

NORDIC
WORKERS' CONGRESS

SØRMARKA, NOVEMBER 11-12 2014

THE SØRMARKA DECLARATION
WE BUILD THE NORDICS



SAMAK

WE BUILD THE NORDICS

INTRODUCTION	3
SOLIDARITY CREATES FREEDOM	4
POLITICAL CHALLENGES AND POSSIBILITIES IN THE NORDIC COUNTRIES TOWARDS 2030	8
POLITICAL CAPACITY AND LEADERSHIP	35
A GREENER LABOUR MOVEMENT	37

This political declaration was adopted by the congress held by the co-operation committee of the Nordic Social Democratic parties and trade union LOs – SAMAK – 12 November 2014 at Sørmarka, outside Oslo, Norway.

The declaration is based on a unique research project for the future of the Nordic model, NordMod2030.

The first Workers' Congress was held in Gothenburg, Sweden, in 1886.

SAMAK member organizations:

The Social Democratic Party, Sweden	LO, Sweden
The Labour Party, Norway	LO, Norway
The Social Democratic Party of Finland	SAK/FFC, Finland
The Social Democrats, Denmark	LO, Denmark
The Social Democratic Alliance Samfylkingin, Iceland	ASI, Iceland
Føroya Javnadarflokkurin, The Faroe Islands	
Siumut, Greenland	
Åland Social Democrats	

INTRODUCTION

It is time to look ahead.

During the last century, the Social Democrats, together with the trade union movements, were the first to introduce radical social developments in the Nordic countries, which made it possible to achieve living conditions at a level previously unknown in the history of humanity.

There is still, however, so much to be achieved.

The various challenges of the twenty-first century are easily identified but difficult to overcome. The threat of climate change, for example, an ageing population and ever-increasing competition are no longer future threats - they are with us now.

I am firmly convinced, however, that the broad based labour movement, with its values and its approach to difficulties, has the necessary tools to convert these challenges into opportunities.

No one can say it is impossible. Never has our society been more affluent, wiser and more technologically developed than now. Time and again throughout history, people have got together to solve communal problems and create a better society for the present and future generations.

Once more, therefore, we accept the challenge. The Nordic Social Democrats and the trade unions stand shoulder to shoulder, looking forward to the future. Together we will continue to develop our Nordic Model so that it will once again amaze the world as in the past.

Without doubt, it is an enormous task. For this very reason, it is so incredibly attractive.

A handwritten signature in black ink, appearing to read 'Stefan Löfven', with a stylized, cursive script.

Stefan Löfven

President of SAMAK

SOLIDARITY CREATES FREEDOM

In the old days, the vision of how society should be was clear to social democrats. In the 1930s, the chief goals were jobs, a steady income, housing, dignity – and peace. To achieve this, people had to stand together. The background was war, fascism, communism, mass unemployment, unsanitary housing and class struggle. Gender equality, gradually formed part of the vision.

The social situation gave rise to many types of expression:

- *Take care of those at the far end of the table.*
- *Do not stand cap in hand.*
- *Captain of ones own life.*
- *Politics build the dance floor, so that you can dance.*
- *Do your duty; demand your rights.*

In the working class culture the various expressions were even more colourful, in language, pictures and music, as in the novels of Moa Martinson, the poems of Hans Børli, in “Pelle the Conqueror” by Martin Andersen Nexø, in Jón Engilberts paintings and in the songs of Veikko Lavi.

These expressions came up from below in our societies and they were politically charged. Later, the social democratic story of society evolved from that of an industrial to a service-based society. As early as the 1970s and the 1980s, a lot of things had changed.

Until now, the Nordic social model has managed to combine a high level of welfare, equality of people's living conditions and other forms of equality. More people than ever before, live in a free society. Most consider that they have a good life, and are optimistic about their own future. This, however, is not the case for everybody. New challenges have cropped up.

Once again, we are looking for new types of expression of our concerns, needs and dreams as people of the Nordic countries experience them.

Our society is now even richer and we are better educated.

The world is coming closer to us, for better and for worse.

We are becoming more diverse in our attitudes, culture, religion and ethnicity. Moreover, we are growing in numbers.

The Earth is becoming warmer, with unforeseeable and worrying consequences.

