of ‘socialism’ have within large parts of the Swedish working class, and most definitely within social democracy, been seriously weakened – if not fully abandoned.

democracy in Sweden in the 1940s tried to overcome its contradictions between the Marxian vision of socialism and ‘Functional Socialism’, between the ontology of class struggle and class collaboration by ‘pushing socialism ahead in time’, the Left in Sweden has inherited the same problematic.⁵⁵ Hence, for this Left, socialism is always something that happens ‘in the future’ or ‘somewhere else’ – but it is never something *existing* in Sweden here and now. From this perspective, at best, all we can do is to support the ‘reformist’ Swedish welfare model, in wait for socialism. In theory the Left has adhered to ‘revolutionary socialism’, but since this is never an immediate presence, and only happens ‘tomorrow’, in practice one is at best ‘reformist’ in welfare issues, i.e. exponents of ‘the social policy road to socialism’.

But, the challenge of the Left today is to break with ‘the social policy road to socialism’, with the realization that although the Swedish welfare model is not socialism, not even a road to socialism, there is indeed an alternative way to connect welfare struggles to socialism. Ellen Wood, although not specifically in relation to the Swedish model, explains how such a viewpoint is not paradoxical:

That’s not a paradox. It simply means that all oppositional struggles—both day-to-day struggles to improve the conditions of life and work, and struggles for real social change—should be informed by one basic perception: that class struggle can’t, either by its presence or by its absence, eliminate the contradictions in the capitalist system, even though it can ultimately eliminate the system itself. This means struggling for every possible gain within capitalism, without falling into the hopeless trap of believing that the left can do a better job of managing capitalism. Managing capitalism is not the job of socialists, but, more particularly, it’s not a job that can be done at all.⁵⁶

Added to this perception, I would argue for a very specific basis for evaluating the merits and failures of the Swedish welfare model and further welfare reform. The value of the Swedish welfare model, and the goal and function of popular struggles in its defence, lies not in the creation of a socialist ‘model’, but in the unification and strengthening of the working class, the ultimate *precondition* for socialism. Thus, *the political aim of social policy under capitalism is to unify the working class as a whole in order to strengthen its social position in the struggle for socialism, which, from the fact that it cannot be achieved in collaboration with capital, must be achieved in the struggle against capital.*

If this is the function of welfare and welfare struggles for socialism, we also find that the yardstick for evaluating the Swedish welfare model becomes very different from that of ‘the social policy road to socialism’. In that perspective, since the welfare state *is* socialism,

⁵⁵ Gustavsson, P. (2000), p. 14.

⁵⁶ Wood, E.M. (1999) ‘The Politics of Capitalism’, *Monthly Review*, vol. 51, no 4.

welfare measures are decided on the yardstick of what one believes socialism to ultimately be, which explains both the focus on the ‘stability’ of the model and the translation of its crisis into a crisis of socialism itself. But in our perspective, there is no such relation between state welfare and socialism; there is no search for a stable model and there is no one-to-one relationship between what we struggle for in a capitalist welfare state and what we ultimately believe socialism to be. Also, the crisis of the welfare model is only considered from the viewpoint that it *weakens* the *movement* for socialism, not that it undermines socialism.

The dilemma of ‘reform’ (today) and ‘revolution’ (always tomorrow or somewhere else) could then, in the Swedish context, be overcome. They are both placed and unified in the *ontology* of class struggle, with the yardstick of unifying the working class in its entirety. Again, I claim no originality here. The following statement from leading Swedish social democrat, Gustav Möller, suggests a version of this line of thinking.

I have never understood why one should put the thought of socialization [of the means of production] in opposition to the so called welfare policy. Welfare policy belongs to the same sort of crutches as does the union movement. Unions make adjustments to the results of production and bring to the working class more than it otherwise would receive. Social policy moves yet some small sums of money to the poorest. But that this should be a solution for the future, one from us now 1942 ... accepted solution to the problems of the future, this I could never imagine.⁵⁷

A similar viewpoint was elaborated by Rosa Luxemburg and Anton Pannekoek in their fights against Bernstein’s revisionism in German social democracy (in a slightly different context – there was no real welfare state at the time). In 1909, in his *Taktische Differenzen in der Arbeiterbewegung* (Tactical differences in the labor movement) Pannekoek summarizes the viewpoint:

Social reforms are hence not, as is often said, stages on the road to our goal, in the sense that the goal consists of the sum of an uninterrupted series of such reforms. We now fight to induce measures which are not at all a partial realization of what we wish to fully accomplish in socialist society ... But *hard-won* social reforms are stages on the road to the goal *inasmuch* they carry with them a strengthening of our power. Only as such, as the enhancement of our power, they do have value for socialism.⁵⁸

⁵⁷ Gustav Möller 1942, quoted from Gustavsson, P. (2000), p. 16.

⁵⁸ Pannekoek, A. (1979) [1909] *Olika riktningar inom arbetarrörelsen* (Swedish edition of *Taktische Differenzen in der Arbeiterbewegung*), Arkiv, p. 16. My translation from Swedish.

