

Rethinking European Social Democracy and Socialism

The History of the Centre-Left in Northern and Southern Europe in the Late 20th Century

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Introduction

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Introduction

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This book examines the political history of European social democracy with a particular emphasis on Northern and Southern European experiences in the period from the end of what is sometimes referred to as the golden age of capitalism in the 1970s, until the end of the Cold War and the early 1990s.¹ Focusing on the European North–South axis as our point of departure not only enables us to historicise a major division of contemporary European politics but also allows us to shed new light on the transformation of socialism and social democracy in the critical juncture that stretches from the international economic crises of the 1970s to the launch of third way politics in the 1990s. We especially wish to underline how political actors and parties have conceptualised social democracy across time and space, bring to the fore previously unexplored transnational networks and delve into the dynamics and power relations at play among European social democratic parties in the context of nascent globalisation. The geographical space of action is not only Europe but also a decolonising and decolonised Global South in the cold war–era context, and more recently the scene for the Arab Spring. The chronological, methodological and geographical scope of the book adds complexity to the conventional narrative of social democratic transformation, which is predominantly based on the British and German parties, and provides new knowledge on the often neglected role of socialist internationalism.²

Social democratic ideology, political practice and identity were significantly shaped by the entangled histories of the parties of Northern and Southern Europe as well as the transfers and lines of communication between them. In this book, these parties are analysed in the contexts of the Cold War, European integration and globalisation, and their relations are seen against the backdrop of the wider European and transatlantic international networks of the period. By turning the spotlight on such an overlooked spatial dimension and on transnational relations in the history of social democracy, the book aims at filling a historiographical lacuna. As Kristian Steinnes underlines in his orienting contribution, historical research on social democracy has long been tied to the framework of national welfare out of which the movement emerged. While this is understandable and to some extent justified, the long shadow of methodological nationalism has obscured crucial developments and platforms such as the regional, inter- and transnational arenas of European post-war socialism and social democracy

that we focus on in this volume. Making use of archival sources, the individual chapters of the book highlight conceptual and political transfers, as well as the negotiations, debates and power struggles that contributed to shaping projects for transnational solidarity. They offer new knowledge that we hope will be helpful for opening up fresh research perspectives and for identifying gaps or underrated aspects in the contemporary political history of Europe.

In the past three decades, academic literature on social democracy has been dominated by an interest in the crisis – and potential rejuvenation – of the so-called traditional social democratic ideas and policies. On the whole, they are associated with democratisation, the development of the welfare state, educational expansion and, above all, the Keynesian economic policies that were successful in generating rapid growth and high employment in post-war Western Europe. In the 1990s, political scientists were especially interested in explaining what they perceived as a paradox: while many European social democratic parties gained power in that decade, the social democratic ideas that had been predominant during the golden age (1945–1973) were in retreat. Later, the crisis of ideas was matched by a generalised political and electoral crisis. Scholars tried to understand the overall decline of social democracy, and the question of the end of social democracy emerged.³ Most of them rejected gloomy predictions.⁴ However, they coincided in pointing to the period between the mid-1970s and the early-1990s as the watershed decades in which the roots of social democracy's decline and transformation are to be found.

Already in its 1959 Godesberg programme, the Social Democratic Party of Germany (SPD) had formally rejected the goal of replacing capitalism. On the other hand, dismissing the opposition between revolution and reform, social democrats before and after were adamant in their insistence upon long-term transformative change. Social democracy was “more than a party charged to administer the society”, as Olof Palme vowed in conversation with Willy Brandt and Bruno Kreisky in the early 1970s. Such beliefs were soon put to the test by changes in the international political economy (monetary depoliticisation and privatisation, empowered transnational financial markets), shifting electoral bases in post-industrialising societies and a growing gap between voters and their increasingly professionalised representatives.⁵ What chances did social democracy have to remain on a *proactive* path towards societal change against these and other forces? Would its role be reduced to *reactively* mitigating the effects of the markets?