New technologies have revolutionized society and our knowledge of life. More importantly, these innovations make communication between people faster and affect the shaping of opinions.

Our societies are therefore ever more rapidly changing, making reality ever more difficult to grasp.

In the opinion of most people, the new life is good. However, we must not forget that some are worse off. There is a fear that class differences may increase. The fact that changes may create alienation must be taken more seriously.

The contents of the new vision of the trade union and political labour movement depend on what freedom and solidarity mean to us today. Even though much remains the same, the circumstances are changing.

Freedom is having enough money for housing, food, transport and holidays. Freedom is being able to cope most of the time, on good days as well as bad. There are still many people who are unable to do so.

Freedom is holding down a good job and enjoying good health, with all that comes with those. It is being able to live with a sense of one's own value, and give of yourself, even if you cannot get a job, or are unable to work. Freedom is trusting your surroundings and feel free from coercion. Freedom is avoiding destructive addictions.

Not least, for you who are young, freedom is being seen, being recognised. It is being able to acquire skills and experience, to hope. It is being able to make good use of the many opportunities that are available in a more open world.

Freedom is even more. It can be the absence of indifference, a feeling that life is truly full of meaning in our materially rich society. It is being able to contribute to something greater than we are. It is accepting responsibility when necessary.

Freedom and meaning can also be experienced by fighting racism, egoism and injustice, and for equal opportunities, more jobs and a greener society.

In a changeable future, the individual's freedom demands greater solidarity. We need to feel that we belong, to a family, to our local community, to our job and society. We need to stand united to develop.

Without solidarity, there is no freedom.

Only strong unity can ensure everyone's right to good health, care and schools, fair wages and decent working environments. We will cooperate even better in the Nordic labour movement and exchange ideas and experience between our different countries.

The slogans of the last century are still valid. Today's youth, looking for permanent jobs are well aware of this. At the same time, we must find new stories and expressions that embody ordinary people's needs in the Nordic societies, which are often characterized by material riches, diversity, precarious working conditions and concern for the environment.

Ten political choices for the future of the Nordics

1. **More freedom.** Continued success must not be taken for granted. Now it is up to us, and not least the young, to ensure freedom and unity for future generations.
2. **Grasp this new era.** The social democrats and the trade union movements have for a long time created good Nordic societies. Now we must take the Nordics into a new era. Political power must continue to govern the market.
3. **Our values are valid.** In this complex and changeable world, it is ever more important that we stand up for freedom, equality and solidarity.
4. **Full employment.** Full employment is, and will continue to be, the basis of the Nordic welfare societies. Increased competence, more innovation and efficient use of new technologies increase productivity and make for greater job security.
5. **For everyone.** Our mission must continue to be to ensure that everyone can live a good life. We will be taking special responsibility for co-determination and rights for those who have the least resources. We intend to provide children with a more equitable basis and thus change our social heritage.
6. **Offensive for equal opportunities.** Gender equality has advanced considerably, although there is still a lot to do, in the home, at work and in society.
7. **A greener future.** We want the Nordic countries to be greener. We must be the first to ensure that we do our best, at home and internationally, to manage climate change and protect the environment.
8. **Defend organised work.** Decent work is under pressure from home and abroad. We will combat social dumping, labour market crime and two-tier labour markets in the Nordic countries – and promote organised work to succeed.
9. **Social welfare for all.** Politics, not profits, must govern welfare. New technologies, enough qualified employees, funding and cooperation are some of the keys to more and better services.
10. **Solidarity creates freedom.** Without solidarity, there is no freedom. The increased diversity within the Nordic countries creates opportunities as well as challenges. “Do your duty; demand your rights.” Respect and social equality are the breeding ground for solidarity also in the future.

