This brief argues:

- Social democratic policies for social justice are in crisis.
- Counter movements may alter the deadlocked sequence of social democratic development by forming broad alliances for rights and welfare.
- The critical case of Indonesia, however, points to populist flaws, calling for democratic interest based representation and transformative policies.

Problems and Options of Renewing Social Democracy

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The crisis

Social democracy (in terms of sustainable development based on social justice, and popular democratic politics to get there) has produced the least bad societies, yet it is in crisis. This is how it might be renewed.

The first generation of social democracy was about democratic collectivities aimed at self-help and broad popular demands for decent labour conditions, civil rights, political democracy and social justice. In Scandinavia in particular, the actions were complemented by labour-farmer-alliances to get into government and Keynesian policies to fight economic crisis and unemployment. The new emphasis on public reforms came with interest-based representation in policymaking and implementation, supplemented by social growth pacts between capital and labour. This was the basis for the comprehensive welfare-state programmes, which were good for production too.

In most of the South, however, weak industrialisation implied fragmented interests and collectivities; and most linkages between state and society were undemocratic and inefficient. Since social growth pacts with welfare states were thus impossible, a second generation of social democrats tried state planning. Nevertheless, the results were modest, democracy was weakened and liberal ideas of adjustment to global markets became hegemonic.

While it took East Asian totalitarian states, instead, to enforce such adjustments with success, crisis built up elsewhere in the South – followed by a new wave of liberalisation and democracy. In that context, a third generation of social democrats strengthened unions, civil societies and grass roots participation. Even in showcases such as South Africa, Kerala and Brazil, however, it was hard to combine scattered interests, scale up local practices, and foster representation to make a difference in national governance. Meanwhile, social democratic policies in the North declined too, as globalisation of finance and production undermined the nation-states. End of story?

Resequencing social democracy

Not quite. New counter movements developed. They are certainly hampered by divisive interests due to uneven and unequal development, such as between labourers in formal and informal sectors, and between civil society groups with different projects. But comparative studies suggest that the movements might pave the way for the re-sequencing of social democratic development, as they tend to agree on demands for civil rights, social justice, public welfare reforms and impartial implementation. Moreover, the movements may unite
behind populist reformists who address such issues to win elections. Even some industrialists want the state to handle welfare. In short, early demands for rights and public welfare might open up for broad alliances, which are necessary to foster the missing democratic linkages between state and society, and social growth pacts that used to precede welfare states. Moreover, northern social democrats with an interest in new export markets and less refugees may appreciate more fair and inclusive development in the South.

The case of Indonesia

Indonesia is a critical case in point, given its uneven development and fragmented progressive actors, after decades of repression followed by elitist liberalisation. To paraphrase Frank Sinatra: if it can happen there, it can happen (almost) anywhere. What are the lessons?

The Asian economic crisis come with ‘flexible’ employment conditions. Politicians with business partners displaced poor people to profit from booming commodity markets and ‘urban development’. Some welfare policies were inevitable and counter movements emerged, but they were scattered and constrained by adverse rules for party-based electoral advances. By the mid-2000s, however, new direct elections of political executives made mainstream leaders cast their nets wider, supplementing clientelism with populist methods. In this framework, respectable civil society leaders with some following were useful too. The scattered groups could thus gain influence by negotiating agreements and rally behind the least bad politicians. Some unions realised they had to cater to the interests of casual workers too, to contain low wage competition, plus link up with CSOs, urban poor, farmers, and politicians, to fight outsourcing and improve minimum wages and welfare schemes. This is how a successful broad alliance developed in the early 2010s for a universal public health reform. This is how ‘Jokowi’ (Joko Widodo) became the country’s most successful mayor (of Solo) and later on governor (of Jakarta) by negotiating urban development plans plus welfare schemes with business, CSOs and urban poor organisations. This is how he was even elected President in 2014, assisted initially by the anti-corruption commission in scrutinising potential cabinet members and senior bureaucrats.

But nothing shall be easy. The alliance for public health reform did not sustain its work by demanding additional reforms. The CSOs and urban poor groups were not always strong enough to enforce good agreements with political executives. The negotiations between political executives and CSOs, popular groups and unions were not institutionalised and democratised. So the groups backslided into individual negotiations about special interests, at worst with whatever highest bidding politician, including Indonesia’s Trump, Prabowo Subianto (the former general and son in law of Suharto). The anti-corruption commission did not get wide popular support when contained from scrutinising rough politicians and senior bureaucrats. The Governor of Jakarta after Jokowi, ‘Ahok’ (Basuki Tjahaja Purnama), who in-spite of being Christian and ethnic-Chinese was widely appreciated for efficient governance, was made losing the 2016 elections and put in jail for blasphemy by hostile elites, utilising Muslim identity politics and discontent among less dynamic middle classes and urban poor. Why these setbacks?

Populist dead-end
The first root cause was ‘transactional populism’ and the lack of interest based representation. Neither the progressive groups nor the reformist politicians tried hard to alter the elitist horse-trading between political executives and movements. In most activists’ world, democratic representation is associated with dirty mainstream politics and there is excitement over the chances to advance through populism (in terms of anti-establishment credos and allegedly direct relations between charismatic leaders and supposedly homogenous ‘ordinary people’). In short, the leftist efforts at alternatives are short of the rights of independent citizens and democratic representation of different interests that are fundamental in the history of social democratic development.

Second, there was no strategy to design transformative welfare policies to contribute to inclusive economic development as well as increase people’s capacity to build broad alliances for more advanced reforms; thus transforming society gradually. Similarly, there was no strong efforts to widen the struggle against high-level corruption by also addressing defunct implementation of welfare reforms. (At the time, the widening of anti-corruption politics in New Delhi even brought the otherwise arguable new Common Man’s Party (AAP) to power.) Finally, while the primacy of politics is at the heart of social democratic history, there was little recognition of the importance of political leadership and policy development. The successful alliance for the public health reform, for example, was primarily due to a policy proposal on the national political level, which strong unions and enlightened civil society leaders could rally behind and improve.

Recommendation

The challenges are certainly global, but Indonesia is a critical case. The promising reformist populism in cooperation with progressive CSOs and popular movement may now be overtaken by right wing populism in the 2018 local elections and in the 2019 parliamentary and presidential elections. The recommendation on how to counter this is self-evident: there must be forceful public and productive new welfare policies, combined with interest based democratic representation.

Bibliography:

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Olle Törnquist is Professor of Political Science and Development Research, University of Oslo. He has written widely since the 1970s on comparative radical politics and democracy, especially in Indonesia, parts of India and the Philippines, and in Scandinavia.