As many have argued, social democratic ideology was placed on the defensive because of the international oil and economic crises of the 1970s, which made redistribution of capitalist growth more difficult. In 1976, the Swedish social democrats that had been the standard-bearers of national and global new deal politics for over four decades ceded their leadership role in government to a non-socialist coalition. Together with their sister-parties across the world, they soon embarked upon a trajectory towards the post-Keynesian social democracy in the 1980s and 1990s. Through a substantial modification of the concept of “third-way politics”, the revamped social democratic parties adapted to neoliberal economic paradigms

and to the new international post–Cold War order, globalisation and the shrinking of the working class in Europe.⁶

This developmental narrative has provided a basis for understanding our current condition. Social democracy survived electorally, but it became incapable of transforming society in a more egalitarian sense.⁷ Often evoked as one of the factors explaining the sharp rise of inequality and the recent emergence of right- and left-wing populism in Europe, this narrative emphasises structural, international, economic and social factors,⁸ but it conceals many aspects of the evolution of European social democracy. For example, it obscures intra- and inter-party struggles and debates, it neglects alternative ideas proposed by European social democrats and it pays little attention to the relevance of intra-European collaborative networks, as well as tensions and hierarchies, in shaping the developmental paths.

Historians have touched upon the geo-cultural dimension of social democracy in both macroscopic works⁹ and more narrowly focused case studies. They have demonstrated the relevance of the social democrats' transnational relations for explaining the development of this group,¹⁰ notably during the transitions to democracy in Southern Europe in the 1970s, when the SPD and the French Socialist Party (PSF) promoted different understandings of social democracy and democratic socialism.¹¹ As for Northern Europe, scholars have explored connections between Nordic and British third ways mainly in the 1990s,¹² and they have concentrated on the parallels – more than the connections – between European social democrats.¹³ Furthermore, it seems that the recent scholarly research on the transnational history of social democracy is missing an important element. While the Nordic parties, especially the Swedish SAP, have often been regarded as key representatives of social democracy during the Cold War, they are relatively absent from the transnational history of this group, which has tended to focus on the transitions to democracy in Southern Europe and on the development of social democracy within the European Community (EC).¹⁴ This is a serious gap in view of the paradigmatic status of the “Swedish model” of social democracy globally and consequently also on the Iberian Peninsula in the 1970s and 1980s.¹⁵

It is against this background that the following contributions aim at a better understanding of the transformation of social democracy. It is worth recalling that the historical contribution of social democracy has been praised for a reason. Through struggle, planning and compromise, this form of politics succeeded in creating a society where the equality of opportunity was greater than before or since. At its peak in the 1970s, ambitious proposals were presented at the United Nations (UN) for a globalisation of the northern social democratic welfare model by extending it to the Third World, as it was called in Cold War parlance, in the context of a “New International Economic Order” (1974).¹⁶ But while a certain nostalgia may be warranted, there is no return to the nationally confined welfare states of the past, whose strong reliance on gross domestic product (GDP) growth and unsustainable levels of energy use and resource extraction are incompatible with the current conditions of climate emergency. This is not to say that other paths of revising the model could not have been chosen over the neoliberal solution, as Mathieu Fulla demonstrates with his analysis of the partial survival and

return of Keynesian alternatives in the 1980s and early 1990s within the Party of European Socialists (PES). This book therefore argues that we, instead of uncritically accepting the standard explanation of social democratic reinvention under the impact of oil shocks, debt crises and the economic downturn of the 1970s, and the ideological slogans from the Reagan-Thatcher era (“there is no society”; “there is no alternative” to free-market liberalism), should pay close attention to the choices and decisions made by historical actors at critical turning points, in the context of internal debates among politicians and policy makers, as exemplified by Fulla’s discussion of the plans among European socialists for an alternative, less anti-Keynesian “third way” – before the European triumph of the Washington Consensus in the 1990s.

