

# What are the Major Challenges Affecting the Social Democratic Parties in Europe Today?

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**Abstract:** At present, the European social democratic parties are facing an increasing number of challenges. This article briefly introduces the major challenges that social democratic parties face and analyzes the reasons for the emergence of such challenges.

Keywords: Social democratic; Party challenges

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#### 1. Introduction

The author suggests that the major challenges faced by the social democratic parties (SDP) are due to external and internal factors. The external challenge faced by the European SDP are the continued economic downturn in their countries and the unsustainable welfare model. Furthermore, the internal challenges faced by the SDP are that its core political and social objectives are gradually losing its advantages, as well as its deviation from the core values of the party. As a result, these factors will lead to the division of the voter base and the loss of votes.

#### 2. The Decline of the SDP in Britain, Germany and Sweden

The European SDP supported the development of the European welfare state and the protection of labor rights, as well as once held a pivotal position in European politics. However, entering the 21st century, especially since the 2008 financial crisis, Western-European countries have majority returned to the situation where the right-wing parties are in power, which indicates that the SDP has entered a period of decline. In this article, the author discusses about the reasons SDP in Europe is declining and all the challenges it faces.

The reason for selecting Britain, Germany, and Sweden as subjects are because for a long period of time, the SDP had a strong political and social influence in these countries. Moreover, they are more representative and exemplary subjects to study the evolution of political democratic parties in Europe. The relevant situations of these countries represent the evolution trend of SDP in Western-European countries to a large extent. Thus, the author suggests that a general summary is generated about the reasons of the decline of European SDP after summarizing the comparative study of these states.

#### 2.1. Britain

In the British general election in 2010, 2015 and 2017, the Labor Party lost to the Conservative Party. Moreover, in some other elections, the Labor Party also suffered losses. In the 2004 European Union (EU)

elections, the Labor Party received 23% of the votes, which was 19% lower than the rate in the 2001 general election <sup>[1]</sup>. In the British local elections held in May 2006, more than 300 members of the Labor Party lost their previous positions as members of the local council, where they won only 26% of the votes, also ranking behind the Liberal Democrats and the Tory Party <sup>[2]</sup>. This was the worst performance of the Labor Party in local elections in history.

### 2.2. Germany

In Germany, the situation was no better. After the German SDP came to power in 1998, soon there were signs reflecting that the German SDP began to be demolished by voters. By the end of 1999, the German SDP had suffered defeats in four consecutive state elections. The election results of the German SDP fell further in the 2005 general election, and its vote rate was the lowest ever since the establishment of the Federal Republic of Germany. In the 2009 and 2013 federal elections, the German SDP's vote was only about 1/4 of the total votes; by 2017, it had dropped to 1/5<sup>[3]</sup>. According to an article by Reuters, the news just keeps getting worse for the SDP of Germany (SPD)<sup>[4]</sup>. A new "Forsa Trend Barometer" poll published that the SPD was dropping another percentage point since last week, down to 11%. It is the party's worst result since 1949. It can be said that the German SDP has encountered a very serious crisis.

### 2.3. Sweden

As for **Sweden**, the Swedish Social-Democratic Workers Party has held the ruling power for a long time, which is rare in Western-European countries. Although in 1976, the Swedish Social Democratic Workers Party lost its power but it was the first time the party lost in a general election in 44 years, marking the end of the SDP's long-term governance in Sweden. Since then, the party went down three times, and the party's subsequent votes have dropped significantly compared to the previous votes. It can be said that as of the end of the 20th century, the long-term leadership of the SDP in the Swedish political arena has disappeared.

## 3. The Reason of "Decline"

## 3.1. Britain

Since the beginning of when the Labor Party came to power in 1997, there were obvious signs that the party was unable to mobilize the low-income voters in the UK. This was because the Labor Party did not provide importance to raising the income of low-income groups after taking office. Since then, the financial crisis had impacted higher on the ruling position of the Labor Party. According to statistics, from November 2007 to November 2011, the unemployed population in the UK rose from 1.64 million to 2.68 million, and the unemployment rate soared from 5% to 8.4%. The unemployment rate has reached a new high since 1997. In addition, some of the Labor Party's incentive plans have caused the British economy to show a negative growth trend for six consecutive quarters. Inappropriate fiscal policies have led to a sharp increase in government expenditures, government debt and fiscal deficits, resulting in a decline in the country's economy and people's living standards. This consequence, intensified the people's dissatisfaction and distrust of the party. Therefore, the SDP lost a lot of votes.

Although British public expenditures have increased during the SDP's administration, a large number of people believe that the UK's public medical system, education system, and public transportation system during the SDP's administration was worse than before. The SDP abandoned the government's policy of high fiscal expenditures that traditional social democracy had always advocated. This situation immediately caused public dissatisfaction with the SDP government in related aspects. Many of the policies implemented by the Labor Party have aroused fierce opposition among the working class. For example, shortly after SDP won the 1997 general election victory, the party introduced a policy of reducing the benefits enjoyed by parents who raise their children alone. This policy was opposed by 47 officers in

Parliament and eventually led to the resignation of one deputy minister and four parliament lieutenants<sup>[5]</sup>.

## 3.2. Germany

Similarly, the policies introduced by the German SDP were difficult to gain public recognition and support. Many Germans belief that the SDP continues the policies of the previous government and it doesn't have its own distinctive policies. Some scholars pointed out that "If the Social Democratic Party of any country fails to implement a clear social democratic policy, it will be rejected by voters." This fact was "most obvious in Germany <sup>[6]</sup>."

