Review Article

The Government Crisis in Sweden¹

Olof Petersson

So we agreed to disagree
At least we've got our memory²

After the Social Democrat defeat in the 1976 election a non-socialist government under Thorbjörn Fälldin was formed. In October 1978, one year before the next election, the Fälldin government resigned. The non-socialist parties went their several ways. The coalition was replaced by a Liberal minority government with Ola Ullsten as Prime Minister.

The downfall of the bourgeois coalition could be attributed to one single issue: the controversy over nuclear power. Already before the 1976 election the Center Party had taken a strong stand against the use of atomic power as an energy source. The Center Party made nuclear power one of the main issues in the 1976 election campaign. Interview surveys show that the Center Party strategy was successful. Although the party lost one percentage point in comparison with the 1973 election, the loss would have been much greater without the energy issue. The strong anti-nuclear position attracted a significant number of voters. At the very end of the campaign the Center Party increased its popularity (Petersson 1978).

Though it was generally assumed that the Palme government would be replaced by the new majority coalition, negotiations between the three non-socialist parties were strained. It took more than two weeks of intense talks before the government program and distribution of minister posts were agreed upon. The main obstacle was the nuclear power issue (Hammerich 1977). In the election campaign Fälldin had promised not to enter a government which initiated a single new nuclear plant, giving his stand a special moral aspect. The two coalition partners, the Liberals and the Conservatives, were not in agreement with the Center line. They had deliberately kept a low profile before the election, enabling the Center Party to capture votes from the Social Democrats. But after the election they had no intention of yielding to Center demands. At last the three parties reached a compromise. Fälldin had to enter a government which in fact started a new plant, the Barsebäck power station north of Malmö. The Center Party's popular image was somewhat stained; in particular the Social Democrats condemned 'Fälldin's betrayal'.

The nuclear issue continued to harass the bourgeois coalition. Every decision concerning atomic power led to protracted, often fruitless, discussions. The Conservative chairman Gösta Bohman and the Liberal leader Ola Ullsten (who replaced Per Ahlinmark in March 1978) were in favor of continuing the construction of additional plants. Finally it looked as if the three parties had reached a settlement. The power industry had applied for permission to start another two plants. The Center Party's main argument against further use of nuclear power was the
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The nuclear issue continued to harass the bourgeois coalition. Every decision concerning atomic power led to protracted, often fruitless, discussions. The Conservative chairman Gösta Bohman and the Liberal leader Ola Ullsten (who replaced Per Ahlmark in March 1978) were in favor of continuing the construction of additional plants. Finally it looked as if the three parties had reached a settlement. The power industry had applied for permission to start another two plants. The Center Party's main argument against further use of nuclear power was the
difficulty of finding a safe method of depositing the radio-active fuel waste. On September 29, 1978 the three parties found a compromise solution. Formally the government said ‘no’ to the power industry, but the decision also included a clause permitting the plants to be started if the industry could show that it was possible to store the fuel waste in solid rock. After geological surveys the industry could renew its application.

The compromise was generally interpreted as a conditional yes to two more plants. Fälldin was once again accused of betraying his promises. The Center Party activists demanded that the government should now put a final stop to nuclear power. The September 29 compromise had not defused the nuclear issue. Fälldin went back to his coalition partners, demanding a definite ‘final mark of the nuclear parenthesis’ or at least a national referendum about future energy politics. In a public statement on October 3 Bohman and Ullsten rejected Fälldin’s proposals. Two days later the deadlock was complete. On October 5 Thorbjörn Fälldin handed over his letter of resignation to the Speaker of the Riksdag. The bourgeois coalition, the alternative to the long Social Democrat rule, had failed after only two years in office.

The Center Party finally had to choose between the government and the party. Polls showed that the Center Party lagged behind, badly hurt by the nuclear compromises. In a press conference immediately after his resignation Fälldin explained:

- In a coalition government all parties must be prepared to make compromises. But it must not go so far that one party demands another party to obliterate its soul.
- The cost of being in government had become too high. The Center Party chose to leave the government in order to be able to pursue its own nuclear policies.