POLITICAL CHALLENGES AND POSSIBILITIES IN THE NORDIC COUNTRIES TOWARDS 2030

Contents

PART A – A NEW ERA	9
1. The Nordic countries in a new era	9
2. The battle of the Nordic model	10
3. The ”forgotten” pillar: working life	11
4. A success	12
5. Changes and challenges	13
6. The development of Western capitalism	14
PART B - POLITICAL ANSWERS	16
7. Diverse societies with social and political sustainability	16
8. Work as the basis	18
9. Economic responsibility	19
10. Climate and environment	19
11. Creating for sharing and sharing for creating	21
12. Equality and the social heritage	22
13. Inclusion in the labour market	24
14. A decent, well-organised working life	25
16. An offensive for welfare services	28
17. Gender equality – a lot remains to be achieved	31
18. Discrimination hits	31
19. New technologies – solution and problem	32
20. The Nordic countries in Europe and their global responsibilities	33

PART A – A NEW ERA

1. The Nordic countries in a new era

The golden age of the Nordic countries has continued, although there are still considerable needs to deal with. We have, more than other countries, managed to combine material welfare and efficiency with equality, equal rights and trust. Without a systematic, long-term effort to develop everyone's potential, this would not have been possible.

The institutions and the results are to a large degree intact, and the support of the basic values of the Nordic social model continues to be high in all of the Nordic countries. At the same time, however, an intense political battle for ownership of this model and its future direction is under way.

In the future, the Nordic countries will preserve a great deal of today's services and knowledge society, but will also be characterised by new development trends. In order to understand and grasp this social development, we must consider, amongst other things, globalisation, migration, increasing skill and competencies, the development of bio and communication technologies, a historically high level of consumption, climate and environmental challenges and the role of the media. Political developments in Europe, such as political direction and governance, will also affect us. The demographic development of the Nordic countries is another important factor. The population in the Nordic countries continues to grow, we live longer and more of us live in urban areas.

The research foundation Fafo (Fafo Institute for Labour and Science Research) in Oslo and a Nordic group of researchers were commissioned by SAMAK and FEPS (Foundation for European Progressive Studies) to carry out the research project NordMod2030. It analyses the sustainability of the Nordic model and, as we will soon see, points out important challenges related to how we can safeguard and develop the model in the years to come.

We are witnessing a successful model under pressure – a model with great possibilities. Essentially, it deals with how to secure political, democratic governance in line with ordinary people's needs, in a new and more volatile time characterised by strong market forces.

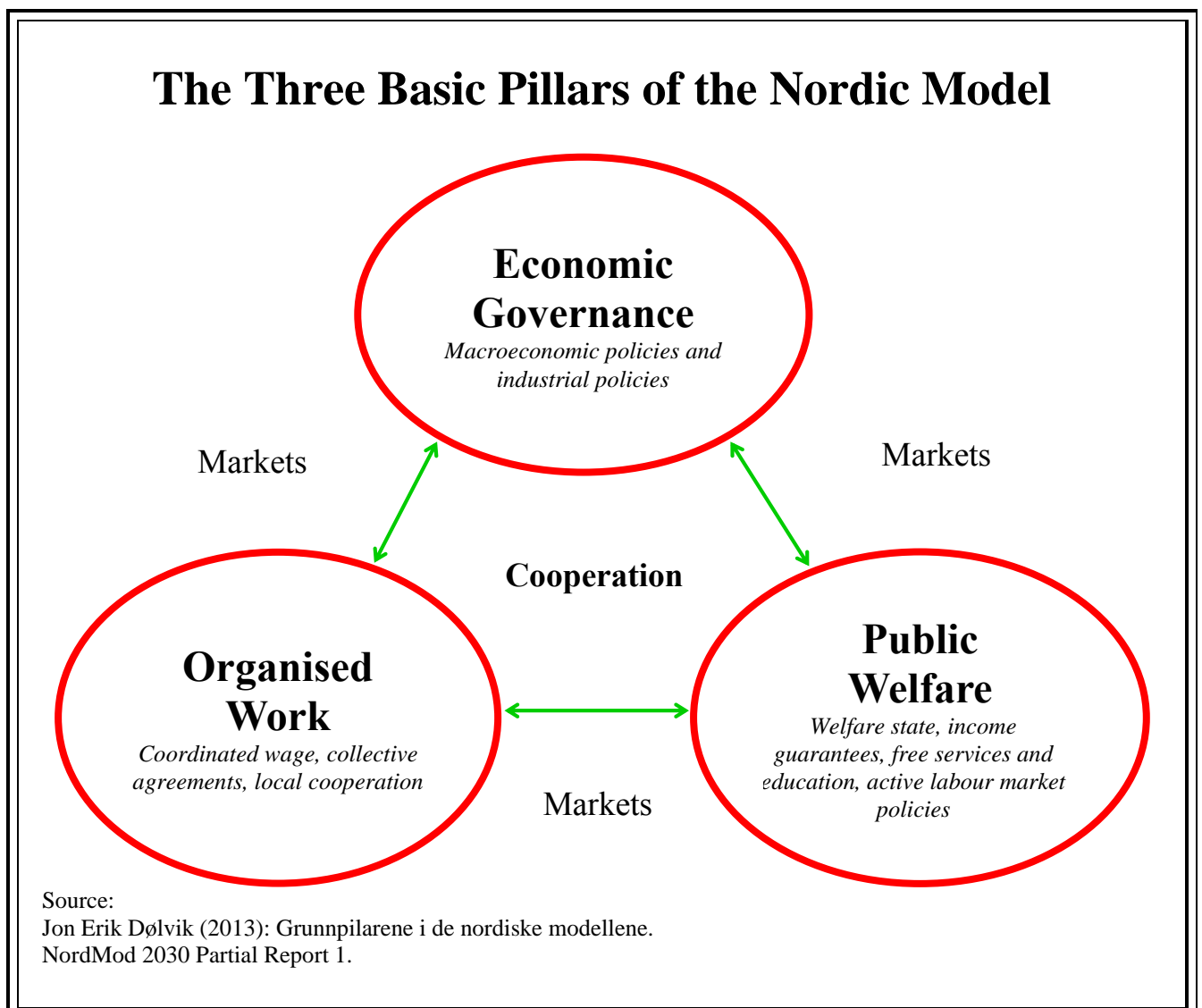
In practice, our main task also in the future, will be to ensure full employment. If we do not manage that, we will have no fundament for our other goals.

