What do we mean by economic and social democracy? For over a century, Social Democrats have been united by their commitment to a single principle. The formal legal rights proclaimed, and the political institutions slowly and imperfectly cobbled together, in the eighteenth and nineteenth centuries will remain incomplete and inadequate until all citizens are able to enjoy equal opportunities to exercise the freedoms ostensibly guaranteed by law. In short, unless the principles of popular sovereignty, autonomy, and equality are brought to fruition by extending democracy from the political to the economic and social domains and including everyone, the promise of democracy will remain unfulfilled. Securing equal participation for all persons in the public sphere, in economic decision-making, and in social relations has been the enduring aim of Social Democrats. That shared commitment has been masked from the outset by persistent disagreements over the basic question of who is to be included as a citizen and over questions of strategy and tactics.

Social democracy became an especially powerful force in global history in the middle decades of the twentieth century, but it came to life decades earlier as the progeny of renegade Socialists and wayward liberals who came together because of their dissatisfaction with their own traditions. Self-proclaimed Socialists such as the British Fabians George Bernard Shaw and Beatrice and Sidney Webb; German revisionist Eduard Bernstein; founder of the modern French Socialist Party Jean Jaurès; Americans Richard T. Ely and Charlotte Perkins Gilman; and the founder of New Zealand’s Social Democratic Party Michael Savage all
rejected orthodox Marxists’ demand for proletarian revolution. They argued that significant economic and social progress was possible within existing frameworks if the public seized control of the state democratically and used that power to regulate the excesses of capitalism. If ordinary people banded together, they could secure, to use the title of a 1915 song that has been sung now for over a century, “Solidarity Forever.”

At the same time self-styled “new liberals” departed from the orthodoxy of laissez-faire. Fleshing out ideas first sketched in the late writings of John Stuart Mill and those of Thomas Hill Green and Henry Sidgwick, renegades such as British sociologist L.T. Hobhouse, leader of the French Solidarité movement Léon Bourgeois, American philosopher John Dewey, and progressives Jane Addams and W.E.B. Du Bois, and (although it has seldom been acknowledged) the German polymath Max Weber argued that the formal rights championed by eighteenth- and early nineteenth-century liberals had become inadequate. It was now necessary for national governments to exercise their authority by reining in the power wielded by elites in the political, economic, and social spheres and providing help to those struggling to cope with a new world. These progressive liberals forged coalitions, always fragile and fractious, with reformist Socialists, and together they created the social movements and parties of twentieth-century social democracy. Following the lead of New Zealand’s liberal prime minister Richard Seddon, these parties pioneered women’s suffrage and laid the foundations of social welfare programs including old-age pensions, labor arbitration, and public housing. The logic of their position found expression in countless books and periodicals (Berman 2006; Kloppenberg 1986; Mudge 2018; Woloch 2019).

One of the cornerstones of this logic was a commitment to experimentation, exemplified by John Dewey. From the beginning of his academic career in the 1880s until his death in 1952, Dewey argued tirelessly that changed circumstances made necessary new initiatives to insure that citizens enjoy effective freedom and equal voices in the social and economic spheres rather than merely formal equality before the law. Over the course of his long career, Dewey, like many Social Democrats, endorsed policies ranging from government regulation of the economy in the 1910s to expanded public ownership of the means of production in the 1930s. Dewey’s students and followers included not only major American reformers from the progressive era through the New Deal to Lyndon Johnson’s Great Society but also Hu Shih, the most prominent figure in early twentieth-century China’s (never extinguished) May Fourth movement, and B.R. Ambedkar, who framed the 1948 Constitution of India (Ambedkar 1949). Other Social Democrats drew on other intellectual traditions, usually those particular to their own national histories. But all of them shared a commitment to experimentation and all rejected both revolutionary socialism and laissez-faire liberalism as rigid dogmas. Their flexibility enabled them to
make multiple alliances to their Left and their Right, a characteristic praised by their admirers as productive and denounced by their critics as opportunist.

Although social democracy emerged first in the North Atlantic and Australasia and approached (although it failed to reach) fulfillment in mid- to late twentieth-century Scandinavia, it expanded quickly around the world. To cite just a few examples, social democratic ideas animate the constitutions adopted by Mexico (1917), India (1948), Senegal (1963), and more recently, the Republic of South Africa (1996). All those constitutions echoed the initial democratic call to arms in Mexico, “effective suffrage and no reelection,” and Mexican peasants’ rallying cry for “land and liberty.” The 1917 Mexican Constitution established public ownership of subsurface natural resources, protection for workers, and a commitment to preserving communally owned farm land. The tension in Mexico between moderates’ focus on establishing stable institutions of self-government and radicals’ emphasis on labor relations, land reform, and the redistribution of wealth has been a persistent feature of struggles for social democracy worldwide.

The 1996 Constitution of South Africa, to cite a more recent example, specifies that all citizens shall enjoy not only legal and civil rights but also the rights to education, health care, housing, food, water, and social assistance—at least within the limits of the state’s resources. As that final provision suggests, between the idea and the reality falls a shadow. Almost everywhere elites and kleptocrats, old and new, their power derived from political, social, or most often, economic resources, have succeeded in protecting their prerogatives against the insistent but never entirely successful efforts of Social Democrats. Demanding that democracy expand from the political to the economic and social spheres has characterized all social democratic programs worldwide. Achieving that goal has proved elusive everywhere. Even the minimum standards of United Nations human rights documents, which embody social democratic ideas, have been honored more in the breach than the observance.

* * *

Despite the diverse forms that social democracy took, it is possible to identify the central commitments that justify grouping these ideas, movements, and parties together as a single social democratic family. The first was belief in the possibility of achieving justice through democratic reform rather than revolution, which dictated cooperation with rather than unyielding opposition to progressive bourgeois and agrarian reformers anathematized by orthodox Marxists. This strategy demanded a willingness to make concessions to broaden the appeal of social democracy, both to the electorate and to other parties when Social Democrats found themselves in position to participate in coalition governments. Of course the nature and even the possibility of such compromises
depended on the particular national institutional as well as cultural contexts within which social democracy emerged.

