

# Strike ban topples Swedish government

by Tore Fredin

The Feb. 15 resignation of the Swedish Social Democratic regime headed by Premier Ingvar Carlsson, concluding a prolonged crisis that erupted after the cabinet presented its austerity package on Feb. 2, is a striking expression of historical irony. The famous Swedish model, which has been pushed for decades as a model of “democracy” and “social consensus,” is cracking—and that at a time when the Social Democrats internationally are trying hard to peddle their model to the newly liberated countries of Eastern Europe.

The proposed austerity package—a wage and price freeze, enforced by a two-year ban on all strikes—is unheard of in modern Swedish history, and runs totally counter to the tide now sweeping Europe.

Even Carlsson’s timid political opposition has described the proposal as a regression to the Stalinist methods which the populations in formerly communist countries are now liberating themselves from. Smelling a rat, this was likely the reason why Polish labor leader Lech Walesa canceled his planned mid-February visit.

When Carlsson and his finance minister, Kjell-Olof Feldt, spelled out their intention to ban free wage negotiations and the right for workers to strike, they confirmed the old theses that the Swedish model is nothing but “fascism with a democratic face,” and revealed that the Swedish social democratic *nomenklatura* has little idea of what is going on in the population. Proposing such viciously anti-labor austerity measures, Sweden’s totalitarian government now runs the risk of losing power, just like the communist regimes in Eastern Europe.

The leadership of the national blue collar workers trade union confederation (LO), at first supported the cabinet proposal, being themselves part of the *nomenklatura*. But its national chairman, Stig Malm, quickly withdrew his support when the protests exploded in his face. White-collar workers who were in wage negotiations, immediately called for demonstrations.

## Soviet-style measure

Banners and pickets denounced the strike ban as a “totalitarian,” “fascist,” and “dictatorial” measure. One of the trade unions for low income wage earners in the public sector, took out a full page advertisement in the conservative daily *Svenska Dagbladet*, headlined, “In Europe the Hour of Freedom Has Struck—In Sweden a Ban on Strikes Is Proposed.”

Blue collar workers were enraged against “their” government and trade union leaders for having agreed to the fascist austerity measures.

The government’s austerity package triggered a predictable response. The population is radicalized, fed up with all kinds of unnecessary dictates from the political bureaucracy. Polls taken even before the strike ban proposal was issued showed the Social Democrats had lost more than 10% of their 45% normal support, and are now at an all-time low.

Although people are furious, and are leaving the Social Democratic party *en masse*, they do not see any viable political alternative. The poll revealed that 20% of the population think that they have no party which they would like to vote for, compared to the normal figure of 5 to 7%. And this cannot be seen as an expression of demoralization, since the very same people who are fed up with the political parties are out in the streets demonstrating, expressing a healthy fighting spirit.

The Social Democrats do not control an absolute majority in the parliament. In order to govern, they have to rely on support from other parties, particularly the small Communist Party, the VPK. For the crisis package, the Social Democrats had turned primarily to the green party for support, which in 1988 entered the parliament.

Rather than calling for early elections which Carlsson suspects he would lose, the cabinet merely handed in its resignation to the speaker of the parliament, Social Democrat Thage G. Peterson, who now has to go through a series of consultations with each of the six parties represented in the parliament. So far, only the liberal party has explicitly called for new elections, and Peterson is likely to spend the next two weeks convincing either Carlsson or one of his opponents to assume the task of trying to form a minority regime which could last until the next regular election in September 1991.

At the same time, the economic crisis is developing into a run on the Swedish currency, while the banks are closed. The bank clerks have been striking for three weeks, and have been locked out. The run against the Swedish krona has been taken as an excuse by the Central Bank to jack up interest rates, which are now above 15%.

Feldt is competing with British Prime Minister Margaret Thatcher over who is the best manager of an anti-industrial policy. This International Monetary Fund policy has been the watchword of the Social Democrats since they got back into power in 1982, and has caused a collapse of industry and agriculture similar to that of the U.K. and U.S. economies.

Behind the scenes, one finds Volvo chairman Pehr G. Gyllenhammar, the Kissinger Associates man in Sweden, who has called for a national unity government to save the nation. Gyllenhammar, joined by other big business leaders, urged the conservative and liberal parties to support the Social Democratic legislation. Gyllenhammar’s call of course got the silent approval of the nation’s leading IMF hack, Finance Minister Feldt.