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Confronting the Present Challenges to Social Democracy

By: Conny Reuter

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This article was written for the journal PRAKSIS. It is a product of my personal reflections and are not the result of a specific political process within the Progressive Alliance. These reflections have been nourished by my own observations and political experience working at both the European and global levels over the last several years. I have deliberately avoided giving any concrete example and have instead chosen to offer general ideas and analysis.

1. What are the main challenges to social democracy today? How do we persevere under political and social landscapes that are often restrictive, conservative, and authoritarian?

The list of challenges at the global level is long and has to do with the changing political and natural environment. The main threat remains the growing inequality worldwide although some progress has partially been made. The pandemic is mirroring what is wrong within our societies. The neoliberal mantra that the market would develop the solutions has become even more absurd in this time of chronic underfinancing of social (including healthcare) investment which, for too long a time, has been considered only as a cost factor. The reduced role of the state (upon which the rule of

democratic law is based) and the privatization of public goods are the main reasons for the difficult pandemic period we are in.

Social democracy has its origins in the Second Industrial Revolution, and we are now in the Fourth Industrial Revolution, with the ongoing integration of the digital and physical worlds. The classical basis of industrial workers is shrinking, whereas an increasing part of employment is becoming more and more precarious. The informal economy is not only

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growing in the Global South, but also in the North and this does not only concern click- and platform workers! The growth of autonomous technology² and its emphasis on technical solutions is depriving mankind of its ability to shape processes more and more. This is the ethical question associated with artificial intelligence. The loss of human autonomy and of our capacity to shape our world responsibly is lost against the domination of algorithms and self-controlling systems.

¹ The term 'platform economy' refers to economic and social activity facilitated by online platforms. A Related concept is 'click economy' wherein businesses compete for a buyer's "click" on a computer to make a sale—the editor.

² Autonomous technology is any technology that can execute tasks without human control—the editor.

Democracy, social progress, and social well-being have been our goals in the last 150 years, with their promise to overcome inequality, build free and fair societies, and ensure peace. As one former SPD leader once said, “We need democracy to shape the market, and not the market to shape democracy.” However, the progress of globalization did not bring about a new wave of democratization. China has growth rates that make many countries nervous and jealous, but the political price is high in terms of the lack of democracy, oppression, and environmental destruction.

However, the social-democratic values of freedom, equality and solidarity do not need to be reinvented. They are timeless, but they need to be translated into transformative action under new circumstances and conditions. When citizenship is replaced by “consumerism,” then we need to build greater solidarity. And in times of societal polarization, of aggressive and dirty campaigning, of fake news and existential pressure on individuals, this process of solidarity-building would need new narratives. This is about establishing connections within societies and not merely about developing the messaging during election campaigns.

We have to regain cultural hegemony by developing a vision and a plan for the future that can capture the imagination, and not merely a rejection of existing inequality, discrimination, exploitation and the destruction of the planet. Societal and technological progress for the people at the global level are possible and necessary.

As a political movement that aims for responsible governance, the standing challenge remains that we are always between political ambition and necessary



Image: twww.philstar.com

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compromises, the *yes buts*, who risk disappointing our supporters who embrace the political promises we made during election campaigns. The moral hazard for social democracy is much higher than for reactionary or conservative forces, and our political family is judged based on our credibility!

Credibility also starts internally: gender equality and diversity need to be part of our internal party democracy. Many times, party debates are about access to power and about competition of individuals rather than competition of ideas, concepts, and vision. When parties become a kind of *apparat*, they lose their capacity to design societal projects and find lasting solutions. The conservative right is always divided, but they are

united in their desire to gain and exercise power.; whereas in our case, we seem to preserve our divisions.

And finally, in my understanding, our work on international cooperation has to become more consolidated, so that we can overcome national egoism and tactical calculations. I am confident that a new generation of leaders who have considerable experience in the work of international cooperation and have a good understanding of the challenges being faced by our partners in the Progressive Alliance will eventually emerge. They will help develop new forms of international cooperation and solidarity, as well as new forms of multilateralism which goes beyond the reform of UN institutions.