Where the legalization of trade unions preceded the formation of social democratic parties in Britain, Australia, New Zealand, Canada, the United States, and Scandinavia, coalitions with existing parties proved feasible, especially when Social Democrats within those parties focus on achieving incremental changes to address the immediate needs of the working class. Where parties were formed before democratic political rights were secure and trade unions were legalized, as in many Continental European nations, leftist parties (such as syndicalist and communist parties) tended to remain averse to coalitions—not only with moderate liberal and conservative parties but even with each other. Not only these sequences but also the constitutional frameworks within which social democracy took shape left lasting legacies. In short, the overall development of social democracy around the world has been powerfully shaped by what historians describe as particular socio-economic and political contexts and what political scientists describe as path dependency.

The second common feature linking all Social Democrats was belief in the necessity of balancing liberty and equality. Such balance requires two commitments. The first is to what has become known, thanks to Isaiah Berlin (although in stark contrast to the thrust of his argument), as positive liberty, namely, freedom to develop one’s capacities, not merely freedom from government intrusion (labeled by Berlin as negative liberty). The second is to rough equality of condition, or at least to efforts to minimize inequality of wealth and income to ensure effective (as opposed to merely abstract) equality of opportunity. To achieve these goals, Social Democrats have endorsed various forms of state intervention to regulate the economy—and protect the interests of middle as well as the working classes—as well as systems of progressive taxation to redistribute resources and fund programs to insure the education, health, and economic security of all citizens.

Arguments for taking these steps emerged in the writings of Social Democrats active before 1920, and tentative moves in that direction predated the First World War throughout the North Atlantic and in Australia and New Zealand. Social Democrats rarely entered government coalitions, however, until the interwar period. At that stage they joined with other parties to govern in Sweden (under the leadership of Prime Minister Hjalmar Branting), Britain (under Ramsay MacDonald), France (under Léon Blum), and even in the United States (under Franklin D. Roosevelt [FDR]). Although some socialist parties during these years maintained the traditional orthodox Marxist parties’ refusal to join inter-party alliances, the failures of such parties to avert the catastrophes of fascism, particularly in Germany, Italy, and Spain, proved sobering.

Far more encouraging was the success of Sweden’s Social Democratic Party (SAP), which quite deliberately broadened its appeal as a “people’s party”
from the industrial working class to farmers and the middle class. Bringing together three generations, older Socialists such as Branting, his successor as head of the SAP Per Albin Hansson, and young intellectuals such as Gunnar and Alva Myrdal (Figure 4.1), the SAP discarded the ideas of class conflict and philosophical materialism. Instead it emphasized the themes of belonging, community, and togetherness—which merged in Hannson’s term *folkshemmet*, or “people’s home”—and developed an ambitious strategy of state intervention in the economy to restore prosperity and ensure social security in response to the ravages of the great depression. Hansson had already encapsulated the SAP’s ideology in a 1928 speech: “The basis of the home is community and togetherness,” where no members are “privileged or neglected.” To achieve that goal, the Swedish government had to remove “all the social and economic barriers that now separate citizens into the privileged and the neglected” (Tilton 1990: 126–7). The persuasiveness of that argument made the SAP the most powerful force in Swedish politics from 1933 until the mid-1970s.

FIGURE 4.1 Gunnar and Alva Myrdal. Photograph by KW Gullers, Nordiska museet.
Beyond Scandinavia, it was the experience of global depression and global war that transformed attitudes concerning the possibility of using government to regulate capitalism for the common good. Whereas the collapse of Western economies was widely understood to have been the consequence of unregulated markets, the resurgence of those economies during the war showed the potential of government spending to stimulate aggregate demand. For Social Democrats, the war vindicated the arguments of British economist John Maynard Keynes, who had argued in *The General Theory of Employment, Interest, and Money* (1936) that governments could use a combination of fiscal and monetary policy to stabilize their economies. During and after the depression and the Second World War, Social Democrats in many nations regarded regulating the production of goods and services and intervening in the distribution of income as necessary to insure maximum economic productivity and provide the security and stability that only government could guarantee.

One of the first comprehensive schemes of social welfare provision emerged in the United States. To expand the programs already created by the New Deal, FDR commissioned the National Resources Planning Board (NRPB) to determine what further steps should be taken to lift the American people from the Great Depression and prevent its recurrence. The most ambitious of its 220 reports, *Security, Work, and Relief Policies*, recommended “government provision of work for all adults who are willing and able to work,” “assurance of basic minimum security through social insurance,” “a comprehensive underpinning general public-assistance system providing aid on the basis of need,” and “expansion of social services which are essential for the health, welfare, and efficiency of the whole population.” Programs providing insurance against disability, illness, unemployment, and old age were to be funded by progressive taxes on income rather than comparatively regressive taxes on consumption. Administration of the program was to be decentralized, because among its goals was “increased citizen participation” at the local level. A draft of this NRPB report was delivered to FDR in December 1941, just before Pearl Harbor shifted the president’s focus away from domestic issues toward the existential threat of global war.

But the ideas did not die. When FDR delivered his State of the Union Address on January 11, 1944, he was sufficiently confident of Allied victory that he tried to focus the nation’s attention on the postwar world. His call for a Second Bill of Rights not only echoed the NRPB report *Security, Work, and Relief Policies*, but also laid out the platform on which he ran—and was reelected—in the fall of 1944. That speech, which FDR in a letter to Henry Wallace called his “blast,” reflected his awareness of the need for a new contract between the government and the people, which would secure both the social and the economic goals of social democracy (Roosevelt 1969). Americans expressed their enthusiasm for that new contract throughout the 1930s. The
Congress of Industrial Organizations, led by rebel union leader John Lewis, split from the American Federation of Labor to expand the reach of unions and the principle of industrial democracy. Singers popularized American folk music, from spirituals and slave songs to contemporary songs protesting against injustice and celebrating of the virtues of the common people, such as Florence Reece’s “Which Side Are You On?” and Woody Guthrie’s “This Land is Your Land.” Documentary photographers such as Dorothea Lange and Walker Evans, filmmakers such as Pare Lorentz, and novelists such as John Steinbeck, whose *Grapes of Wrath* was made into an Oscar-winning film by John Ford, not only offered evocative images of Americans suffering from the Depression but also celebrated the potential of the New Deal. Public housing projects, adapting the pathbreaking style pioneered by Social Democrats in Sweden, Denmark, and the German Bauhaus school, came to the United States in the mid-1930s when the Bauhaus-trained African American architect Hilyard Robinson designed Langston Terrace in Washington, DC, a project funded by the New Deal Public Works Administration.