2. The battle of the Nordic model

We are very much aware of the values on which the Nordic social model is based: freedom, equality and solidarity. We are also aware of its results in terms of efficiency, levelling of income and power, equal opportunities and trust.

NordMod has clarified how we manage to move from values to results. The three basic pillars, *economic governance*, *organised working life*, and *public welfare* are the essence of the Nordic model, together with responsible co-operation between the authorities and social partners in working life, within a market based, open economy. Local co-operation between the social partners is what NordMod calls “the Nordic micro model” for innovation and product development in companies.

Other necessary prerequisites are serious, long-term prioritization of employment and competence, together with dynamic development of the basic pillars and modes of co-operation, adjusted to the concrete demands of the present time.



NordMod shows how the Nordic social model consists of interdependent and related pillars. Economic governance gets better when there are responsible social partners involved in organised working life. When the organised working life over time raises low wages, the welfare benefits can be increased more than they otherwise could. At the same time, better welfare benefits help prevent that wages are pressed down again.

When “everything depends on everything else” as Gro Harlem Brundtland said, it enables society to move into virtuous circles, where the three basic pillars continuously uphold one another.

The problem we see ahead is the possible danger that virtuous circles can become vicious circles. If one of the pillars is weakened, the other two will suffer and in turn weaken the first even more.

We are also aware that it takes time to build trust, but that trust can rapidly be lost and that equality may be self-reinforcing – but so can inequality.

The Nordic model’s resilience till now is therefore no guarantee for the future. We must maintain the basic pillars and adjust them to new challengers. We must continue to keep our eyes on the virtuous circles, and avoid the vicious ones.

The success of the Nordic social model has caused its political opponents on the right to embrace its results – but without recognising its prerequisites.

The right’s apparent acceptance of the model is not a further development of the Nordic model, but in fact is an attack on it. Right wing governments have attacked the model’s working life pillar as well as the welfare pillar and handed over governance to the market. The political right prefers to reduce already too low wages and introduce more low productivity jobs. NordMod’s country report on Sweden showed that Sweden, before the September 2014 elections, had begun to move towards a social model of countries with comprehensive inequalities.

3. The “forgotten” pillar: working life

A well-organised working life is one of the three basic pillars of the Nordic model. Many underestimate the positive effects this has on society.

An organised working life is a necessary condition for co-ordinated wage formation, with central governance and local flexibility, where wages in the lower and middle ranges over time increase more than they would with local and

individual wage settlements. NordMod demonstrates how the pillar of our working life developed over time. It consists of many elements, and reminds us of the importance of well-organised employers.

