



POLITICS AGAINST PESSIMISM

social democratic possibilities since Ernst Wigforss

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Introduction

In the final analysis, conceptions of self, reason and society and visions of ethics and politics are inseparable.

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As a socio-economic system, capitalism delivers progress at the expense of economic dislocation, social insecurity and tangible deprivation. It has thus also summoned forth collectivist and leftist political movements that set out to ameliorate these disorders. Throughout the capitalist era, the conflict between the system's economic-liberal promoters on the one hand, and on the other those who seek to impose social and moral priorities on it, has accounted for the main cleavage in western political life. Among other things, that conflict has moulded the mixed economies of the post-war era. As with other widespread conflicts, their course has never been predetermined; it always depends on historically unique starting points in different countries, and on each side's ability to achieve programmatic clarity, to creatively exploit possibilities, and to crystallise its gains in new institutions. Hence each national mixed economy manifests in distinctive ways. But international impulses regulate the terms on which the conflict itself plays out.

From the mid-1970s, neoliberalism – a new, allegedly necessary, rendering of perennial economic liberalism – came to dominate western political life, starting in Australia, the UK and the USA. This more virulent recension of the old economic-liberal creed sought once again to impose a utopian and unfettered capitalism, now on a global scale, with minimal regulation and punitive welfare provisions, and maximal monetisation and marketisation of the mechanisms that allocate resources and rewards, and that frame social relationships as a whole. Neoliberal parties successfully attacked their collectivist opponents when the latter were struggling to activate alternative policy solutions to the stagflation of the 1970s. So the collectivists, whether governments, parties, labour movements or intellectuals, soon lost confidence in their own programmatic creativity beyond what had already been achieved. So began the 'crisis of the left' (also known

as the ‘crisis of socialism’) which continues today, in spite of the abrupt fall from grace of neoliberalism itself in the global financial crisis that began in 2008.

The quest for an unfettered capitalism has now once again demonstrated both its moral and economic bankruptcy, and the time is ripe for a resurgence of left politics. And yet the crisis of the left continues, not least as a programmatic vacuum predicated on an ignorance of the left’s own history. As with individuals, so with significant political movements: to have a future, one must first have a past.

This book seeks to start filling that vacuum, not least by uncovering and mining a valuable deposit of theoretical and programmatic ideas that drove what we will argue is the left’s most formidable achievement in the west during the twentieth century – the social-democratic breakthrough and consolidation in Sweden. We argue that these ideas, suitably adapted and updated, can inform a social democratic revival in the current period and in virtually any western country. They are available to any political force – be it an electoral party, coalition or a union movement – which is prepared to grow into them. Indeed, this argument motivates our entire project.

In looking at the Swedish precedent we will focus on the theory and practice of Ernst Wigforss (1881–1977), by common consent the architect of the process that left his party the most successful electoral organisation in western democratic history, and his country in a league of its own in its distinctly non-economic-liberal combination of economic efficiency and social equity. Economic liberalism places these two values in an antagonistic relationship, such that one must be bought at the expense of the other. In contrast, Wigforss demonstrated a politics that married equity to efficiency, thus redefining progress.

We will argue that Wigforss’s legacy provides contemporary guidance for a resilient left alternative to the now discredited neoliberal policy nostrums. In doing so, we highlight three aspects of his work. First, he was economic liberalism’s most dangerous foe: his magisterial critique and his effective political marginalisation of this ideology provides a starting point for an equally pointed critique of neoliberalism that today’s left has yet to reclaim. Second, he demonstrated how programmatic clarity can be distilled from this critique, how a substantive left programme can mobilise

mass support in a democratic polity, and how it can consolidate a stable majoritarian support base to underpin the achievement of longer-term goals. We hardly need to labour the point that left and centre-left politics in the twenty-first century appears bereft of programmatic starting points, and it needs role models like Wigforss more than ever. Third, Wigforss brushed aside economic-liberal notions of the minimal or market-affirming state in favour of developing a strong, institutionally creative state as an effective instrument of the democratic will, not least when that will sought ambitiously equitable and decent policy outcomes. Like Machiavelli, Wigforss saw politics not simply as the art of the possible, but as the art of possibilities. He sets a counter-precedent for those parties of the left and centre which have resigned themselves to today's rule of pollsters, lobbyists and focus groups, and their reduction of electoral contests to trivialised and visionless 'races to the bottom'.

Ernst Wigforss

Ernst Wigforss, Per Albin Hansson and Gustav Möller dominated Swedish social democracy's second generation leadership from the mid-1920s. Wigforss was briefly Sweden's treasurer in the 1920s, and for nearly 17 years from 1932. By popular consent he is the leading theoretician of his party, itself founded in 1889. We will further claim that the Swedish social democratic labour movement's unique success in a western democratic polity arises from the statecraft embedded in Wigforss's thought.

Wigforss's theory and practice are highly original and historically important, and making good the neglect of his work is in itself a worthwhile undertaking. But even more compelling reasons commend his ideas as a departure point in exploring the problems of radical politics, even in advanced capitalism today. The first concerns Wigforss's sheer political effectiveness. He played the leading role in social democracy's historic breakthrough in Sweden in 1932, and as treasurer was a driving force in the vital years in which that country emerged as the 'model' for the progressive transformation of social relationships and institutions in western countries. Second, Wigforss was an intellectual turned statesman who, true to