Something similar was brewing in Britain. George Orwell’s *Road to Wigan Pier* (1937) vividly captured the pain of the economic collapse and pointed toward social democracy as the solution. In June 1941, Treasury official William Beveridge was appointed to direct a committee charged with cleaning up Britain’s existing national insurance scheme. He identified the “Five Giant Evils” he wanted to banish: Want, Disease, Ignorance, Squalor, and Idleness. His report, which sold over 600,000 copies and generated rapturous praise across the British political spectrum, called for a comprehensive system of social insurance, with benefits guaranteed by right to all citizens; for a national health service; for family allowances; and for policies sustaining full employment (Beveridge 1942) (Figure 4.2). FDR, waiting for a chance to act on the recommendations of the NRPB, was among those cheering. When he first got word of the Beveridge Report, he quipped to his Secretary of Labor Frances Perkins that it should have been called the Roosevelt Report (Perkins 1946: 282–3).

After Churchill warned that “a dangerous optimism” was growing about postwar conditions, he found himself tossed from office and replaced by Clement Attlee’s Labour government, which not only embraced Beveridge’s proposals but went beyond it (Fraser 1984: 218). For a quarter century, the explanation for that rapid shift was that, in the words of Richard Titmuss, “the mood of the people changed and, in sympathetic response, values changed as well.” The rescue at Dunkirk reshaped “the wartime history of the social services. It summoned forth a note of self-criticism, of national introspection, and it set in motion ideas and talk of principles and plans” (Titmuss 1950: 508). Perhaps, but commentators in recent decades are less enamored of the “war-warmed” glow of Titmuss’s own account, and more drawn to accounts that stress Conservative and Labour politicians’ war-born weariness and a desire to
work with each other to get things done. Still, constructing the welfare state in Britain was arduous economically and politically.

Any residue of the widespread enthusiasm felt at first for the Beveridge Report quickly sank in the morass of inflation, shortages, and unemployment that enveloped Attlee’s Labour government. Even though important and enduring...
social democratic institutions, notably the National Health Service, emerged during this crucial moment, the brief consensus that carried Labour into power could not dissolve the economic and political problems that eventually drove it out. Beveridge’s apparently radical scheme masked its conventional premises. “The state in organizing security,” he wrote toward the beginning of his report, “should not stifle incentive, opportunity, responsibility; in establishing a national minimum, it should leave room for encouragement for voluntary action by each individual.” Whereas other European nations calibrated benefits to the level of contributions, which varied according to salary level, Beveridge insisted that both benefits and contributions remain uniform (Beveridge 1942: 6–7, 293). Although that provision might seem egalitarian, Beveridge clinched his argument by pointing out that equal treatment would be achieved by setting benefits at a level low enough to encourage all citizens to continue contributing to their own supplementary insurance schemes as well. The minimum standard was to be austere as much by design as by necessity. The economic constraints, real as they were, mattered less to Beveridge than the moral reasons for encouraging prudence and foresight, an approach that deviated from Sweden’s approach but paralleled central aspects of the US New Deal.

In France, the ideas of a comprehensive social security system and national economic planning derived from a combination of indigenous French traditions and creative borrowings from British and American models. Members of the French Resistance in London, notably Pierre Laroque, given responsibility for establishing a plan for social security in 1944, were attracted to the ideals, and the political popularity, of the Beveridge Plan. Jean Monnet, who converted his friend Charles de Gaulle to the idea of planning, was himself persuaded of its advantages by his experience visiting the United States during the 1940s. By virtue of his ability to channel American assistance to France during the war, Monnet assumed a pivotal role in unifying the various factions of the Resistance during the postwar. Drawing together moderate Socialists still professing allegiance to Léon Blum and conservative anti-Fascists drawn toward de Gaulle was no small achievement.

The most important statement of postwar aims was the charter proclaimed by the Conseil National de la Résistance (CNR) on March 15, 1944 (Andrieu 1984: 168–75). Its gossamer rhetoric masked the real divisions between Communists, Socialists, and Christian Democrats, divisions that would surface in France (and throughout Europe) in the postwar era. Léon Blum, himself a veteran of fragile coalitions, wrote from his prison cell to recommend, in characteristic social democratic fashion, that such proclamations could help focus attention on what held competing factions together while obscuring what might drive them apart (22–8).

The 1944 CNR charter served that purpose well. Almost everyone in the Resistance could agree in principle on the need for social security, a welfare
state, and the importance of government planning. They differed on the desirability of nationalization and on the political institutions of the postwar Republic; for that reason the charter addressed neither of those issues. The goal for the immediate future was “the setting up of a true economic and social democracy, entailing the eviction of the great economic and financial feudalities.” Moreover, the charter demanded “the participation of the workers in the ordering of the economy,” another legacy of Blum’s interwar Front Populaire. The CNR charter initially attracted enthusiastic endorsements from Communists, Socialists, and centrist social Catholics who formed a briefly influential new party, the Mouvement Républicain Populaire.

The provisional government that assumed power under de Gaulle in October 1945, enjoyed what has been called a “unanimity of circumstance,” a momentary condition akin to that enjoyed briefly by Attlee’s Labour government (Rioux 1980: 115). While the parties began sorting themselves out and jockeying for position in preparation for the elections to be held after the ratification of a new constitution, a unicameral Constituent Assembly quietly went about the business of reshaping the nation. Important elements of the CNR charter became law almost without debate, enacted by ordinance under the authority of the provisional government. Other legislation blocked by the conservative forces in the Senate for forty years sailed through the reform-minded Assembly. The demand for industrial democracy resulted in the creation of workers’ councils in all firms employing, first, over one hundred workers, then over fifty. The interim regime nationalized important segments of the economy, including coal fields, gas and electricity, insurance companies, and some banks. A law enacted in October 1945, also committed France to a comprehensive program of social insurance. The proposal conformed to the CNR charter, which called for “a complete plan of social security […] with control over it assured for representatives of beneficiaries and of the state.” At a single stroke, the majority of French workers (some non-salaried workers were not included until 1967) were insured against illness, incapacity, and old age. Finally, on December 4, 1945, Monnet presented to de Gaulle his proposal for national planning, which provided the framework for the economic policy of the Fourth Republic (Monnet 1978).