Directly after the government had resigned Bohman and Ullsten made a joint statement. They explained why they had not accepted the Center Party demands and also commented upon the new parliamentary situation. No definite declaration about the composition of the cabinet was made, but the manifesto indicated that a new ‘non-socialist government’ ought to be formed, that it ought to have the ‘broadest possible political anchoring’, its policies based upon the old bourgeois government platforms, and aim at a majority solution of the energy problem. Many people, especially the Conservatives, thought that this meant that a Liberal-Conservative coalition naturally would succeed the Fälldin government. The only difference would then be that the Center Party ministers left their posts and Ullsten took over the Prime Minister’s office.

But the Liberals had other plans. Strong voices in the Liberal leadership thought that on many issues their party had more in common with the Social Democrats than with the Conservative Party. A meeting with the parliamentary group on October 6 showed that these anti-conservative feelings were widespread within the party. In an almost unanimous decision Ullsten was given a mandate to work for a one-party minority government.

The Conservatives were outraged. A purely Liberal government was regarded as a betrayal against the bourgeois common cause against socialism. It was true that there did not exist any formal agreement to continue in a two-party coalition, but the Conservatives considered that the Liberals had acted as if such a government would follow Fälldin’s resignation. The Conservatives felt duped. Their cabinet positions were in danger.
But it was not certain that Ullsten could manage to form a government. The new Swedish constitution had deprived the King of his power to appoint the Prime Minister. The new rules give the formal power to the Riksdag. The Speaker shall, after consultations with the party leaders, propose a candidate for the Riksdag. The voting rules for electing Prime Minister are special. A candidate is elected unless half of the number of M.P.s vote against. Abstentions and absent members are thus counted as passive support for the Prime Minister.

The distribution of seats after the 1976 election was:

<table>
<thead>
<tr>
<th>Party Name</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Democrats</td>
<td>152</td>
</tr>
<tr>
<td>Center Party</td>
<td>86</td>
</tr>
<tr>
<td>Conservatives</td>
<td>55</td>
</tr>
<tr>
<td>Liberals</td>
<td>39</td>
</tr>
<tr>
<td>Left Party Communists</td>
<td>15</td>
</tr>
<tr>
<td>Labor Party Communists</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>349</td>
</tr>
</tbody>
</table>

Any coalition of 175 members or more could block a proposed Prime Minister. Theoretically Ola Ullsten could be elected if the Center Party and the Conservatives voted yes, or at least abstained. But Gösta Bohman explained to the Speaker that the Conservative members intended to vote no if Ullsten planned to form a one-party government.

The only remaining way in which Ullsten could be elected was if the Social Democrats abstained from voting. The day after Fälldin resigned Olof Palme issued a statement explaining the Social Democrat position in the government crisis. Palme had in fact been secretly contacted by the Liberal Party several months earlier; the Liberals wanted to know how the Social Democrats would react if the three-party government collapsed and the Liberals tried to form a government of their own. In the October 6 document Palme stated that the natural solution would be to dissolve the parliament and announce an extra election. But Palme also said that he realized that the constitutional rules made it difficult to have a new election. If the Speaker wanted to try a provisional solution of the government problem Palme used phrases that in effect meant that the Social Democrats would vote no to any government which included the Conservatives or the Center Party. The remaining alternative, a Liberal minority government, was not mentioned: it was not suggested, nor rejected.

