

ERHARD EPPLER:

**Dawning of a New Era. On the Need to Construct
Social Democracy in Europe**

In Europe today, a majority in many European countries are in favor of social democratic ideas and aims, but a large proportion of this majority do not believe that social democrats are capable of achieving their aims. Some even doubt whether they really want to, while others concede that much, but feel that they lack the necessary resolve. But where people no longer believe that politics can change anything, the parties of the left suffer more than most.

What is to be done? We could reappraise the past, face up to it, and admit our mistakes, but also explain how things turned out that way. We could try to restore our credibility in the eyes of those who no longer believe in us. Not by attempting merely to make excuses for what happened, but by showing what happens when an ideology of free-market fundamentalism attains total dominance in a media-driven society.

Whether the economy grows overall is decided by the markets. If your aim is to achieve the highest possible »plus« in the GDP statistics, you have to put your trust in the markets and satisfy the demands of business leaders. The political consequences of this, generally speaking, do not favor social democratic ideas. The desire for wholesale growth was one of the levers used by market fundamentalists to undermine their opponents and this will continue. However, a society in which it is disputed what should grow and what not must dare to engage more in politics. Anyone wishing to restore the primacy of politics needs to carry on the discussion on growth differently than hitherto. It can no longer be a matter of miniscule percentage gains or losses but of whether growth is urgently necessary, innocuous, or harmful.

Now is the time to change course, especially in Europe. A large majority now share the view that societies must be held together by means of social justice. If social democrats manage to convince the majority of voters that theirs are the best and most experienced hands with which to achieve social cohesion they will be confronted by an enormous challenge, but also a great opportunity. The solidaristic society, as it turns out, is not only right and proper, but also sorely needed.

In the past, social democrats have used the instruments of nation-states for the benefit of these nation-states. However, the globalization of markets has resulted in a downgrading of the nation-state to the status of a mere »location,« which must compete with other locations for the investments of global capital. Therefore, anyone who is serious about politics, social democratic politics, must put their faith in Europe, although it is a European Union whose Commission has been more infected with market fundamentalism than most national governments.

Social democrats will readily agree that we need a »social Europe.« But this requires first a political Europe – a Europe with the tools and competences needed to build a social Europe. If social democracy in Europe wishes to secure a healthy future it must become more European and present itself as a European party. That should be easier in the wake of the collapse of market fundamentalism. We can begin again to establish common ground.

JAN NIKLAS ENGELS / GERO MAASS:
The New Promise of Happiness
Current State of the Discussion on the Future
of European Social Democracy

In the face of its dramatic electoral defeats over the past few years, European social democracy must meet a number of challenges. It must carefully analyze its policies, clearly identify its successes and failures, open itself up both structurally and in terms of its program, and develop a future-oriented political alternative to neoliberalism, »soft« conservatism, and backward-looking populism alike. This process is already in full swing and in this article we aim to present the first interim report on the debate on the future of European social democracy.

The analysis commences with a position statement, which seeks explanations of the disastrous election results and engages in some self-criticism. Apart from country-specific factors, seven theses constitute the point of departure: they range from the fulfillment of social democracy's original mission (the »Dahrendorf thesis«); through the diminishing room for party positioning; the loss of discursive hegemony; and the loss of the role of guarantor of social justice; to the alienation of the working class as social democracy's original base; the split of the electoral base into advocates and opponents of globalization; and the transformation of values.

The second step in the process of analysis consists of learning lessons and the search for a new social democratic narrative and has already been addressed by social democratic parties, but also by associated foundations, academia, and think tanks. While the basic approaches and headings for a new narrative vary considerably at present, the themes which will have to be worked on – such as solidarity, democracy and a new socio-economic paradigm – tend to be the

same. The new social democratic narrative should give convincing answers to the socio-economic, cultural, and political uncertainty that many perceive as a threat. Politics must be restored as an credible and tangible instrument for the positive transformation of social life.

Social and economic security, societal recognition and cohesion, as well as democratic participation are not ends in themselves. Politics, society, and the economy are needed, instead, to contribute to people's satisfaction with their lives, self-realization, and happiness.