Departing from long-standing tradition, many officials in the new French system of social provision were to be elected, and the law stipulated their responsibilities as representatives of the insured workers. “The whole nation must join in these efforts,” Monnet wrote to de Gaulle in his December 5, 1945, report. “All the vital elements” in French society “must help to draw it up.” For that reason Monnet proposed bringing together “in each sector the administrative department concerned, the best qualified experts, and the representatives of industry and the trade unions (workpeople, white-collar workers, and employers)” (Monnet 1978: 238). Like Jaurès and Blum, Monnet
thought that class warfare could be replaced by cooperation through a peaceful transition to social democracy.

Because these three plans, like those that emerged in Scandinavia, the Netherlands, and Belgium before and immediately after the Second World War, predated the outbreak of the Cold War, it is inaccurate to characterize them only as responses to the threat represented by the USSR and by domestic communist parties. The disaster of the war shocked most Europeans out of their traditions, and the post-Second World War emergence of social democratic governments reflects that cataclysm. Rather than reflecting Cold War pressures that surely did emerge and help shape the politics of the decades from the 1950s through the 1980s, these initial postwar experiments with social democracy instead reflect distinct national responses to the Great Depression, the Second World War, and just as important, the temporary discrediting of the right-wing parties. In this unique moment, many on the Left were willing to cooperate with centrist and moderate conservative parties; and those parties, influenced by the Protestant social gospel and Catholic social teaching, were also willing to cooperate with Social Democrats. The refusal of many leaders of European communist parties to endorse what were dismissed as palliatives propping up bourgeois rule, soon coupled with directives from Moscow to oppose measures such as the US-sponsored Marshall Plan, both undermined workers’ support for social democratic initiatives, particularly in France, and weakened the appeal of communism beyond the industrial working class.

In Germany, the catastrophe of Nazism chastened conservatives as well as the few progressive liberals who survived Hitler’s rule. After the war ended, the governing Christian Democratic Party endorsed planning and social security. Yet the SPD under Kurt Schumacher remained unwilling to engage politically and found itself shrinking in significance. Only in 1959, when the commitments to proletarian revolution and philosophical materialism were formally renounced in the Bad Godesberg program, did the SPD again become a major force in German politics. Pledging itself to “as much competition as possible, as much planning as necessary,” the party now proclaimed that its social democratic principles derived not from Marx but from “Christian ethics, humanism and classical philosophy.” It renounced dogmatic certainty concerning “ultimate truths” and instead endorsed “respect for the individual’s choice” in “matters of conscience.” Sharing with Germany’s Christian Democrats commitments to codetermination in business–labor relations, more generous and inclusive programs of social provision, and reborn as a broad-based “people’s party” rather than a party of the proletariat, the SPD surged in popularity to become one of the two most powerful parties until the union of East and West Germany in 1990.

Unlike the rest of northern Europe, where social democracy made dramatic progress from 1945 through the mid-1970s, the champions of the early postwar
settlements in Britain and France had to struggle to defend what they had achieved in the immediate aftermath of the war. In Britain, a combination of right-wing opposition and anxiety about being too closely associated in the minds of voters with the interests of labor unions, a concern articulated by Anthony Crosland in *The Future of Socialism* (1956), led Labour to moderate its calls for further nationalization of the economy and to broaden its appeal to a wider range of voters. In France, the coalitions that initially backed the CNR charter disintegrated after Charles de Gaulle’s nationalism reshuffled French politics. The internal dynamics of partisan competition within European nations, combined with different religious and cultural traditions, shaped the particular constellations of support for social democratic parties. Notwithstanding its success, the Swedish model never penetrated Britain, France, Germany, Belgium, Italy, or Spain, each of which developed its own distinctive programs of social insurance, social services, and approaches to labor relations.

Social democracy in the United States, by contrast, went into eclipse by the end of the 1940s. At least four factors account for that result. First, and most important, was racism. Government officials from the US South understood that any universal programs of social provision would jeopardize Jim Crow, the system of racial subordination that had upheld white supremacy. White southern Democrats were a crucial part of FDR’s coalition, and Southern congressmen managed either to exclude almost all blacks from New Deal programs (such as Social Security) or to block such programs altogether (as they did with FDR’s Second Bill of Rights). In most of northern Europe, meanwhile, pleas for togetherness in the 1940s and 1950s resonated with largely homogeneous populations, as decolonization ultimately pushed colonial subjects outside of European nationhood instead of bringing them in. Both of the principal bursts of social welfare legislation in the United States, during the New Deal and the early to mid-1960s, came during the period of immigration restriction. Strikingly, the strong sense of national community that made possible breakthroughs in social provision in some European nations from the interwar years through the 1970s, expressed perhaps most clearly in the Swedish SAP conception of *folkshemmet*, has likewise proven more difficult to sustain in recent decades. Now that European nations are confronting increasing racial and ethnic diversity due to increased immigration and the integration of their economies into the European Union, they too must face the challenges that diversity brings to solidarity.

The second factor was many Americans’ preference for private, voluntary approaches to poverty, an inclination bolstered by pervasive mistrust of Federal Government programs, tainted since the nineteenth century by a legacy of partisan corruption and a lack of state administrative competency. Third was the ambitious, expensive, and successful effort, spearheaded by business groups such as the Chamber of Commerce, realtors’ associations, and the American Medical Association, to redefine the “American Way” as a commitment above
all to free enterprise rather than equality and justice for all (Wall 2008). Demands for higher wages, public housing, and health insurance were enacted in European nations devastated during the Second World War. In the United States, however, with the exception of modest gains achieved by organized labor and scattered experiments with public housing, further advances came to a halt. As early as the middle of Harry Truman’s presidency, fears of a rising Soviet threat, and of a resurgent global communism, were combining to make even the most innocuous social democratic initiatives suspect in the eyes of conservatives, as they have remained ever since.

* * *

The persistence of racism and the emergence of the Cold War not only arrested social democracy in the United States, but they also complicated efforts to create social democratic governments in the nations emerging after the end of colonialism. W.E.B. Du Bois was hardly alone when he declared “the color line” the problem of the twentieth century (Du Bois 1903). In book after book, Du Bois documented the ways in which racism had closed off the avenues to freedom and equality for people of color, not only in the United States but around the world. That problem was compounded after the Second World War by the end of colonialism and the start of the Cold War, both of which heightened the challenges facing new nations in the Global South. First in India and then across Africa, postcolonial governments’ efforts to incorporate programs to insure social and economic equality were caught in two forms of crossfire: first, the animosities between former colonial powers and formerly colonized peoples, and second, the competition between the United States and the USSR. Ambedkar’s Deweyan orientation and Jawaharlal Nehru’s intellectual formation in English Fabian circles helped shape their commitments, and that of India’s dominant Congress Party, to securing independence for a secular, Socialist, and democratic India. The nation’s constitution embodied those commitments. Given limited resources and the persistence of religious, cultural, and linguistic divisions that complicated the forging of a single Indian nation, however, developing the institutions and programs of social provision characteristic of wealthier social democracies remained an aspiration more than a reality.