A co-ordinated wage formation makes for equal wages and has a positive impact on equality. Societies based on equality are those that create the most satisfactory economic results.

Safe work places, reasonable wages and working conditions all contribute to a society where there are small differences and equal opportunities. Increased co-decision and a focus on competence enables, and in fact obliges companies to renovate their ideas, rationalise their products and modes of production. Thus, the organised working life promotes an effective economy and strengthen the competitive edge.



The success of the Nordic Model has rested on a productive, well-organised working life where the relative balance of power and co-ordinated wage formation contributed to small wage differences, more effective industrial competition and greater innovative capacity.
NordMod2030: Final Report.

4. A success

On the whole, the Nordic societies has functioned successfully for more than 50 years.

All the Nordic countries have suffered crises at some time, and differ from each other today. There is no lack of challenges, which was made clear from developments in Sweden during the mandate of the conservative government in recent years. Nevertheless, over time the results are convincing. Ordinary people's living conditions have improved considerably and are less unequal than they were, for instance, before the Second World War. Substantial progress has been made on the question of gender equality. Our societies are characterised by a high degree of trust.

The Nordic social model is, to the surprise of some, resilient, productive and efficient. Most people in the Nordic countries have seen considerable improvements in their material standard of living since the 1990s.

Our results are better than in other European countries and the rest of the world. Several countries, such as the USA, have, in general, a high standard of living, but

there are differences between the rich and the poor that would be unthinkable here. The Nordic countries top international lists of successful economies and societies. International organisations such as the OECD and the IMF have gone from criticism to praise of the Nordics.



The success story of the last decades has created new interest in the reasons for the achievement of the good results of the Nordic countries.

NordMod2030: Final Report.

Conclusion: Considering the principal tendencies and the Nordic countries as a whole, the success of the Nordic model as a social model for implementing social democratic ideas and values, has continued even during the last 25 years.

5. Changes and challenges

In spite of the above, however, it has become obvious that the Nordic countries must update themselves at this point in time. A precondition for our success is the capacity to renew and adjust the Nordic social model to new challenges.

Globalisation and technological progress now take place on a large scale and very rapidly. The world economy and Europe are struggling in the aftermath of a serious financial crisis. There is growing concern over the tensions between East and West, while climatic problems continue to increase and seem difficult to solve.

There is no doubt that pressure, internal and external on the Nordic social model is on the increase. This pressure is structural and political. Threats against the organised working life model are increasing, while we also face forces that hope to commercialise and weaken public welfare. Defending competitiveness and employment in a global market is an even more demanding task than in the past. Forces on the political right at home and abroad, including the extreme right, actively promote a very different society from the one we want.



The period until 2030 will place great demands on our capacity to deal with increased complexity brought about by demographic, climatic and economic changes, and most probably by a variety of social shocks and crises.

NordMod2030: Final Report.

On the other hand, we have also developed greater economic and human resources than ever before in history. Our values are firmly rooted in our society, while history has shown the vast success of our model. For this reason, we are convinced of the continued success in developing the Nordic countries.



With their broad competency bases, highly developed industry, high productivity, strong institutions and well developed rules for co-decision in working life, the Nordic countries should be better prepared than most countries to tackle the pressure for change.
NordMod2030: Final Report.

This is the why the Social Democratic parties and LOs in the Nordic countries have seen the need for a thorough review of the future of the Nordic social model. NordMod2030 has given us an updated analyses and necessary review of the challenges facing the Nordic workers movement. NordMod's Final Report, the partial reports and summaries of these are found on www.NordMod2030.org.

6. The development of Western capitalism

During the last decades, the political right in countries like the USA and the United Kingdom have promoted a Western capitalism characterised by a smaller state and more leeway for multinational corporations. Power over societal development has been shifted from politicians and the trade unions to suit the markets and employers' interests. The global financial sector, with its control of gigantic funds and complex instruments, has gained more influence.



The so called “financialisation” of the Western economies, where a growing financial sector – through a flood of “innovative” products – channels savings and wealth into real estate and finance, has caused concern and a trade union debate on the consequences for productivity and investments in the real economy.
NordMod2030: Final Report.