The last and, certainly, most difficult step is the translation of the lessons learned into concrete political measures with the aim of regaining a societal majority in favor of social democratic policies. Decisive for political success in this respect is a party's overall state. Narrative, leadership, scope of action, performance record, partnerships, and strategies on Europe and globalization have to compose a harmonious picture. Turning only some of these levers is simply not enough.

CARMEN DE PAZ NIEVES / GUILLERMO MORENO RODRIGUEZ: Progressive Politics in the Age of Polarization and Economic Crisis Current Situation and Prospects of the Spanish PSOE

The PSOE or Spanish Socialist Workers Party is one of the two major political forces in Spain, and has been a key player in the consolidation of democracy in the country. The Partido Socialista Obrero Español (PSOE) has generally followed a different trend from similar European social democratic parties, mainly as a result of Spain's recent history. While social democracy was consolidated in Europe during the 1960s and 1970s, it was not until almost the 1980s that the PSOE became a social democratic »catch-all« party.

This article presents: (i) a brief historical overview of the Party and how it evolved into a »catch-all« multi-class social democratic organization; (ii) an analysis of the current situation of the PSOE, mostly with regard to its popular support; (iii) the main reasons behind recent electoral defeats/successes of the Party; and (iv) a brief analysis of its future prospects.

During the first 15 years of democracy in Spain, the need to build up democratic institutions and modernize the country rather sidelined other considerations, at a time when ideological polarization on the left–right axis was the main trend in Europe. Polarization thus came onto the Spanish scene much later, when the opposite trend could be observed in Europe, with the prevalence of Third Way approaches to social democracy and a decline in social democrats' popular support and agendas.

Since the PSOE came to power in 2004, its focus has been on a social and civil rights agenda, which has helped the party to strengthen its ties with the social

groups at the core of its electorate and to radically change Spanish society. At the same time, this agenda, coupled with the confrontational strategy of the PP, the main opposition party, has contributed to an increase in the polarization of the political debate. Policies such as the introduction of homosexual marriage, immigrant integration, or the strong agenda on gender equality, have made Spain – still very much a traditional country with a strong Catholic influence – one of the most progressive countries in Europe. At the same time, the Socialist Party has concentrated on building up the so-called »fourth pillar« of the welfare state, mostly through the dependency law and its development.

The party is currently experiencing a particularly difficult time, due to the negative consequences of the financial and economic crisis in Spain and the unpopular adjustments that the government has been forced to make in the circumstances. However, the decrease in public support is mostly motivated by this exceptional situation, and the strong campaign led by the conservative PP, although the latter is not benefiting directly in terms of popular support due to its own internal problems and the lack of support for its leader, Mariano Rajoy, among the conservative electorate.

PATRICK DIAMOND:

The British Labour Party: New Labour Out of Power

Since the mid-1990s, the Labour Party has enjoyed the most sustained period of success in its history, winning three election victories under the leadership of Tony Blair (succeeded as Prime Minister by Gordon Brown). Despite Labour's success in winning power, however, there is a fundamental debate under way concerning whether, as a party of government, it managed to change the country, forging an institutional legacy capable of taking Britain beyond Thatcherism.

The landscape of British politics has been transformed by the 2010 election, with the formation of a center-right alliance between the Conservative Party and the Liberal Democratic Party. Some commentators now predict that Britain will be governed permanently by a power-sharing coalition, in which no single party is able to secure a parliamentary majority.

There is wide-ranging discussion in progressive circles about where »New« Labour goes from here. The Labour Party needs to have a far clearer conception of what it stands for and the kind of change it wants to bring about in British society. Labour also needs to confront and address the major structural dilemmas and issues that made it increasingly unpopular in government. These included the decision to join the United States in the war in Iraq and the attendant consequences of the war on terror; the dislike of excessive »spin« and overzealous communications hastened by the rise of the »24/7« news cycle; and increasing disillusionment with politics itself, as evidenced by the catastrophic collapse of

political trust since the mid-1990s, despite a wave of constitutional reforms under New Labour. Finally, Labour needs to formulate a set of credible policy goals that will address the social and economic challenges that Britain is likely to face in the decade ahead.