The varieties of social democracy that Léopold Senghor proposed for a newly independent Senegal and Julius Nyerere for Tanzania were, among many other things, attempts to escape from the pressures to align these new nations with either the United States or the USSR (Figure 4.3). The British-educated Nyerere hoped that by invoking the ideal of *ujamaa*, an untranslatable term for voluntary agreement, he could wed traditional African community norms of nonexploitation with economic efficiency (Nyerere 1968). From 1964 to 1985, Nyerere served as president of a one-party state, justifying the absence of
competition by invoking the ideal of consensus. Although his strategy attracted the support of Scandinavians who thought they saw similarities between *ujamaa* and *folkshemmet*, the new elite’s continuing dependence on old forms of outside economic control doomed Tanzania’s fragile experiment with democratic socialism.

For Senghor, however, the very fact that Senegal emerged in 1960 as a nation independent from France represented a defeat. Like Aimé Césaire of
Martinique, Senghor had aspired to a new federated union of France that would incorporate, on equal terms, its African and Caribbean populations. Before he became the first president of Senegal, Senghor was a nondoctrinaire poet-philosopher who stressed the compatibility of early Marx and early Christianity. Senghor argued that resistance to all dogmas, whether capitalist or communist, and commitments to experimentation and cultural hybridity should be incorporated into the founding documents of a French Fourth Republic born after the Second World War. When the new French Constitution instead reaffirmed the dominance of the metropole and dashed Senghor’s and Césaire’s hopes, Senghor urged Africans to adopt a flexible, open-ended form of social democracy in their emerging nations. That pragmatic approach was not only necessary, given these formerly colonized and still impoverished new nations’ limited room to maneuver, but it was also, according to Senghor, philosophically more sturdy than the alternatives. To achieve Senghor’s ambitious goal of “maximum being,” Africans had to embrace their religious traditions, not abandon them, and see that community grounded in interpersonal love, not class conflict, should define social relations. In his book On African Socialism (1964), Senghor was as likely to quote Teilhard de Chardin, Gaston Bachelard, Maurice Merleau-Ponty, or the Christian or Islamic scriptures as he was to cite Marx. Materialism should be brought to completion in spirituality, a conclusion Senghor nailed down by quoting Jaurès. Senghor denied the common claim that Christianity and Islam were incompatible and insisted that both religions issued revolutionary calls to replace exploitation with equality and justice.

Senghor’s preferred strategy was as unconventional as his philosophy. Nationalization and development, he wrote, would require capital. To demand that African Socialists resist cooperating with capitalist nations, whose working classes were reaping the benefits of continuing exploitation of the decolonizing world, would mean starving developing nations of the resources they needed. Following Senghor’s presidency, Senegal became one of the few postcolonial democracies—and one of even fewer multicultural democracies, with a large Muslim majority and small, but safe, Catholic and animist minorities—that remained stable after the first generation of elected officials passed from the scene. As Senghor’s African Socialism suggests, forms of religious faith have remained an important element in some varieties of postcolonial social democracy.

* * *

In Latin America as in Europe and Africa, Christianity has been both a resource for some social democrats and a target for others. Social democratic ideas developed in Latin America at roughly the same time as in Europe and gave rise to powerful movements with wide symbolic resonance. Movements for social citizenship and public provision have been stronger and more widespread than movements for electoral democracy, but their conjunction has been significant
if not always successful. Enduring and dramatic levels of inequality, traditions of military stewardship, a disadvantaged position in the world economy, and the imperial presence of the United States have made such aspirations very difficult to achieve.

While Mexico would famously be a one-party state with only nominal democracy for most of the twentieth century, its 1910 revolution was emblematic of Latin American aspirations to achieve both democracy and subordination of market forces to the public good. The initial demand for free and fair elections become mixed with anarchists’ and peasants’ call for land reform, a meeting of slogans emblematic of a broader trend toward the radicalization of Mexican liberalism at the end of Porfirio Díaz’ rule. For decades the question in Mexican politics was whether the revolution had been achieved, left incomplete, or betrayed by its political leaders. By 1968, when the Party of the Institutional Revolution (PRI), still in control of the government, sent security forces to massacre protesting students, the answer seemed clear. But the ideal of a popular revolutionary government with both electoral and economic commitments, an ideal illustrated in much of the work executed by Mexican muralists Diego Rivera and José Clemente Orozco (see Figure 4.4), endured.

A number of Latin American states began to build welfare structures before the Second World War (most notably Uruguay and Chile), but it was not until the 1940s that the rising tide of demands for social provision met the “democratic spring” of those years to produce a continent-wide attempt at social democracy. Guatemala in 1944, and Bolivia in 1952, were among the most prominent countries to overthrow dictatorships on popular platforms, though in each case the revolution would be short-lived. Guatemala’s fell to a US-backed coup by conservative military forces, while Bolivia’s fell to internal dissension even before a coup imposed military government. Scarcely a decade into the “democratic spring,” the dynamics of counterrevolution and US intervention began to reassert themselves in the context of the Cold War. From the 1950s on, social democracy in Latin America veered between compromises: weakening democracy in the course of armed struggle, or weakening socialism by avoiding conflict with the right.

Social democratic governments that did not fall afoul of Cold War counterrevolution included those in Venezuela and Costa Rica. In Venezuela, Rómulo Betancourt proved one of the United States’ staunchest anti-communist allies. In Costa Rica, the foundations of the welfare state had been laid by a military president on the basis of the Catholic Church’s social teachings, with strong respect for private property. The president who expanded those measures, José Figueres, continued to navigate a difficult course with the United States and with the United Fruit Company. These relatively conservative tendencies proved to be inoculation against backlash, but also limited the scope of state action. In the case of Venezuela, as elsewhere, anti-communism served to justify exceptions to democratic principles, ostensibly to defend democracy in the longer term. So-called “pacted democracy,” in which the major parties agreed to share or alternate power and box out competitors, sharply limited participation in the name of stability.