We do not know how other policies would have worked, but what we do see is that economic growth in the West was subdued but continuing over the past three decades. At the same time, a higher level of education and new technology open

new possibilities for many people. Huge populations in South America, Asia and, little by little, in Africa, work their way out of poverty.

At the same time, however, the dark side of capitalism becomes ever more evident. Inequality is growing in the Western world, to a large degree through higher capital incomes, indecent executive pay and inheritances, leading to increased differences in political power, amongst other things through lobbyism, which in time weakens democracy. The financial crisis has created mass unemployment in southern Europe. OECD and IMF are now concerned about the negative consequences of increasing inequality.

The driving forces behind global capitalism may seem unstoppable. The international labour movement has so far been unable to gather around a trustworthy alternative.

What does this mean for the Nordic countries? We must understand the force of international capitalism. Then we must be clear about how we are affected – for better and for worse – both directly in the markets, through international co-operation and by influences from norms and political ideologies. This may help us to be better prepared to formulate our own policies, and prevent inequalities abroad from filtering into our countries. We should also bear in mind the importance the Nordic model may have as a successful example.

PART B - POLITICAL ANSWERS

The NordMod project shows a picture of a Nordic model that has survived very well since the 1990s, but at the same time, it points out alarming signals and considerable future challenges. The final report identifies six concrete challenges for the Nordic model:

- To create – How can we ensure profitable production in view of global competition?
- To work – How can we secure employment at a level that sustains prosperity and welfare?
- To organise – How can we ensure a well-organised working life and continued co-operation between authorities and our social partners, and between our social partners at company level?
- To share – How can we ensure continued equality?
- To safeguard – How can we safeguard living conditions and co-decision for vulnerable groups?
- To mobilise – How can we ensure support for the social democratic parties and the trade union movement?

In the following, we will be discussing these matters and a selection of other major, joint challenges facing the Nordic countries, without directly relating the sections to the six challenges. NordMod deals with the specific challenges for each country in its five country reports.

7. Diverse societies with social and political sustainability

The population of the Nordic countries has become more diverse. Broadly based welfare developments have provided better possibilities than before to choose different, individual life projects. The number of older people is on the increase, which has led to greater demographic spread. In recent years, more immigrants have arrived in the Nordic countries, as refugees, as asylum seekers or as labour.

Our societies can enjoy the impulses and experiences that come with greater diversity. Diversity is, largely, the result of the success of our countries. Improved health ensures that people live longer. Economic and social possibilities allow more people to travel, for vacations, studies or work. They return with new ideas. The Nordic countries are attractive to foreigners. New insights from abroad, either through travel or immigration, may make it easier for industry to discover the possibilities of a more open world economy, and thus ensure future jobs.

Integration in our countries must be improved to give immigrants opportunities to work and participate in society.

We stand, to a large degree, before a traditional question of class, as we know from earlier periods of the labour movement. Now as then the challenges must be met by strong and co-ordinated efforts at many levels to secure people's rights. The overarching principle must be that discrimination, whether based on skin colour, ethnicity, religion, sexual orientation, age or any other factor, is unacceptable.

The immigration of people with backgrounds, experiences, capacities and attitudes different from those most common in the Nordic countries, will add a new, unfamiliar dimension to the possibilities and challenges, even though the class character remains. These challenges have a lot to do with competencies and language skills that, for some, initially do not correspond to the needs and demands of the Nordic labour markets. They also involve difficult considerations concerning immigration regulations, school policies, public transports and housing programmes, for instance, and how we should deal with the fact that 90% of students in some schools are bilingual.

We have seen that the labour market is affected by increased diversity. To avoid the stimulation of a labour market with low wages and low productivity, which is contrary to the Nordic model and can cause greater discrimination, programmes aimed at eliminating social dumping must be strengthened together with educational efforts and policies that even out differences and create jobs.

WE REFER TO:

- More diverse societies, with more elderly people and people from more diverse cultural backgrounds, are here to stay.
- The Nordic model must be adapted in order to deal with a more diverse society. Our task is still to ensure that everybody has fair wages and good living conditions.