2. What are existing landmark policies of the global political family of progressives instituted thus far in the face of these challenges? How are social democratic ideas translated into transformational acts?

The main landmark policy against global inequality is the 2030 Agenda and the 17 Sustainable Development Goals (SDGs). These are the result of a global progressive consensus concerning the major challenges of today and tomorrow. Progressives should exert more ownership over the SDGs to avoid a scenario similar to the Millennium Development Goals (MDGs) whose targets were not met. In comparisons, the SDGs are more inclusive and holistic. These Goals are also being supported by a large group of governmental and non-governmental actors, which can

pave the way in building a global movement.

In terms of climate change, the Paris Agreement was the landmark set under a socialist French presidency, and it opened the door for what is now known as the Green Deal.³ Both the SDGs and the Green Deal can potentially pave the way for combining economic growth and sustainable development. The perspective should not be degrowth—like what some leftist movements are aiming for. We should aim for an ambitious compromise, instead of seeking the lowest common denominator.

In the Progressive Alliance, we have issued a statement calling for a renewed and inclusive multilateralism. UN Secretary General Antonio Guterres will present a reform plan for the UN this year at the next UN General

Assembly. Based on what we have seen and read, our contribution has been inspiring and is on the right track.

The pandemic reminds us of the need for social investment in healthcare and education, and has forced us to abandon the mantra of debt and deficit criteria. This is a significant breakthrough, and we must use this opportunity to promote global vaccine solidarity.

Another progressive touchstone is to stand against any form of inequality and discrimination. Defending the democratic rule of law and promoting a rights-based approach is in our DNA. However, the pandemic has highlighted the fact that we are far from reaching gender equality, as women are particularly suffering from the triple burden of work, household, and education.

For progressives, international solidarity means standing shoulder-to-shoulder with leaders and activists from member-parties like the Philippines, Thailand, Belarus, Turkey, Nicaragua and many more, who are being persecuted.

Finally, debt eradication will again be on our agenda, coupled with progressive tax policies such as imposing a financial tax transaction (FTT). If there shall be a new normal, recovery programs have to be adequately financed. We also need to ensure that the burden will not only fall on the shoulders of the poor and weak in our societies.

And even though it is difficult, there is no alternative to conflict resolution. In this time of global competition between the United States, Russia and China, regional conflicts (like the one happening in Syria) are becoming regional battlefields. A new armaments race is possible and has already started in hybrid form.

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Image: medium.com



³ The Green Deal is a plan to reduce the European Union's greenhouse gas emissions to at least 50% by 2030 and make the region climate neutral by 2050—the editor.

3. What are lessons that can be drawn from the different parties and governments of social democrats over the years?

The experiences of social democrats in government are multi-folded and vary from country to country, and from continent to continent.

One obvious lesson is that successful progressive governance does not prevent social democrats from potentially losing the next election. With social media, followed by traditional media as accelerator, the pedagogical side of explaining and not justifying decisions has become more and more difficult. And we also have to recognize the difficulty of opinion-building in times of information capitalism, artificial intelligence and troll armies.

As I pointed out earlier, the public expect more from progressives in terms of the credibility of their governmental action. The divide between campaign promises and actual governance has cost many progressive governments a high price. It is not about corruption in general, but a single case in our political family negatively affects the entire image of our family. For progressive parties that finally gain power after transitioning from a dictatorship, the main challenge lies in cultivating a culture of democracy, which is more complex than building institutional democracy.

With the *Third Way*, the social democratic family has gained power, but it also lost its credibility because of the compromises it made to unleash the market potential upon society, which led to greater inequality and the loss of

security and confidence in the future. The classical promises of social democracy were broken, and the energy needed to rebuild trust is now higher compared to the short-term gain of the economy.