New Labour was created by fusing together ideas and ideologies from both the American progressive tradition and European social democracy. The critical question for the future of the party, however, is whether Labour is seeking to move Britain closer to Europe rather than the United States, accepting European levels of social welfare and market regulation, and embracing a common European security and defense policy. An inward-looking model of British social democracy is unlikely to flourish in an increasingly globalized world.

The major intellectual challenge that the crisis poses for European social democracy is to ensure that the state advances the collective interest rather than the vested interests of an elite. What social democrats need to fashion is not larger government, but a more capable strategic state that can steer and intervene in the increasingly complex networks and institutions of a globalized economy and society.

FRANS BECKER / RENÉ CUPERUS: Innovating Social Democracy – Houdini-style A Perspective from the Dutch PvdA

In many Western European countries – and the Netherlands seems to be a veritable political laboratory in this respect – we are currently witnessing: (i) the decline of core electorates; (ii) the emergence of a more polarized and divided electorate; and (iii) a cultural and economic ideological split among social democratic voters, leading to the erosion of the »leftist working class.« In addition, there is a rise in support for parties on the extremes of the left–right spectrum – especially those on the populist right – and a raising of the profile of a number of new political issues, such as immigration and European integration. These developments pose alarming challenges for social democratic parties if they are to remain genuine broad people's parties (»Volksparteien«), bridging several segments of society.

Social democracy must be reinvented once again. The conditions in which such innovation has to take place, however, are complex and paradoxical. Social democracy in times of abundance and a dwindling working class is like Christian Democracy without Christians in times of widespread secularization. Sticking to the classic emancipatory mission of social democracy, therefore, must inevitably become problematic or even redundant, at least to some degree. Our middle-class-oriented societies and their citizens are better off in material terms than in any other period in the history of capitalism. On the other hand, there is strong evidence that ongoing globalization is generating new centrifugal forces in so-

ciety, leading to growing inequalities of wealth and income; a gap between the lower and higher educated in cultural orientation, lifestyle, and feelings of trust and security; and a division between immigrant communities and »natives.« These forces are giving rise to a new social democratic urgency and making a case for »innovating social democracy.«

In order to restore the coalition between social democracy's various constituencies, there is need for a program that connects a materialist perspective – comprising fair pay, decent work, opportunities to move upwards, and social and physical security – with a post-materialistic or cultural perspective (comprising a sustainable environment, an open outlook on the world around us, and, at least up to a point, an acceptance of cultural diversity).

European welfare societies – under conditions of mass migration and globalization – must be renewed, but also maintained in the face of American and Asian competition. Europe must compete on the basis of human well-being and welfare, beyond the narrow neoliberal concept of economic growth. Let European social democracy remain the pillar of a modernized European social market model, but also develop a keen sense of cultural and identity politics.

European societies and parties are at a crossroads. We have to make up our minds: what kind of society do we want to live in? Will we choose a society in which inequality is growing, immigrants are considered as permanent intruders, markets dominate the public interest, financial interests are considered more important than entrepreneurship, and people regard one another as strangers? Or will we choose the European model that we constructed with so much care and effort after the War: an inclusive society with more moderate differences of income and wealth; a public sector that acts as countervailing power to the market, with responsible citizenship at the top and the bottom; an education system that cherishes mechanics as well as engineers; and with a green and innovative economy, the rule of law, and relaxed diversity?

LAURENT BOUVET:

Who Loves the PS? The Electoral Paradox of the French Socialist Party

The French Socialist Party's electoral position has been paradoxical for the past 10 years or so. While it has done well at the local and regional level and has become the leading party in France in terms of number of representatives and the authorities it is running – in contrast, it has been regularly defeated at the national level (general and, especially, presidential elections).

This electoral paradox can be traced back to what one might call the ps's »sociological problem.« It is a triple problem of over-representation of representatives within the party, an activist sociological profile out of step with the general population, and a narrow and skewed electoral base. This makes difficult, not so

much the prospect of an election victory – which depends on numerous other factors – but, at a deeper level, the party's ability to remain in power, its consistency over the long term, and the spreading of its values within society.