While there has been extensive research on the responses of social democracy to the challenges of the 1970s and beyond, political scientists have predominantly relied on national approaches. As a result, the narrative on the transformation of social democracy is heavily influenced by developments within the main parties, chiefly the British Labour Party (BLP) and the Social Democratic Party of Germany (SPD). Based on the experiences of these parties, scholars have often treated European social democrats as a homogenous group. As an example, in his influential book, Gerassimos Moschonas devotes special attention to the parties of Central and Northern Europe in order to achieve a “conceptual homogenisation” and to account for the logic and action of social democracy “in its entirety”.¹⁷ This perspective has overshadowed the experiences of social democratic parties that do not fit the ideal-typical model.

Macroscopically, this tendency is enforced by the way in which “Europe” is excessively treated as a monolithic entity by global and postcolonial historians. The substantial internal power geometries and North–South divisions that we examine in this book are too often airbrushed out of the picture.¹⁸ One striking example of the insufficient attention devoted to internal North–South (not only East–West during the Cold War and beyond) hierarchies, also with respect to intra-European power relations, is the idea that an imposing hegemony of northern centrist and market revisionist Social Democracy went together with the support (and guide) given to the Iberian parties during the process of transition from the mid-1970s. As the other contexts where North–South is discussed in the book, this example underscores the extent to which the divide is social and spatial at the same time. The terms are embedded in a “rhetorical unconscious” that underpins the way in which ideas of progress and change since the Enlightenment have been imposed by the North upon the South.¹⁹ Existing on multiple layers between the national, the regional and the global – as Bernd Rother reminds us in his concluding reflections – the North–South division is at the centre of present challenges within the European Union (EU), where it was transposed onto the older East–West divide during the Eurozone debt crisis in the early 2010s. Exposing one historical example of this European *longue durée* dichotomy also serves to understand the more visible present-day North–South cleavage within the EU. Furthermore, this frame of analysis offers a way of considering temporality as part of the story, since the various national processes are conducted with the idea

of “catching up” or staying ahead. Attention to these synchronic temporalities adds to the understanding of the complexity of the historical development under study here.

North–South cleavages on a variety of topics certainly form a part of the history of European socialism and social democracy as well. As Kristian Steinnes observes in his chapter, in the immediate post-war period, before it faded towards the 1970s, there was a clear North–South division with regard to European integration. In part, because the northern social democratic parties in Scandinavia and England had established themselves more firmly in their respective national political systems, they also showed more reluctance and “needed” the European framework less than their southern counterparts. The North–South divide also manifests itself in the context of political cultures. In one specific area, pertaining to the relationship between unions, parties and the state, Italy provides a striking contrast to the Northern European Ghent system. Situating Italian socialism in a comparative framework, Paolo Borioni’s chapter highlights the Italian absence of the kind of twofold parity (between capital and labour as well as unions and pro-labour parties) characteristic of Northern European social democracy. Divergent political cultures and structural economic imbalances are significant variables for understanding the comparatively poorer conditions for the Southern European left to adapt to post-Keynesian globalisation.

One pathway for coping with the multiple crises of the 1970s was provided by expanding transnational socialist networks. Initially, this entailed a revival of the left. At the beginning of the 1970s, several European socialist parties and labour unions adhered to the idea of transcending traditional social democratic policies by advocating workers’ self-management (*autogestion*). The French socialists were pioneers adopting this idea from Yugoslavia to Western Europe. They adapted it to their own context and attempted to promote it internationally, chiefly among their Southern European counterparts. Actually, during a short period of time, self-management was a specific ideological goal for socialists in Southern Europe. It became an identity marker and, together with the issue of how to relate to the strong communist parties of the area, differentiated the Southern European socialist parties from their counterparts in the Socialist International.²⁰