Perhaps the most iconic attempt to bring democracy and socialism together in Latin America came from Salvador Allende, Chile’s president from 1971 to 1973. Allende rode to power on the strength of a popular insurgency. Its signature song, “The People United Will Never Be Defeated,” became a leftist anthem that still reverberates around the world after half a century. Allende, who had served as minister of public health and in the parliament, had long been a committed Marxist who referred in his speeches to a “Chilean path to socialism.” He spoke just as fervently of the democratic will of the Chilean people, and of a Chilean tradition of respect for democratic institutions and “the confrontation of differences through political channels.” “Chile,” he declared in his inaugural address, “has just provided an indication of its political development […] making it possible for an anticapitalist movement to take power by virtue of the free exercise of the rights of all citizens” (Allende 2000: 56).
Allende’s administration nationalized the copper industry and banking sector (among other businesses), and accelerated the mostly moribund process of land reform begun under Eduardo Frei, his Christian democratic predecessor. Much of Allende’s nationalization was in response to pressure from workers and peasants, who forced the government’s hand by seizing factories and land on their own initiative. Yet the rapid pace of change brought with it economic shocks. After a good first year, high inflation returned along with significant goods shortages. Despite economic troubles, exacerbated by attempts at sabotage by the United States and conservative Chileans, Allende’s base remained supportive in the parliamentary elections of 1973. Conservative sectors of society—especially the military—grew increasingly alarmed, however, prompting General Augusto Pinochet to lead a coup with US and Brazilian backing in September 1973. Allende died during the invasion of the presidential palace, while thousands were rounded up and murdered. Chile’s experiment with social democracy came to a crashing end. As Allende himself had often emphasized, it was the Right, not the Left, that was most inclined to break with democracy in Chile.

For much of the twentieth century, the Catholic Church’s social teaching was a valuable resource for incipient social democratic and Christian democratic movements. At the same time, the church hierarchy often proved more conservative in practice. From the 1960s to the 1990s, these tensions were heightened by the continent-wide wave of military dictatorships and by the encounter between Christianity, Marxism, and revolutionary politics known as liberation theology. Liberation theology was everywhere a component of resistance and of cries for social justice, but it had a more vexed relationship to democracy. The “ecclesial base communities” making up the organizational backbone of the movement were intended to be participatory and dialogical, and liberation theology was rooted in organic links between clergy and their parishioners’ experiences. To the extent that liberation theology has firmly supported electoral democracy, however, this support has come as a response to dictatorship, revising earlier stances emphasizing social justice and mass participation over formal democratic procedures. The movement has been more closely associated with revolutionary movements in Central America than with social democratic reform elsewhere. Regardless, whether because of the Vatican’s attempts to suppress it, the passing of the dictatorships, or the post-Cold War neoliberal turn, liberation theology has been less prominent in more recent decades.

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The reorientation and fracturing of social democratic parties has been widespread since they reached their high-water mark in northern Europe during the 1970s. As the transformation of the international economy has put
increasing pressure on all nations to compete, the dramatic economic growth of the wealthiest nations has slowed. For that reason their welfare states have been subjected to increasing pressure from the Left and the Right. At least some of their difficulties can be attributed to their success. When Social Democrats were put in positions of power, as Willy Brandt was in Germany, Bruno Kreisky in Austria, Olaf Palme in Sweden, and later François Mitterand in France, and Bettino Craxi in Italy, they were chosen by parties that established electoral majorities by appealing to a range of voters greater than what a base among militant industrial workers alone would have allowed.

This generation of European social democratic statesmen made compromises that secured some enhancements of the benefits provided by their governments. By broadening and moderating their programs, however, they also came to seem more conventional, even lackluster, which cost them support within their core constituencies. A similar dynamic was apparent in the United States. Hubert Humphrey, the Democratic Party’s presidential nominee in 1968, was in his youth a fiery Social Democrat. His commitments to positive freedom and the responsibilities of government are evident in his 1940 master’s thesis, later published as *The Philosophy of the New Deal*. Yet by the late 1960s, primarily because of his support for continuing the Vietnam War, he had become a symbol of everything young radicals found infuriating about the Democrats.

The cultural revolutions of the 1960s changed the meanings of solidarity and belonging, the themes that had undergirded the expansion of social democracy from 1945 through the 1970s. Many children of the generation that had endured depression and global warfare experienced the snug comfort of the postwar boom as repressive and stultifying. The social democracy that had inspired earlier activists was now taken for granted, even resented, and the explosions of the late 1960s often targeted mystified elders who still thought of themselves as progressives. Those revolts also fed a backlash. In the most advanced social democracies, citizens weary of high taxes and resistant to the idea of community responsibility began asking themselves the question President Ronald Reagan asked American voters: “Are you better off now than you were four years ago?”

Putting the question that way, and conceiving of politics solely as a matter of individual interests rather than the common good, altered the calculation voters were being asked to make. The upheavals of the 1960s focused on the liberation of individuals rather than the obligations they owed one another. No longer offering bold challenges to a stifling status quo, Social Democrats had become custodians of well-established, mixed economies and entrenched welfare states. Viewed from many perspectives, including those of the counterculture, the emerging environmentalist movement, the disciples of Foucault who saw social control looming ominously behind all forms of state action, and the newly energized champions of unregulated capitalism who had learned nothing from
the Great Depression, Social Democrats were now either yesterday’s news or, even worse, villains in a new drama for which they were ill-prepared.

Among those targeting Social Democrats were two sets of insurgents, ethnic and racial minorities and women. In the United States, African Americans and Mexican Americans had been mobilizing against racial segregation and discrimination for decades. But when they began to include white moderates as targets of their attacks on racism in the 1960s and 1970s, even many on the left-wing of the US Democratic Party were put on the defensive. Some civil rights leaders, including Martin Luther King Jr. and Cesar Chavez, never abandoned a social democratic program. Indeed, economic reform became the central focus of King’s efforts, and those of Robert F. Kennedy, in the year before both were assassinated in the spring of 1968 (Figure 4.5). But their deaths, and the increasing polarization of all North Atlantic nations in the aftermath of the uprisings of that year, proved costly to Social Democrats. Racial and ethnic minorities in the Global North, and people of color throughout the Global South, were mobilizing more militantly against their subordinate status. New political movements began to emerge on the Left as well as the Right flanks of Social Democrats, who also found themselves cast as champions of patriarchy by members of the social movement potentially broader than any other, the women’s rights movement.