The difficulties – both economic and political – of Nicolas Sarkozy's presidency have, in recent years, gifted the Socialist Party with leadership of the opposition. The French public considers the PS to be the left-wing party most likely to provide the candidate from this camp in the second round of the presidential election. However, the opposition to Nicolas Sarkozy constitutes neither a political program nor a platform. And it is on its plans for the country that the PS will now be judged.

In order to win the presidential election in 2012 and to return to power for the long term, the PS must be in a position, in the next two years, to put before the people of France a political project which they can really get on board with. This means more than just proposing to put an end to »Sarkozyism.« Whether a decision to vote is taken for positive or negative reasons is a crucial factor in determining the legitimacy of the government which comes to power after winning the election. If its legitimacy is weak a government's political room to maneuver will be much narrower than if elected to implement a set of policies explicitly endorsed by the majority of voters. The participation rate and the distribution of votes are clearly the two other factors to be taken into account in this respect.

A good program and a good candidate: these are the two tasks of the PS between now and the election. Then it will have to run a good campaign. This program, this candidate, and this campaign will have to show the French public that the Socialists – far beyond the leftist rhetoric which they tend to adopt in opposition (and often forget once in government) – have learned from their past mistakes and that they are ready to take up the reins of national power once again in the clarity of their convictions and their policies. In that way, they will be able to retain power and deal with the serious difficulties facing both France and Europe today. In order to do this, two avenues will have to be given priority: taking into consideration the demands of the working class in every domain – the Socialists have to regain a »sens du peuple« – and taking up a position in the European dimension. A narrow political path will have to be trod if these two requirements are to be reconciled, which have often appeared antagonistic, but it is now the only practicable one for social democracy in both France and Europe as a whole.

MATT BROWNE/JOHN HALPIN/RUY TEIXEIRA: The American Democratic Party at a Crossroads

The American Democratic Party is at a crossroads. In 2006, the Democrats regained full control of the US Congress. In the 2008 electoral cycle, building on their successes in 2006, the Democrats secured large majorities in the House and

Senate, as well as winning the US Presidency. Two years on, these majorities – and thus President Obama's reform agenda – are under threat.

The 2006 and 2008 victories were built on: (i) a growing disillusionment and disappointment with the policies and performance of the Presidency of George W. Bush; (ii) growing support among the electorate for a substantial role for government as a guardian against the vagaries of the market economy, as a check on reckless business behavior, and as an important source of public investment in national needs, from renewable energy and updated infrastructure to education and health care; and (iii) important and favorable demographic trends that boosted support for the Democratic Party and its candidates.

These latter trends amount to a demographic transformation of the US and provide a clear and unambiguous boon to the Democratic Party. This is because these emerging constituencies lean progressive and in America there is only one progressive party, the Democrats, for which these constituencies can vote. In Europe, however, the situation is quite different. The simple American two-party system, which favors the existence of one progressive party, exists nowhere. European social democrats have therefore been caught in a kind of electoral pincer movement. On the one hand, the traditional working class is declining as a share of the electorate and is also giving less of its support to social democrats over time. On the other hand, social democrats are not getting their fair share, as it were, of progressive emerging constituencies, with much of that going to their center-left competitors.

However, despite American Democrats' ability to fully capture favorable demographic trends, American Democrats currently face a daunting situation. Since taking office, President Obama, and the Democratic majorities in both the House of Representatives and the Senate have faced concerted and virulent opposition from the Republican Party, the conservative media, and a new grass- and net-roots movement, the Tea Party. To resolve these difficulties, the Democratic Party must meet two challenges: the *definitional challenge* and the *organizational challenge*. The definitional challenge means Democrats must provide a values-based vision that clearly outlines both what the new, vibrant American economy will look like in the years to come – that is, the end goal – and explains the role of government in assisting and enabling this transition. The organizational challenge means that Democrats must continue to innovate in how they organize and mobilize the progressive community that brought it to power, especially in terms of including this community in the governing process.