The main policy program promoted by the German SDP in the early 21st century was the "2010 Agenda." The program's left-wing characteristics were not obvious, but with extremely obvious neoliberal characteristics, mostly right-wing characteristics, which made the party deviate its own values and lose many left-wing voters' support. In the special meeting of the German SDP held in June 2003 to discuss the "2010 Agenda," only 27% of party representatives agreed with the "2010 Agenda <sup>[6]</sup>." Another survey conducted three months later showed that the proportion of people in favor of the proposal further dropped to 22%, which made the German Social Democratic government "become the lowest rate of popular support since the relevant opinion polls appeared in 1977 government <sup>[7]</sup>." It can be seen that the policies of the German SDP deviated from the core values and objectives of its party, as well as it is difficult to get the support of voters. Therefore, its decline could be justified.

## 3.3. Sweden

The development of the Swedish SDP was largely affected by the level of economic development. The end of the post-war economic prosperity caused the Swedish Social Democratic Workers Party to lose its dominance in the Swedish political arena. Some scholars believe that the party's fall in votes in 1973 and its demise in 1976 were mainly caused by economic problems such as inflation and unemployment. Furthermore, the economic recession has also made it difficult for the previous welfare model to continue. These problems have shaken Swedes' confidence in the welfare state <sup>[8]</sup>. Another important reason is similar to that of the United Kingdom whereby the SDP in Sweden had gradually deviated from the value of its party and had difficulty gaining support from the majority of voters. The neo-liberal reforms implemented by the Swedish Social Democratic Workers Party in the 1980s and 1990s further weakened the party's dominant position in elections. After regaining power in 1994, the Swedish Social-Democratic Workers Party implemented drastic neoliberal reforms in the country, that is its policy orientation has undergone a clear right shift which led to the party's continued stagnant performance in the elections. A large number of voters believe that the Swedish government's actions to reduce public institutions and implement tax reforms are not helpful in reducing the gap between the rich and the poor.

Based on the authors opinion of comparing the reasons for the decline of the SDP's in these countries, the reasons for the decline of the SDP in European countries are similar. The external reason is mainly because the global economic recession made its attractive welfare model unsustainable. In addition, the internal reasons are that the advantages of core objectives have decreased, and policies cannot be fully supported by voters; also the deviations of these SDP core values and policy have led to an increasingly divided voter base.

## 4. Explanation of the Decline of the SDP in Europe

## 4.1. Economy

In the first half of the 1970s, under the influence of the oil crisis, capitalist countries broke out a wide range of economic crises, economic prosperity gradually disappeared, economic growth rate declined, unemployment rate rose, prices rose and stagflation existed in most European countries. The decrease in

economic growth and the increase in unemployment have put tremendous pressure on the welfare states that mainly relies on public financial expenditures, which has overwhelmed many ruling social democrats. Despite the fact that the SDP was not the first to propose the welfare state plan, it is widely regarded as the most reliable political force to implement it due to its consistent demand for social reform and the attainment of fairness and justice. The SDP's inability to implement welfare policies is causing voters to become increasingly dissatisfied with the party. In consequence, the economic downfall and the widening gap between the rich and the poor are extremely important reasons causing the SDP to go downhill.

After the end of the Cold War, economic globalization ushered in a new round of rapid development, traditional party value ties gradually loosened and the old political division between left and right was broken, resulting in the change of social structure of post-European countries. The number of industrial workers engaged in manual labor has been declining, while the number of new middle classes engaged in non-manual labor has been increasing. The emergence of new classes has caused the SDP to change its policy (such as the Third Way) to adapt to the new electorate. However, it is difficult for the SDP to not only take into account the welfare of industrial workers, but also respond to the demands of the new middle class, thus falling into a situation of continuous election failure. Globalization caused by the evolution of the world economy also led to original voter base of the SDP dividing into two groups: supporting globalization and opposing globalization. Those voters who felt that they were left out in the globalized world and therefore oppose globalization, believes that SDP failed to fully represent or express their objectives. Those voters who support globalization belief that other political parties can better represent them.

#### 4.2. Loss of advantage on core issues and deviations in core values

In Europe, SDP's main objective used to be social justice. Today, these parties are losing not only their core advantages, but also their ability to set new objectives. Some political parties have largely absorbed and borrowed SDP's social justice objective, resulting in SDP's individual representation on this objective being lost. A typical example is that the Christian Democratic Union (CDU) led by German chancellor Merkel has absorbed many SDP's policy propositions, such as introducing minimum wage standards and improving pension systems. However, SDP have done little to contribute to the new issues of the times that people care about. Contrarily, economic globalization and economic crisis have caused European parties to pay close attention to new issues and challenges of the times, such as anti-globalization, East-West conflicts, refugee crisis, etc., showing a clear trend of "social democratization," which makes the advantages of social democrats about such issues no longer exist.

In addition, the SDP gradually lost its core value system. The failure of the "Third Way" is a good example because SDP gradually deviated from their original policy proposals. In the face of economic stagnation, prominent social problems, and various sharp contradictions, it is difficult for traditional parties that advocate a moderate line to come up with solutions for European practical problems. The SDP's compromise with neoliberalism led to a lack of trust in the social democrats, while the middle road strategy led to the alienation of the SDP from its usual support team. The policy based on specific "middle" voters has caused it to alienate most usual voters, leading to a decline in the party identity of the SDP. Furthermore, the reform of the "Third Way" made the SDP lose its "political cloak" and destroyed the public's trust and confidence in it <sup>[9]</sup>.

#### 5. Conclusion

In conclusion, the author believes that the biggest challenge faced by the European SDP's are the lack of support from voters. This is the result of the external factor, global economic recession, as well as the internal factor, core values deviation. Whether it can completely get out of the trough, the key depends on

if the SDP can accurately determine its long-term position in the new economic and social environment, come up with a convincing program and proposition for new issues of the times, as well as if it can propose unique value proposition which is different from other political parties.

#### **Disclosure statement**

The author declares no conflict of interest.

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