

General Elections in Sweden

A round up one week before the election

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7 days before
the poll

Just one week before the Swedish general elections on 19th September, the Alliance coalition that rallies the Moderate Assembly (M), led by outgoing Prime Minister, Fredrik Reinfeldt; the Centre Party (C), the People's Party-Liberals (FpL) and the Christian Democratic Party (KD) seems to be running ahead of the Red/Green Coalition (Rödgröna) (that rallies the Social Democratic Party (SAP) led by Mona Sahlin, the Environment Party-Greens (MP) and the Left Party (Vp).

Fredrik Reinfeldt's, (Head of Government) popularity rate, is much higher than that of his rival, Mona Sahlin, who remains unpopular amongst the Swedes unlike her coalition partner, Maria Wetterstrand, the Green spokesperson. Within the SAP many speak of a "hate campaign" against Mona Sahlin, a permanent target of the media in their opinion. The two leaders had a debate on Tv

According to the polls the Swedes are expecting a victory on the part of the Alliance forces. At the beginning of September 62.4% of them say the right are in the lead in comparison with 19.3% who anticipate a victory for the left. Amongst the opposition supporters 38% believe that there may be a change in view.

The retired (around 20% of the electorate), who have witnessed a decrease in their pensions over the last few months (the level of pensions in Sweden is indexed against economic growth), are at the heart of the end of the campaign. Some of the pensions are based on capitalisation and are therefore affected by the financial crisis. Pensioners are taxed more than those who work and they have been given tax rebates over the last few years, since the Alliance said explicitly it wanted to privilege work.

The Alliance forces have indicated that if they win they will reduce pensioners' taxes by five billion crowns and the left are promising that if they come to power they will do away with the difference in taxes between the retired and the employees. At the beginning of September the government announced that it would consent to a 2.5 billion crown reduction in taxes for the retired (€271.5 million), a reform that would enter force in 2011 and it might foresee a further reduction in taxes to a total of 2.3 crowns (€249.7 million) if public finances return to the black. The proposals of the Alliance forces may therefore

total 10 billion crowns (around €1.1 billion) in tax reductions for the retired. As for the Red/Green coalition it is promising a decrease of 17.5 billion crowns in taxes in all (€1.9 billion).

The campaign also focuses on issues of taxation and rather resembles a tax reduction competition (Sweden is one of the countries where the tax burden is the highest in Europe). It seems to be a long time ago that the difference between the right and the left was that the former favoured a decrease in taxes and the latter stood as the protector of the Swedish model. In all the government has promised to reduce taxes and public spending to a total of 32.7 billion crowns (€3.55 billion) if they win.

The left has declared that it will not go back on the 90% in tax reductions approved by the outgoing government. They hope to reduce taxes on pensions and unemployment insurance contributions and are advising on a VAT reduction in the restaurant industry. However they are planning to raise the minimum

tax rate on a house from 4.5 million crowns (which would give rise to the payment of an additional tax), to increase some income taxes and on petrol and to re-introduce a wealth tax. They hope to abolish the reduction on the domestic services tax (reduced by 50% at present), a reduction that would be compensated by decrease in VAT on the very same services. This is a programme which led the outgoing Prime Minister to suppose that the opposition wanted "to decrease taxes for all, except for the Swedes who work."

Mona Sahlin has accused Fredrik Reinfeldt of weakening the Swedish social model during his mandate and of diminishing the funding of the Welfare State with his new promises to reduce taxes. "The Moderate Assembly Party thinks that the priority is to reduce taxes. It cannot see any others. Neither youth unemployment nor the exclusion of the sick, nor the growing inequalities between people," she declares. In her opinion the Head of Government supports tax reductions "to the detriment of increasing the numbers of workers in the healthcare, and education sectors, of having greater ecological ambitions and the possibility of Swedes living a richer life." "Tax reductions cost. I am certain that the price will be paid by the Welfare State," she maintains. The leftwing is promising to devote 1.5 billion crowns (out of the 4.6 billion promised for the entire term in office to come) as from 2011 to the care and well-being of the elderly. They are planning for a rise in the means devoted to small children, education (a rise in student allocations, a capping of enrolment fees to infants' schools and an increase in the number of teachers) and to the Welfare State in general.

Fredrik Reinfeldt is relying on the results of four years at the head of the party to make further careful promises. Amongst the strongest countries in Europe from an economic point of view (Sweden lies second behind Switzerland in the international competitive ranking published by the World Economic Forum), Sweden is experiencing full recovery (4.5% GDP growth planned for in 2010). Its public finances are healthy (public debt totalled 42.8% of the GDP in 2009), the budgetary deficit represented

0.5%), the Swedish crown has gained around 20% over the euro since March and the Swedish Central Bank (Riksbank) raised its interest rates at the beginning of September by half a point (from 0.25% to 0.75%) for the second time this year. Of course the unemployment rate remains high (8% of the working population, 21.2% amongst young people aged 20 to 24) and the cuts in social spending that have sometimes been severe in a country that is extremely attached to the upkeep of a powerful Welfare State (Folkhemmet, i.e. the house of the people) have affected the most vulnerable Swedes.