For much of the twentieth century, Social Democrats had lived on the ideas advanced by the pioneering generation of Fabians, revisionists, and progressives such as Jaurès, Branting, Hansson, and Dewey, thinkers who stressed interdependence and the importance of providing the resources that would enable people to develop their capacities. As the structural inequalities facing women and disempowered racial, ethnic, and religious minorities came more sharply into focus, the inadequacy of much social democratic theory and practice was exposed. During the 1960s, a generation of political and social philosophers had fleshed out the arguments for positive liberty and equality that undergirded the expansion of the post-Second World War welfare state. The writings of John Rawls, Jürgen Habermas, Michael Walzer, Joseph Raz, Ronald Dworkin, Amartya Sen, Charles Taylor, and many others sparked a resurgence of debate among scholars concerning questions of justice and the adequacy of the social democratic welfare state as an ideal as well as an only partly realized program. How should liberty and equality be balanced? What are the most compelling arguments for the redistribution and equalization of resources?

To many, social democratic welfare states had done as much to encode as ease inequality. The many different women’s movements that emerged in the 1960s, for instance, posed direct challenges to the social democratic parties that had assumed a male breadwinner and a stay-at-home wife and mother as the pillars of their social policies. Many women always worked outside the home, they did not figure prominently in many Social Democrats’ visions
or calculations. Now that blindness was brought to light. Challenges from feminists ranged from those who wanted a piece of the action in the workplace to those who questioned not only prescribed gender roles but the very ideas of gender and sexuality. Feminists succeeded in altering the platforms of social democratic parties, by agitating for—and in many nations achieving—new
legislation concerning divorce, contraception, abortion, and equal pay for equal work. Radical feminists in the early twentieth century had challenged many of the assumptions undergirding the patriarchal family, but it was not until after the Second World War that their ideas, due in part to the writings of Simone de Beauvoir and others, prompted a reconsideration of many fundamental assumptions of social democracy. The “family wage” paid to a male factory worker, the centerpiece of mid-century social democratic ideology, came under attack by a new generation of women’s rights activists. No longer characterized as a way of protecting women but as one of many manifestations of pervasive exclusionary patriarchy, the ideal of the bourgeois nuclear family, with a male breadwinner and a female housewife, gave way to new policies concerning two-income families, parental leave, childcare, and lesbian, gay, bisexual, transgender, and queer/questioning (LBGTQ) rights (see Chapter 6, this volume, for more on feminism and democracy).

In the realm of social theory, Nancy Fraser’s insistence that “recognition” of previously excluded or otherwise undervalued persons must now be placed on a par with the “redistribution” of resources has added a dimension to social democratic theory that was often lacking, even in the writings of earlier women Social Democrats such as Alva Myrdal. So did the writings of Martha Nussbaum, Seyla Benhabib, and Joan Williams, feminist theorists who stressed the inadequacy of Rawlsian liberalism to address the problems facing women, whose situations effectively limited the freedom to develop ostensibly assured to all citizens. Black and Latina feminists such as Kimberlé Crenshaw, bell hooks, and Gloria Anzaldúa developed theories of intersectionality intended to highlight the particular problems facing multiply marginalized people. In the more recent writings of prominent male social democratic theorists, notably Habermas and his colleague Axel Honneth, recognition of the legitimacy of these claims has been increasingly evident.

If the momentum of social democratic parties even in northern Europe slowed for a variety of reasons during and after the 1970s, it remained the ideology of choice for dissidents in the police states of Eastern Europe. Through the efforts of Alexander Dubček in Czechoslovakia and the leader of the Polish Solidarity movement Lech Wałęsa, social democracy found a new set of champions. In the words of Adam Michnik, the “gray” of social democracy, with its messy compromises and moral ambiguities, was preferable to the Manichean certainties imposed by Soviet-style bureaucratic collectivism (Michnik 1997). Although muted in the chaos that followed 1989, it was the ideals of social democracy (not the threats issued by Ronald Reagan) that inspired those whose resistance brought down the “people’s democracies” of Eastern Europe and, eventually, the Soviet Union. In the past three decades, however, such ideas have been challenged successfully by champions of free markets and ethnic nationalism.

Outside the nations of the North Atlantic, the residual effects of formal European colonialism and informal American empire continued to constrain
the options available to those nations in the Global South, such as South Africa, that attempted to follow the example of affluent social democracies. Long after European and American nations stopped extracting slave labor from Africa, they continued extracting natural resources and imposing “austerity” on the “developing” world that made social democratic governments and generous social welfare programs economically impossible. Anxious about the prospect of capital flight that might prevent economic development, a fear fueled by the fate of François Mitterand’s socialist government in France, the new Republic of South Africa chose not to engage in the massive land reform and redistribution urged by some members of the African National Congress. Although it proclaimed ambitious social and economic goals, the nation’s path toward social democracy has been stymied by the continuing domination of the South African economy by a small elite in control of natural resources and of newer wealth-generating economic sectors. By 2019, South Africa had become one of the most prosperous nations in sub-Saharan Africa. At least according to a recent report from the World Bank, however, it remains the most unequal nation in the world (World Bank 2018).

Social democracy is expensive. Developing nations throughout the Global South have found themselves struggling to afford basic investments in education, infrastructure, and social security that might enable their populations to enjoy the benefits available to citizens in wealthier social democratic nations. Plenty of nations in Africa hold nominally democratic elections. Many profess to adhere to the solidaristic and egalitarian principles of social democracy, often expressed by concepts such as *u*jam*aa* or the Ngoni term *ubuntu*. Yet few have found ways to surmount the enduring legacies of colonialism, inequality, and poverty; the corrosive force of ethnic and religious divisions; and the political corruption that makes state capture by kleptocracies a persistent threat.

In Latin America, from the late 1990s until recently, a series of governments collectively labeled the Pink Tide have pushed back against Washington Consensus policies of austerity and free trade, on grounds ranging from nationalist to populist to socialist. The most prominent have been the governments of Lula da Silva and Dilma Roussef in Brazil, Hugo Chávez in Venezuela, the Kirchners in Argentina, Michele Bachelet in Chile, and Evo Morales in Bolivia. Some commentators on the phenomenon have sought to divide a radical Pink Tide (represented by Chavismo) from a moderate or social democratic Pink Tide (usually represented by Lula). Other commentators have sharply disagreed, pointing to the connections among the various heads of state and defending the claims of these “radicals” (to use their critics’ term) to mass popular support.