Self-management bears similarities to the idea of workplace democracy advocated by the Nordic social democrats at that time. However, a potentially different ideological development in the Socialist International (SI) was prevented.²¹ In the second part of the 1970s, these projects were abandoned as a result of the fact that, in the context of international capitalist crises, leading social democrat parties such as the SPD promoted a more laissez-faire-oriented economic approach among their European partners,²² while Southern European socialists prepared to integrate into the European Community. The expansion of transnational socialist networks favoured a dynamic exchange of ideas and practices between European parties, but it also increased the influence that social democrats of dominant European countries had over the socialists and social democrats of Southern and Northern Europe, as Alan Granadino, Ilkka Kärriylä and Sami Outinen point out in their comparative chapter.

In assessing specific developments in “Southern Europe” – increasingly conceptualised as such in this period – we should, as Michele Di Donato argues in his contribution, pay specific attention to the regionalist/internationalist responses to the “shock of the global” of that decade. Socialist internationalism contributed to reordering, challenging and overcoming lines of demarcation, in Europe and globally. Recent scholarship has notably re-evaluated the growing importance of the SI, at a time when social democratic politicians assumed leadership positions in their respective national governments, as well as the role of transnational collaboration in the European Community.

Several chapters in this volume contribute to this literature. With the European North–South framework as her point of departure, Ana Mónica Fonseca highlights the role of the SI as a catalyst for cross-border cooperation in the 1970s. She shows how the reinvigorated organisation – which at that time, as Steinnes reminds us, evolved well beyond its reputation as a powerless socialist discussion forum²³ – channelled international support from state and non-state actors alike. Among the key objects of this support were the Spanish and Portuguese socialist parties during the Southern European transitions to democracy and subsequently their sister-parties in Latin America, where Portuguese and Spanish socialists, chiefly Mário Soares and Felipe González, were important mediators. But, as Stine Bonsaksen notes in her contribution, the specific “impact” of the SI on the Iberian transformations can be assessed in different ways. Besides, the organisation itself was made up of voices and interests that were anything but uniform. Taken together, the chapters by Fonseca and Bonsaksen draw attention to the SI as a major forum for political transfers in and beyond Europe, which manifested themselves through agreement and collaboration as well as dissent and conflict over strategy. More often than not, the Scandinavian parties played the role of the third, mediating element, on this as on other international arenas.

In the momentous era of post-Bretton Woods globalisation, socialists and social democrats across Europe sought to make sense of their position with regard to the changing relation between national welfare, international cooperation and plans for a New International Economic Order beyond the Cold War division. In his chapter, Olle Törnquist highlights the unevenly successful strategies developed in this context by European social democrats facing insurmountable challenges not least in their ambitious plans for globalising the northern welfare model through platforms such as the SI and the UN. Sweden’s strong commitment to this project can, as Andreas Hellenes and Carl Marklund propose in their chapter, be seen through the lens of “small-state solidarity” and “cultural affinity”. These categories, they argue, can help us look beyond the common binary opposition between idealist and realist explanations for the global positioning strategies and the support for non-aligned world visions by neutral small-state Sweden.

Starting from the same historical constellation, Törnquist’s discussion exceeds the framework of historical analysis and asks how the successes of Nordic social democrats in building broad alliances for inclusive democratic societies can be adapted for 21st-century conditions in the Global South. In different ways, both of these chapters underline how Swedish social democrats often saw the rise of

the decolonised world as more of an opportunity than a threat, in contrast to the globally dominant great powers of the period. The challenges, but also popular desires, of adapting “Nordic social democratic” political reforms during the Arab Spring, as shown by Rinna Kullaa, bear similarity to the previously mentioned examples. In her chapter, she argues that some of the defining traits of the Nordic societies are highly valued by young generations in North Africa and the Middle East. While pointing out that the lack of social democratic movements characterises the history of the region, she wonders how its future would look like if approached from a different angle; one in which key aspects of Nordic social democratic societies, such as the state’s protection of citizens’ legal rights, education, health care and the environment, were at the centre. Both Törnquist and Kullaa focus in their chapters on failed outcomes and reflect on potentially missed paths of development.