In many countries, social democrats learned that exercising hegemony over the progressive and center-left is not given forever. For many parties, entering a coalition where there is no two-party system has sometimes been a painful process and does not pay off, particularly when progressives are the junior partner.

In any case, alliance-building is more than building a government coalition. It starts by connecting with citizens, understanding their aspirations and expectations, and it continues by reaching out to the labor movement and the unions, as well as to other progressive social and civic movements.

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Image: www.thetimes.co.uk



4. How can political momentum be built? What is the outlook and program for the future of the Progressive Alliance?

For a long time, we have been calling for “putting people first”—this is exactly what is happening now, as the emergency response to the virus is about saving lives. The approaches may differ from country to country or from continent to continent, but responsible governance means saving lives and progressives are at the forefront.

In the last few decades, we heard the message “It’s the economy, stupid,” and the focus of thought and action was on unleashing market potential and growth rates. But it neglected the taming of the financial market. This led to “remedies” for fighting the effects of the 2008 Financial Crisis using the same policies that had led to it in the first place. Only the Sustainable Development Goals raised awareness that much more is needed to save the planet and our people.

Now, we see that an economy-centered approach is not enough and even dangerous since healthcare policies and services are subjected to a strict efficiency and rentability criteria.

The pandemic has increased inequality at all levels: between and within the countries, between the rich and the poor, gender inequality, and discrimination of minorities. The unequal distribution and access to vaccines is only the tip of the iceberg.

The classical concept of maintaining the welfare state with social contributions and offering social protection is now being

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rehabilitated. Today, the “modern” version is about *wellbeing for all* which is a much larger concept that also includes access to education and culture.

The campaign of the International Trade Union Confederation (ITUC) for a new social contract⁴ underlines this rehabilitation with its five demands:

1. Creation of climate-friendly jobs with Just Transition. Job-creating industrial transformation to achieve net-zero carbon emissions, along with jobs in health, education and other quality public services.
2. Rights for all workers, regardless of their employment arrangements, to fulfill the promise of the ILO Centenary Declaration⁵ with its labor protection floor including rights, maximum working hours, living minimum wages and health and safety at work.
3. Universal social protection, with the establishment of a Social Protection Fund⁶ for the least wealthy countries.
4. Equality. Ending all discrimination, such as by race or gender, to ensure that all people can share in prosperity and that the appalling concentration of wealth in the hands of a few at the expense of the many is undone.

5. Inclusion. To combat the growing power of monopolies and oligarchs, ensure that developing countries can actually develop their economies and guarantee tax systems that provide the income vital for governments to meet the needs of people and the planet. An inclusive approach to tackling the COVID-19 pandemic is paramount, both in terms of economic support as well as universal access to testing, treatment and vaccines.

When democracy comes under threat in many countries around the world, it is high time to understand that this is a global fight and not a simply a singular one at national level. International solidarity is in our DNA and the Progressive Alliance shall be the place to be for mutual learning and building a common global agenda. It shall be more than a series of conferences and seminars; it shall be the momentum for social democrats, socialists and progressives to strengthen the alliance with the trade union movement and progressive civil society actors and networks. It is also about ownership and the commitment of our member parties. We are more and we shall show it. We can do more and will do it. 📍

⁴ International Trade Union Confederation (2021). “New Social Contract: Five Workers’ Demands for Recovery and Resilience.” Retrieved from: <https://www.ituc-csi.org/new-social-contract-five-demands>.

⁵ International Trade Union Confederation (2019). “ILO Renews Social Contract with Centenary Declaration, Adopts Anti-Violence Convention and Holds Governments to Account for Violations.” Retrieved from: <https://www.ituc-csi.org/ILO-100-Declaration>.

⁶ International Trade Union Confederation (2020). *ITUC Campaign Brief – A Global Social Protection Fund is Possible*. Brussels.

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