The Alliance forces have made employment their priority and present their tax reductions policy as the only effective way to create jobs. "Tax rebates will create jobs and will encourage people to work," declared Fredrik Reinfeldt who presented together with Economy Minister Anders Borg (M) his "employment package" the cost of which is estimated at 3 billion crowns (325 million euros). These measures involve young and the long term unemployed, notably an improvement in the opportunities for the professional integration of young graduates, an extension of the coaching system (aid to complete the job application forms etc ...) which will be funded to a total of 1 billion crowns (108.5 million euros).

"We are ready for four additional years," declared the Head of Government. In all the Alliance forces are promising – if they win – to allocate 32.7 billion crowns (€3.2 billion) to a social reform plan. They want to sell certain shares that the State owns in several public companies such as the electricity company Vattenfall, Nordea bank and the telephone operator TeliaSonera. The leftwing opposition is much less in favour of any privatisation policy and wants to retain Vattenfall within the State's fold.

"I am doing exactly what I promised the Swedes: the protection of the social system is the priority," declared Prime Minister Fredrik Reinfeldt adding, "most of the money that we engage will go to education, healthcare and social services."

Fredrik Reinfeldt has every interest in bringing about debate on socio-economic issues. His results and the

guarantee of stability and consolidation of the acquis of the previous term in office that its programme is supposed to stand for seem to be attracting the electorate. Without necessarily approving the liberal doctrine the Swedes show, like many European citizens, that they need stability and that they have greater confidence in the efficacy of the rightwing parties to manage the economic crisis in the face of the turmoil experienced by society.

The leftwing is struggling to embody a real alternative capable of mobilising the electorate. The Red/Green Coalition is suffering due to its heterogeneity. Hence the Left Party is eurosceptic contrary to the Social Democratic Party and the Environment Party-Greens. In addition to this more working class socio-professional categories find it difficult to identify with the ecologist party, defender of homosexual identity. The opposition lacks strategy (the Alliance forces have asserted their political agenda – notably with regard to taxation – in the electoral campaign). Finally it is suffering from a leadership problem caused by Mona Sahlin who is not very popular.

This situation is bad for the left because although the personality of the candidates plays a lesser role in Sweden than in other European states the legislative campaign has crystallised around two main political leaders – Prime Minister Fredrik Reinfeldt for the outgoing government coalition and Mona Sahlin for the left coalition. The idea that the electorate forms about the ability of each of these to govern is due to be vital in the choice that they make. *"We only have two main candidates and the general elections are like a presidential vote;"* declared journalist Fredrik Furtenbach. *"It is a major change for the Social Democrats who have to accept that they are no longer the centre of the political game. It is also a great change for the electorate who have a real alternative,"* indicated Henrik Brors, a political analyst.

Jimmie Akesson, the Sweden Democrat leader (SD), a far right party has presented its electoral programme. Employment, well-being and security are the three main themes even though everyone believes in reality the fight against immigration that

is at the heart of the programme. As the election approaches the tone of the far right is toughening up against the integration policy and Islam. An electoral video showing an elderly woman try to reach a service counter and who finds herself trapped behind a group of women wearing the niqab caused a scandal. The TV channel TV4 refused to broadcast it.

Jimmie Akesson speaks in manner that reflects the traditional ideology of the far right. *"The apostles of cultural diversity and the entire establishment have robbed Sweden,"* he said. He stresses that his party has no interest in addressing the issue of employment *"since all of the other parties are already talking about it,"* and he said that he wanted to turn *"against the immigrants who work in Sweden to replace them by Swedes."* *"Our message is designed to cause controversy. If the establishment parties set against us then it's a good thing. This enables debate and makes people talk about our priorities,"* he indicated.

The Red/Green coalition clearly declared that it would never form a government with the Sweden Democrats and that it would never accept any type of parliamentary support on their part.

The last poll published by Dagens Nyheter on 10th September credits the Alliance forces with 50.5 % of the vote (48.4% in a survey on 8th September) and the Red/Green coalition with 42.2% (44.9% in a survey on 8th September). The Sweden Democrats are credited with 6% (4.7% in a survey on 8th September). Hence they will enter parliament.

The two main parties are running neck and neck in the polls and the Social Democratic Party (30% of the vote) has witnessed a threat to its position as the leading Swedish party on the part of the Moderate Assembly Party (29.9% of the vote).

Whatever happens the general elections on 19th September next will be an historical election in Sweden. Either they will approve the outgoing Alliance coalition and the government led by the Moderate Assembly Party will undertake a second term in office – which has never happened to date; or they will provide victory to the Red/Green bloc and Sweden will be led by a unique coalition rallying social demo-

General Elections in Sweden 19th September 2010

crats, ecologists and former communists. In the last option Mona Sahlin would become Prime Minister – an all time first in Sweden. Finally the election might be that of the far right and see it enter the Riksdag for the first time.

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