Through the lenses of the different organizational and definitional challenges progressives face in Europe and America, the prospects of a future transatlantic dialogue may be better than some had thought. Progressives are as likely to benefit from discussing the differences in the challenges faced on either side of the Atlantic as they are from discussing the similarities. It would seem to us that investigating how progressives might achieve a happy medium between the

flexibility, innovation, and vibrancy of American campaign committees, and the discipline, structure, and hierarchy of European parliamentary parties is a worthy endeavor.

In addition, it is essential for progressives in Europe and the US to work in partnership to define a progressive growth model as an alternative to conservative economic orthodoxy. It is not overstating the case to say that the future of progressive politics depends on our ability to craft such an alternative.

WOLFGANG BIERMANN/KRISTINE KALLSET:

»Everyone on Board!«

The Nordic Model and the Red-Red-Green Coalition – A Transferable Model of Success?

After its worst defeat for 77 years in 2001 Det norske Arbeiderparti (the Norwegian Labor Party/AP) managed to change course and, by means of policy renovation and a clear statement of its willingness to form a Red-Red-Green coalition, to win back public trust and thus the elections in 2005 and 2009.

The restoration of broad-based public trust in social democracy is closely linked to trust in the sustainability of the Nordic welfare state. Only after the Labor Party unambiguously declared itself a social democratic party and presented itself as the sole force capable of bringing together society as a whole was it able once again to develop a broad appeal and stabilize voter assent.

The regaining of young people's support (from 11 percent to 32 percent approval of the AP) and a major part of organized labor (from around 30 percent to around 50 percent), the return of voters who had turned away from the party in 2001, and the disproportionate increase in support among women speak volumes for the prospects of success of a strategy of adopting a clear-cut party platform.

Another factor is the changes in internal communication in the AP, which made the party very attractive to younger people: use of the Internet and the development of modern, proactive – and multiple prizewinning – Internet communication.

This article recommends a fundamental engagement with the lessons learned from the Norwegian experience, since they show that a social democratic party can return after a dramatic defeat and the loss of its traditional electoral constituency in a relatively short time to convince the majority of the public of its ability to govern and to unite society. In our view, these lessons learned from Norway are eminently transferable.

EUGENE LANG:

Whither the Liberals? Current State and Prospects of the Liberal Party of Canada

The Liberal Party of Canada (LPC) has dominated Canada's federal governance throughout the post-war period and has provided Canadians with many elements of a social democratic policy legacy. That said, the party is not social democratic in the European sense of the term and does not identify itself as such.

After the party's long period of electoral dominance, policy innovation and agenda setting have been in decline for several years: as an electoral and policy-making force it is a shadow of its former self. The gradual loss of support among previously core demographic groups is a serious and perhaps fatal ailment. The loss of representation in large parts of the country and the attendant isolation of Liberal MPs in a few large cities in central Canada and the Atlantic region, is a similarly serious affliction.

The LPC appears to be at a historic crossroads. All polls over the past year suggest that it will lose the next election to the Conservatives. That would mark the first time in post-war history that the LPC has lost three consecutive elections. Another election loss cannot be attributed entirely to leadership personalities, as the Liberals would have lost the past three elections under three different leaders. Something more fundamental is at work, which the party ignores at its peril.

The LPC is resting on its progressive policy legacy and the identity it established in the past: but this is a distant and fading memory to an increasing number of Canadians. The party has failed to even attempt to crystallize a progressive, Liberal narrative and agenda for the twenty-first century, which it could then present to the public as fundamentally different from those of the Conservative government.

The party's historically and persistently low popular support and persistently poor competence ratings on major issues, plus the unprecedented fragmentation of the progressive vote, guarantees the LPC nothing in the future. The old two-party governing configurations – within the framework of which the Liberals governed most of the time with majorities and ceded power occasionally to the conservatives – is a thing of the past. If the Liberals aim to return to government soon, they must decide who they are, what they stand for, and why they want to govern Canada again, rather than following a strategy of waiting until the public becomes fed up with the Conservative government and turns again to the LPC.

Historically low support for the LPC over the past several years, plus unprecedented fragmentation of the progressive vote mean that the most likely road back to government for the LPC in the short term is probably via a coalition government with the New Democratic Party of Canada. However, to get back on the road to government, the party must come to grips with the present and the future, and establish a political identity that is faithful to the values and achieve-

ments of the party's past, while being tailored to the challenges and realities of today and tomorrow.