Notes

- 1 The chapters originate in two workshops co-funded by the Nordforsk research hub ReNEW (Reimagining Norden in an Evolving World) and the HERA project “The Debt: Historicising Europe’s Relations with the ‘South’”. The workshops brought together historians and political scientists interested in exploring new spatial angles and connections that would shine a light on the process of ideological and political transformation experienced by European social democracy in these decades.
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- 3 Lavelle, A., *The Death of Social Democracy. Political Consequences in the 21st Century* (Aldershot: Ashgate, 2008).
- 4 Egger de Campo, M. and Fleck, C. (eds.), “Editorial: End of Social Democracy?”, special issue of *ÖZG Österreichische Zeitschrift für Geschichtswissenschaften – Austrian Journal of Historical Studies* 29, 1 (2018): 5–13; Callaghan, J., et al., *In Search of Social Democracy. Responses to Crises and Modernisation* (Manchester: Manchester University Press, 2009); Keating, M. and McCrone, D. (eds.), *The Crisis of Social Democracy in Europe* (Edinburgh: Edinburgh University Press, 2005); Giddens, A., *The Third Way: The Renewal of Social Democracy* (London: Polity, 1998).
- 5 For a recent discussion on this topic, citing also the quote by Palme, see: Przeworski, A., “Revolution, Reformism, and Resignation”, in Maya Adereth (ed.), *Market Economy, Market Society. Interviews and Essays on the Decline of European Social Democracy*, New York: Phenomenal World Volumes, 2021, 16–31; Brandt, W., Kreisky, B., and Palme, O., *Briefe und Gespräche 1972 bis 1975* (Frankfurt am Main and Cologne: Europäische Verlags-Anstalt, 1975).
- 6 Bailey, D., *The Political Economy of European Social Democracy. A Critical Realist Approach* (Abingdon and New York: Routledge, 2009); Eley, G., *Forging Democracy: The History of the Left in Europe, 1850–2000* (Oxford and New York: Oxford University Press, 2002). In his latest book, Thomas Piketty points to crucial changes in voting patterns in this period, highlighting the role of education in political alignment. As the new “Brahmin left” (“*Gauche brahmane*”) was increasingly transformed into the domain of the well-educated professionals, it was cut off from its traditional working-class base. Piketty, T., *Capital et idéologie* (Paris: Seuil, 2019), ch. 15.
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- and London: Harvard University Press, 2009), 1–42; Scharpf, F., *Crisis and Choice in European Social Democracy* (Ithaca: Cornell University Press, 1991).
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 - 12 Evans, B., “Introduction”, in Evans, B. and Schmidt, I. (eds.), *Social Democracy after the Cold War* (Edmonton, Alberta: AU Press, 2012), 1–11; Cronin, J., et al. (eds.) *What’s Left of the Left. Democrats and Social Democrats in Challenging Times* (Durham, NC: Duke University Press, 2011).
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 - 14 Andry, A., “Was There an Alternative? European Socialists Facing Capitalism in the Long 1970s”, *European Review of History: Revue européenne d’histoire* 26, 4 (2019): 553–572.
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 - 16 Gilman, N., “The New International Economic Order: A Reintroduction”, *Humanity: An International Journal of Human Rights, Humanitarianism, and Development* 6, 1 (Spring 2015): 1–16.
 - 17 Moschonas, G., *In the Name of Social Democracy: The Great Transformation from 1945 to the Present* (London and New York: Verso, 2002).
 - 18 The same divisions have also been overshadowed by the primacy of the East–West divide in Europe at the end of the Cold War.
 - 19 Dainotto, R. H., *Europe (In Theory)* (Durham, NC: Duke University Press, 2006).
 - 20 We are indebted here to the contribution of Frank Georgi to the workshops upon which this publication rests.
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