4:2 Out of the impasse

Historically, expectations on the Swedish welfare model have been high – according to the dominant interpretation of it as ‘democratic socialist’, it has even been seen as the realization of the ‘socialist values’ of equality, solidarity and welfare. Over the last 20 years, in Swedish society at large – and within the different trends of the working class movement – these socialist aspirations have by and by withered away. By the linkages once forged by ‘the social policy road to socialism’, the failure of the welfare model to achieve socialism, has automatically been interpreted and dealt with as a crisis of socialism itself. The dominant trends of social democracy and the Left in Sweden have therefore only been able to try to reconnect actually existing popular movements in defence of the Swedish model with socialism, in ways which have led to a serious impasse of welfare policies. As argued above, the Left has either forsaken previous welfare achievements in the era of globalization, and ‘socialism’ goes out with it too, or else – at best – the Swedish Left can only argue for the welfare model by reaffirming the preconceptions of ‘the social policy road to socialism’, the very project that is in crisis.

The search for a ‘stable model’ of socialism, in class collaboration *with* capital, has also hampered further reforms to build on the achievements of the Swedish welfare model, because with this viewpoint of capitalism and welfare, only those ‘reforms’ that are deemed viable from the viewpoint of class collaboration (i.e. capital), and in the long run, are pursued. These policies, most recently implemented by social democratic governments of 1994-2006, supported by the Left Party, have estranged both social democracy and the parliamentary Left from those actually existing popular movements that have mobilized in defence of hard-won achievements of the welfare model. Without theoretical and political leadership, however, these current popular movements have only been able to ground the defence of the Swedish welfare model in ways that risk reproducing all the preconceptions and hopes of it, entailed in ‘the social policy road to socialism’. Sooner or later, if this course is uncritically pursued, these popular movements will reach the same impasse as the rest of the Left.

The alternative viewpoint on the relation between welfare and socialism, the *ontology* of class struggle, I would argue represents a way out of the impasse, because it makes possible the *unequivocal* support for the popular movements to defend the previous achievements of the Swedish welfare state, without conflating this model with socialism. In short, the struggle for the welfare state in Sweden could then be transformed from the struggle that is conducted *instead of socialism* (or in wait for socialism) to a struggle connected *with socialism instead* –

as a necessary precondition for it. Further elaboration on the specific policy demands to be put forward, and the strategic and tactical questions that this raises, I will leave aside here. But in conclusion I want to highlight two immediate advantages of the position argued for, in relation both to ‘the social policy road to socialism’ and current dominating trends within the Swedish Left – which I think could be of interest for the international reader.

Firstly, with the ontology of class struggle, the defence and in due course, hopefully, further enhancement of the achievements of the Swedish welfare model, are not hampered by the viewpoint of class collaboration. In short, demands within the welfare state are put forward from the working class as a whole, as reasonable, indeed necessary, demands *irrespective of the viewpoint of capital*. These demands are put forward, and previous welfare achievements are defended, *without the consideration of ‘stability’ for the future*, but merely as a means to strengthen the movement towards socialism.⁵⁹ There is no ‘stable’ socialism, in which they own Volvo, but as long as they do, what we can expect from our struggles for more welfare under capitalism, is to (re-) create and reunite the working class movement in its rich *entirety*, as a *precondition* for socialism.

Secondly, with the proposed alternative yardstick for welfare policies in the name of socialism, of unification and strengthening of the movement, strategies to defend and build upon the achievements of the Swedish welfare model also become *independent* of locus or level (a discussion where much of the debate on the Left has found its impasse). No place of struggle becomes unimportant, superfluous or impossible, since our aim is not the creation of a stable model at the ‘right level’ but the unification of the socialist movement *wherever it does in fact struggle in defence of previous welfare achievements*. That is real ‘internationalism’ in the Marxian sense.

The Swedish welfare state is no miracle of socialism in capitalism. And I would never argue for it in general terms for socialists to copy. But in today’s *Swedish* context, where the vision of socialism, even within the Left and the working class movement, as something immediately present or even remotely possible is all but gone, the possibility of a resurgence of socialism can only be in the movement itself within the policy arenas, where it does in fact move. In the Swedish context one important (if not the most important) arena for such movement and struggle concerns the welfare state model.

⁵⁹ In Sweden of late, class collaboration has fostered the idea of a limited ‘reform space’ akin to the idea of a limited ‘wage space’. (Remember ‘Citizen Weston’? Marx’s target in *Wages Price and Profit*.) In short, the belief is held that more welfare reforms now, will limit the space for further reform tomorrow, because we will have taken it from ‘a limited space’. Such notions have hampered the movement, and from our alternative viewpoint, any such idea of ‘reform space’ is rejected.

NB! FIRST DRAFT. NOT TO BE QUOTED WITHOUT PERMISSION

I would argue that the job of any socialist trend or party in Sweden worthy of a name should be to *unequivocally* support the movements to defend previously hard-won achievements of the welfare state – as a means towards socialism. But the hegemonic viewpoint of class collaboration and the theoretical and practical linkages forged by ‘the social policy road to socialism’ have emerged as decisive obstacles to this project. The track record of the parliamentary Left and social democracy over the last 15 years is all but impressive. During larger parts of the stagnation era from 1980 to the present, they have been in government both at state but more importantly at local levels, administrating the cut-backs in the Swedish welfare state.

Current social and political developments in Sweden, as well as the continuing disarray within social democracy and the Left, are evidence of the de-habilitating effects that these policies have had. If the analysis pursued here is correct, the first presupposition for the Left of coming out of this impasse in welfare policies is the abandonment of ‘the social policy road to socialism’. And in its place embrace the seeming paradox – that even if the welfare state model in Sweden is not socialism, not even a road to socialism, as a *precondition* for socialism, it is vital to fight for.

Because, in the end, if we cannot even defend the state-based welfare we have already acheived – why should they worry about us taking over Volvo?