



## Swedish Surprise

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**Nima Sanandaji**

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The [Swedish elections](#) on September 17 resulted in a dramatic defeat for the left-wing Social Democratic government. Not all votes have yet been counted, but it appears that the Social Democratic Party has received only 35 percent of the votes – the worst result for the party in any election since 1914. The main center-right party, Moderaterna, earned 26 percent of the votes – the best result for the party since 1928. In total, the three leftwing parties received about 46 percent of the votes combined, compared to 48 percent in total for the four parties that make up the center-right alliance.

Is a center-right victory after 12 years of social democratic rule really something surprising? For many Swedes it is. After all, Social Democrats have ruled Sweden for 65 out of the last 74 years. Moreover, several

factors in Swedish politics have made the Social Democrats much more powerful than the other political forces in the country.

The support that the labor unions give the Social Democrats during election times is simply unmatched by any other party. In the previous election of 2002, the total sum of the help from the biggest labor union to the Social Democratic Party was estimated to 516 million Swedish kronor – five times more than the total election budget of all other six parties in Sweden combined. The figure is approximated to have risen to 825 million Swedish kronor during the election campaign of 2006.

Media in Sweden is typically lean left and government agencies spend some 2 billion Swedish kronor on forming public policy each year,

often from a left-leaning perspective. This sum is more than 100 times bigger than the annual budget of the main free-market think tank in Sweden, Timbro.

Public money is often used to further the cause of the Social Democrats during election times. An interesting example of this could be seen during this year's election. The public service corporation Utbildnings Radion sent out two DVD's with election information to some 1,500 Swedish schools. One DVD was about democracy; the other was about socialism -- the party's political platform.

Foreign observers often assume that the Swedish people keep electing Social Democratic governments merely on the merits of the benefits of welfare politics, not realizing how labor unions, media and public institutions give the left a clear advantage in Swedish politics. Partially due to this fact, the Swedish welfare system has become a myth for many foreigners - a proof that socialism can be combined with a dynamic economy, innovation and development. A typical example of this is a January 2006 article in *Newsweek*:

In the winter of its discontent, with Germany and France stagnant and Britain heading for choppy waters, Europe is pining for the Swedish model as it did in the 1930s and again in the 1970s. It's Sweden as object of desire: the way forward for European economies seeking to be both socialist and competitive in a free-market world.

But Sweden is not the perfect socialist experiment many outsiders would like to believe. In the first place, the Swedish welfare system is not necessarily more socialistic in all aspects than the systems of government in other western countries. The private retirement accounts that the Republicans are having a hard time implementing in the US are already a reality in Sweden, alongside a voucher system for competing private schools. At the same time, when we look at policies that make Sweden stand out as a left-wing nation - such as high taxes, generous government handouts and soft punishment for criminals - it is obvious that they are holding Sweden back.

Sweden is a country with a proud tradition of entrepreneurship, hard work and innovation. Between the 1870s and the 1950s the Swedish economy grew very strongly, during a period where the economic policies were free and the tax pressure was still low. But then the Social Democrats radicalized in the 1960s and the 1970s and raised the taxes while increasing the size of the state. The result was that Sweden slowly lost its competitive edge, to a point where it is no one richest nations in the world in absolute terms (as we were in the 1970s, for example).

Sweden has traditionally been a country with strong respect for the rule of law, with few ethnic tensions have existed. Crime has been low. But because the government has been soft on crime for so long, the

number of murders and rapes has increased dramatically.

In the same way, the strong traditional work ethics that once made Sweden rich are fading away. It has become lucrative to live off government rather than working. This is most apparent among the young generation of Swedes and the immigrants who have recently come to Sweden. Welfare policies have had negative influences on the once-prosperous Swedish society. As a comparison, the Swedish minority in America is still prospering in all

the areas where Sweden has declined over the last few decades.

The Swedish election shows that there are many who are tired of policies that put welfare before workfare, hinder entrepreneurship and expand the power of government bureaucracy. It showed, too, that all the advantages that the Social Democrats have during election times are not always enough to make up for their failing policies. For aspiring socialists in Europe, this is a message worth repeating.