ANNA MATERSKA-SOSNOWSKA:

The Crisis of Social Democracy in Poland: A New Start for the Left?

The crisis of Polish social democracy seems to be deeper and more serious than that of its western European counterparts. This is the result, not only of the narrowing of the political landscape, or a failure to act on the basis of social democratic principles, but also – or even primarily – of problems within the party and its ideological crisis. At present, two right-wing parties monopolize the Polish political arena, having taken over many of the left's social slogans and even outlook. »Ideological uncertainty and skepticism concerning definite solutions of social problems« (Walzer 2005) have become a feature of social democracy also in Poland.

The weakness of the Democratic Left Alliance (SLD) is the result of the following:

- ▶ the lack of a clear ideology;
- ▶ a focus on actions yielding immediate benefits;
- ▶ the lack of an effective leader; and
- ▶ conflicts inside the party.

The SLD has problems with both its image and its ideological and political credibility. The left in Poland should fight for its identity and create a »new left« program in order to retain its older, socially-oriented electorate, while also offering »freedom of outlook« to win over a younger electorate, especially first-time voters.

The SLD as the main left-wing party should create a comprehensive policy alternative. It should answer the basic questions: By whom and how is the party represented and who should represent the party in the future? What is the vision it wants to realize? The essential questions that remain unanswered are: What is the contemporary definition of the left? What is its identity?

AGUSTÍN CANZANI:

Substance and Reputation

Successes and Challenges for Progressive and Left-wing Parties and Governments in South America

Left-wing and progressive politics in Latin America have gained quite a reputation over the past decade. Various factors have attracted attention: the number of governments that fit this description, the emergence of globally recognized po-

litical leaders, doctrines and policies which pose an alternative to neoliberalism, advocacy of a role for the state, new topics for the public agenda affecting diverse interests, and the crisis within European social democracy have all played a part.

The governments concerned are heterogeneous in terms of their party origins. These range from classic left-wing formations, evolving historically from essentially socialist and communist organizations, to a sizeable proportion which are associated with organizations of »popular national« or »populist« inspiration, as well as various combinations of the two. Among the progressive experiences driven primarily by parties of the left, leadership has in the main been more institutional, forged in the course of lengthy political careers, whereas the second camp is marked by leaders of the more charismatic type who have entered the political arena more recently. Acknowledging this heterogeneity does not preclude including these governments in the same progressive »wave« sweeping the continent, given that in all cases they represent the most significant sectors on the left of the political spectrum in their respective countries.

All these governments acceded to power by democratic means, but they did so in different circumstances, varying from imploding party systems and profound economic crisis to competitive scenarios where victory followed a series of electoral defeats.

Despite these differences, there are at least four elements that might be identified as common characteristics, and which also signify strengths on the part of all these governments: (i) their ability to manage the macroeconomy, with economic growth, responsible budgeting, and price stability; (ii) a repositioning of the state, reflected in a return to public ownership or a stake in exploiting natural resources, involvement in the provision of social services, a new emphasis on regulating economic activity or active measures to combat inequalities; (iii) an enhanced role for politics, hand-in-hand with a revival of rhetorical public debate, an acceptance of political conflict and frequent reference to ideologies and doctrines; and (iv) a process of settling historical debts, along with appropriate changes in fields such as human rights and the rights of ethnic minorities.

For all the advances, various challenges nevertheless remain. For these governments, this includes the need to move forward to a new model of accumulation, overcoming the predominance of commodities in the production matrix and facilitating the injection of added value; discarding old models based on weak public finances and regressive taxation; revamping the education system to cater for new social functions and championing non-exclusive integration into the knowledge-based society; and reforming the state in pursuit of a new development model which leaves behind the liberal dogma of the lean state.

For parties, this has meant a need to consolidate political instruments that provide more than leaders with strong personal profiles in a quest for virtuous interaction between the party and the government, restoring the function of political organizations as the natural vehicle for transformatory projects.

Analysis and discussion of these experiences have enabled Latin America to play a role at the forefront of global debate about left-wing and progressive politics.