As the government negotiations proceeded, with the Speaker as mediating link, it became more and more clear that the Social Democrats, the opposition party, held the key to the bourgeois government problem. Palme was in favor of abstaining, thus passively accepting a Liberal government. This outcome had certain tactical advantages in the parliamentary arena. In some issue areas, such as employment policies, Social Democrats and Liberals might form majority decisions. The parliamentary influence would be greater than with a government including the Conservatives. This was also a unique chance to break up the bourgeois bloc: with Social Democrat help the former three-party coalition would disintegrate into pieces. In a longer time perspective it was also considered advantageous to have kept the door open for future collaboration with the Liberals.
Many Social Democrats were, however, unhappy with the prospect of the labor movement helping a bourgeois party, the old enemy, into power. Members and voters would have difficulty in understanding this kind of tactical maneuvering. It took several long discussions within the parliamentary group and party executive before a decision could be made. After a marathon session on October 12 the Social Democrat M.P.s eventually decided to abstain.

On Friday October 13 Ola Ullsten was elected Sweden's new Prime Minister. The number of yes votes was just 39, with only the Liberal M.P.s actively supporting Ullsten. The Social Democrats and the Center Party abstained, the Conservatives and the Communists voted no. On October 18 Ullsten announced his minister list and presented the Liberal government program.

The Bourgeois Triangle
The government crisis could be illustrated by a two-dimensional model of the Swedish party system. The horizontal axis in Figure 1 depicts the left-right continuum, while the vertical axis represents ideological cleavages concerning industrialism, technology, and energy. One extreme position on the latter dimension is a very positive attitude towards industrialization, growth, and nuclear power. The

\[ \text{industrialism, growth, nuclear power} \]

\[ \text{left} \quad \downarrow \quad \text{right} \]

\[ \text{small-scale production, self-supporting communities, against nuclear power} \]

Figure 1. A two-dimensional map of the Swedish party system.
opposite pole implies a critical view of large-scale production, technology and nuclear energy, the alternative being small, local, self-supporting communities.

During the last ten years there has been a certain amount of regrouping among the non-socialist parties. At the 1968 election the inter-party positions could be captured by one single dimension, with the Center Party, the Liberals, and the Conservatives ordered from left to right (Särvik 1974). This is illustrated in the upper section of Figure 2. (It should be noted that the figures presented here only give schematic pictures – they do not intend to show the exact policy positions.)

Though struggles between urban and rural interests had been important during earlier periods of Swedish history, it was not until the 1970’s that the vertical dimension was revitalized. The strong anti-nuclear stand gave the Center Party a separate position on this dimension (Figure 2, second part).

During the 1970’s the Liberal Party indicated a shift leftwards (Figure 2, third

![Diagram](image)

At the 1968 election.

![Diagram](image)

The Center Party opposes nuclear power.

![Diagram](image)

Liberal shift leftwards.

![Diagram](image)

Three-party coalition with latent tensions.

Figure 2. Regrouping among the bourgeois parties.
section). In 1974 the Liberals reached an agreement with the Palme government on taxation and economic policy (Petersson 1978, p. 110). In the 1976 electorate there was no longer any dominant opinion as to whether it was the Liberals or the Center Party that was closest to the Social Democrats.

It is interesting to note that major political issues in the 1976 election as well as the basic socio-economic cleavages in the Swedish party system could be illuminated by the same two-dimensional model that explains the government crisis in 1978 (Petersson 1978, p. 117).

Figure 3 summarizes the two phases in the government crisis. First the coalition collapsed on the vertical dimension; the Center Party left the government because of its resistance against nuclear power. In the second stage the Liberals decided to govern without the Conservatives. The Liberals wanted to occupy an independent position in the middle of the party spectrum, sometimes collaborating with the Social Democrats, sometimes with the former coalition partners. The Liberal decision was guided by both parliamentary tactics and internal demand, but also by electoral strategy. The party leadership knew that the core of stable Liberal voters is small. In order to attract the floating voters in the borderland towards the Social Democrats it is necessary to be in the political limelight. In a polarized two-block situation there is a great risk of the Liberal Party simply disappearing from the electorate’s attention.
Table 1. Voters’ perceptions: Which party is closest to the Liberals?