In either case, all the Pink Tide governments lost their grip on power the same way they gained it, in a collective wave. Conservative governments won electorally in Argentina and Chile, and Rafael Correa’s chosen successor in Ecuador has turned to the Right, though these governments have faced
significant popular resistance. A constitutional coup pushed the Workers’ Party out of power in Brazil, while a (for now) failed attempt in Venezuela adds to a prolonged state of crisis. Morales, who had seemed comparatively assured in his position, was pushed out even after agreeing to rerun an election he won by a 10 percent margin. The conservative forces in Brazil and Bolivia are perhaps the most threatening to ideals of solidarity, trumpeting ethnic and religious hierarchy and open nostalgia for Cold War dictatorships. On the other side of the isthmus, Mexico, which elected conservative governments during the height of the Pink Tide, in 2018 elected its most left-wing president in decades, Andrés Manuel López Obrador (or AMLO). His party, MORENA, emerged from a split with the Revolutionary Democratic Party (PRD) as a vehicle for his candidacy. If it grows larger, more coherent, and more independent of his leadership, it may become the strongest voice for social democracy in Latin America. Or it may founder, as so many others have done in the face of internal cultural conservatism and international economic pressures. In the meantime, the first year of AMLO’s presidency has returned uneven results at best. He has acquiesced to his predecessors’ militarization of police functions and willingness to serve as proxies of US border police. Much of his social agenda focuses on high-profile projects with questionable effect on the material conditions of the majority (Beck, Bravo Regidor, and Iber 2020).

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The further progress of social democracy in the wealthiest nations has been arrested since the 1990s as a result of the emergence of neoliberal ideology and the continuing globalization and “gigification” of industrialized economies. Work is being transformed from a stable, decades-long job to ever-changing, benefits-free, part-time freelancing. Now more and more individuals piece together just enough income to keep them afloat, thanks to loans they struggle to pay off, without even the prospect of long-term security. Apologists for this state of affairs contend that these are the inevitable consequences of technological change and globalization. Of course much of the world has lived with precarity for centuries. In the relatively prosperous nations in which social democracy has enjoyed the most success since the 1930s or 1940s, however, this is something new. Such a way of life, although fully consistent with the libertarian ideology that informs much conservatism these days, is inconsistent with the traditional ideals of social democracy.

It is telling that, in response to these developments, the most advanced social democracies, such as those in the Nordic nations, redoubled their efforts to manage their economies by modernizing key industries. They also mounted ambitious programs for training and retraining workers throughout their lives. Even though these nations too cut income taxes and modestly diminished the
size of the public sector when conservative parties were in power, the steps taken were mild compared with the deliberate and dramatic reshaping of labor markets and the deindustrialization allowed to spread across Britain and the United States from the 1980s to the present. Republican administrations since Ronald Reagan’s have refused to raise the minimum wage, taken steps to reduce union membership, and increased the size of the workforce that operated without benefits. They have also shrunk nonmilitary Federal Government spending to its proportionally smallest size since the 1930s. By “starving the beast” that had regulated the economy, provided services to the public, and from their perspective, interfered with market capitalism, slowed growth, and fueled a culture of profligacy and dependency, they aimed to undo decades of social democratic achievements.

As economies have changed and conservative parties have surged, as new parties have emerged to their Left, and as xenophobic right-wing populists have risen to prominence in many nations, Social Democrats everywhere face serious challenges in the third decade of the twenty-first century. All but the richest segments of industrialized nations have watched their incomes stagnate and their share of national wealth shrink in the last five decades. Recovery from the financial crisis of 2008 to 2009 has been slowest in the poorest nations, and among the poorest citizens in the wealthiest nations. As the 1930s showed, disgruntled electorates can be fodder for demagogues who promise what mainstream parties no longer seem capable of delivering: solidarity, belonging, and community. Now these goals are to be achieved, according to autocrats of various stripes, not by providing a better life for all citizens but by scapegoating outsiders who can be blamed for ills of all sorts, including those that predated their arrival by decades.

Beginning in the 1990s, some commentators argued that the remedy for what was ailing social democracy was to be found in the “third way,” first theorized by the British sociologist Anthony Giddens (1998). Reasoning that the welfare state had gone as far as it could go, and reading the tea leaves that suggested increasing restiveness in the populations of industrialized nations, champions of this strategy urged retrenchment. The policies they proposed, however, only compounded the problems created by the generation of technocrats (Helmut Schmidt comes to mind) who followed the generation of Brandt, Kreisky, Palme, Mitterand, and Craxi. The “third way,” implemented in Britain by Tony Blair and in Germany by Gerhard Schroeder, did not revive the prospects of social democracy. In the United States, Bill Clinton declared triumphantly that “the era of big government is over,” which might explain why his effort to establish a national healthcare system failed. His strategy of triangulation “succeeded,” however, in deregulating the financial industry, (further) criminalizing African American communities, and ending “welfare as we know it,” steps that propelled the United States as far away from social democracy as any Republican president
of the last century except Reagan. In the United States, as in Britain, Germany, and elsewhere, the “third way” in practice often amounted to a retreat from the principle of equality without arresting the steady shrinkage of erstwhile social democratic parties’ share of the electorate.

And yet, notwithstanding the shrill critiques coming from conservative parties, actual decreases in spending for existing social programs since the 1990s have been surprisingly modest. Despite rising opposition to immigration and the resurgence of ethnic nationalism, the prospects of social democracy may not be as dismal as many critics on the Left as well as the Right have claimed. All the data show that the citizens of the most advanced social democracies, in Scandinavia and in other northern European nations such as the Netherlands and Belgium, remain in 2020 the healthiest, best educated, most productive, most politically engaged, least unequal, and—at least if one can believe surveys of “well-being”—the happiest people on Earth.¹ From the perspective of the United States, where demonizing Denmark has become one of Republicans’ favorite sports, it seems clear that the most dangerous thing about social democracy is also the one thing that, at least according to all the measures available to us, is undeniable. Despite its many flaws, at least compared with the existing alternatives, social democracy works.