<table>
<thead>
<tr>
<th></th>
<th>1968</th>
<th>1976</th>
<th>1978</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Democrats</td>
<td>3</td>
<td>12</td>
<td>49</td>
</tr>
<tr>
<td>Center Party</td>
<td>72</td>
<td>63</td>
<td>26</td>
</tr>
<tr>
<td>Moderates</td>
<td>20</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Others, don’t know</td>
<td>5</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>Total percent</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N</td>
<td>2863</td>
<td>2686</td>
<td>1025</td>
</tr>
</tbody>
</table>


A poll taken shortly after the government crisis shows that the voters indeed had discovered the Liberal excursion on the political map. According to the predominant opinion the party closest to the Liberals was no longer the Center Party but the Social Democrats (Table 1).

When Ullsten succeeded Fälldin a majority coalition was replaced by a minority government with an extremely weak parliamentary base. Even though the internal homogeneity of the cabinet is stronger than during the conflict-ridden Fälldin government, Ullsten has had clear problems in pushing his bills through the Riksdag. Sometimes, for instance in the case of state subsidies to the shipyards, he has managed to gather support from the Social Democrats. But many bills have been severely battered before they leave the Riksdag in the form of majority decisions. Understandably in an election year it has been particularly difficult to form coalitions on taxes and other issues which imply that money will be taken from the people. On the other hand it is always easier to find allies when it comes to handing out money to different groups. Minority governments do better on the expenditure than on the income side of the budget.

So far it is uncertain whether the Ullsten government introduces a new era in Swedish political history or is only a provisional parenthesis. It must be said, however, that the signs of change are weak. Voting in the Riksdag has very often followed the familiar two-block pattern. The parliamentary debates have sounded all too similar to the old rhetoric. Much remains the same.

A Nuclear Referendum
The energy issue has not disappeared from the political agenda. It was generally assumed that a majority decision on energy politics would be taken during late Spring 1979. The industrialist triumvirate of Social Democrats, Liberals, and Conservatives had reached a compromise to the effect that in all twelve nuclear plants would be taken into use. Protests from the Center Party, the Left Party Communists, and the anti-nuclear movement were neglected. But then came the accident in the Harrisburg plant in Pennsylvania. Pressure mounted within Social Democrat rank and file for a revision of the pro-nuclear line. Palme foresaw another up-hill election campaign.

On April 4 the political situation suddenly changed. After meetings with the party executive, the M.P.s, and the party’s energy experts, Palme announced that he was worried by the alarming reports from Harrisburg, that the safety problems

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should be reviewed once again, that the Riksdag decision on nuclear power ought to be postponed one year, and that a national referendum should be held. It is interesting to note that the tactical objectives this time were just the opposite to those which had guided the decision half a year before to accept the Ullsten government. Then parliamentary considerations had stronger weight than arguments with respect to the internal arena and the electoral arena. But this time the decision was primarily directed by the fast-growing resistance against nuclear power within the party membership and by anticipated voter reactions. This is not to say that the Social Democrat turnaround had not certain parliamentary advantages. Palme grasped the political initiative. At a press conference a couple of hours after Palme, Prime Minister Ullsten announced that he also—suddenly—agreed with the one year moratorium and the nuclear referendum, ideas which he always fought before. During his months in office Ullsten had tried to create an impression of strong leadership. That image was now severely damaged. Conservative leader Bohman also had to recognize 'the political fact'. The situation must have been particularly bitter for Bohman. By rejecting Fälldin's demands he had contributed to the downfall of the three-party coalition. After the Liberal action the Conservatives had been left out of the cabinet. Now the energy program also seemed to vanish.

It remains to see what impact the nuclear power issue will have on the election in September 1979. It is assumed that the referendum, the fourth in Swedish history, will be held in early 1980.

NOTES
2 Gerry Rafferty: 'Whatever's Written in Your Heart', City to City (United Artists Records 1978).

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