WE WILL:

- Counter social fragmentation and the division of society into two sectors, by creating jobs and curbing inequality and by taking this more into consideration when planning housing areas and infrastructures.
- Stimulate attitudes that strengthen the social, economic and political sustainability of the Nordic societies, in order for us to develop trust.
- Strengthen the possibilities of the voluntary sector and the educational organizations to include all members of society.

8. Work as the basis

A high level of employment, a labour market with gender equality and low unemployment are decisive to the Nordic model. All our good intentions fail if we cannot achieve those goals. At present, unemployment levels are high in large areas of the Nordic countries. Young people in passive, long-term unemployment constitute a specially demanding problem.

A high level of employment provides most people with a job to go to every day, and opportunities to develop their skills and competence. This permits them to keep themselves and their families and as a society we can afford to sponsor good welfare programmes.

Low unemployment ensures work for most of those who can and want to work, and the existence of a choice of several job opportunities strengthens the employees influence over their working conditions.



A high level of employment and low unemployment is decisive for the individual's freedom of choice, for society to create values and funding for social welfare.

NordMod2030: Final Report.

WE REFER TO:

- Employment and unemployment depend, to a large extent, on political actions and social structures.
- For social welfare, the majority must be employed.
- Unemployment in large areas of the Nordic countries is unacceptably high.
- An organised working life with coordinated wage policies, broad collective agreements and local co-operation between the social partners ensures a high level of employment and low unemployment.

WE WILL:

- Reduce unemployment in the Nordic countries.
- Implement long-term policies to ensure and strengthen employment.
- Fight long-term unemployment amongst the young with, for instance, effective programmes that combat drop-out and make sure that everybody gets an education.

9. Economic responsibility

Responsible economic policies are the only possible means of maintaining solid, sustainable growth and welfare. Economic responsibility means that political authorities must not, for too long and to an excessive degree, spend more money than they collect in revenues. If they do, they only push the problems into the future.

Spending government funds when unemployment is high, within the limits of what the State can undertake in a longer perspective is a responsible economic policy. Investment in, for instance, education or infrastructure and necessary social pension reforms that give the elderly economic security in the future, is also a responsible economic policy.

If, on the other hand, the economy is stimulated when employment is high, this can increase inflation, make it difficult for companies to hire workers, and the economy may suffer a “crash landing”, with high unemployment.

WE REFER TO:

- Without responsible and long-term economic governance, we are in danger of losing international competitiveness and market shares at home and abroad, causing hundreds of thousands of jobs to disappear.
- Appropriate economic governance, creates conditions that make it possible to stimulate the economy and labour market in difficult times.
- Responsible economic politics are most important for those who have the least resources.

WE WILL:

- Apply responsible economic policies and carry out necessary priorities in the public budgets.
- Keep full employment as a main target of economic policies.
- Ensure the will to pay taxes through continuous improvements of the quality of social services, predictable and just taxation regulations and increased controls.

10. Climate and environment

The challenges of environment and climate affect most policy areas. At the same, new possibilities open for the development of new technologies to bring about a sustainable future and a fair conversion process. By closer cooperation on innovation, especially in the energy field, the Nordic countries could also contribute to a better global development through technology transfers.

More and more people are worried about the world's biological diversity. A number of local environmental problems, especially in the big cities, remain unsolved. The increasing commercialisation creates consumer pressures that drain natural resources.

First, and above all, we must take the world's climate problems even more seriously. The new review from the Intergovernmental Panel on Climate Change, presented on the 2nd November 2014 in Copenhagen, rings alarm again. If all countries do not make comprehensive efforts, the climate problems may become practically impossible to solve already during the next two generations. Inhabitants in the Nordic countries will also be severely affected in different ways. We must expect consequences for our national security.

Significant differences between and within countries will reduce the task of creating a joint picture of reality and coordinated efforts. At the same time, the global climate problems will, as far as we can judge, lead to greater differences if nothing is done about them.

We therefore need efforts against the climate problems as well as against the inequalities in the world. We must, as the Brundtland commission pointed to as early as in 1987, consider social development and a sustainable climate and environment as parts of the same reality.



A critical factor is to *“strengthen the inhabitant’s possibilities to deal with the climate conversion through better arrangements for requalification, transports, mobility/relocation, social housing, digital (distance) work, environmentally friendly consumer choices etc.”*
NordMod2030: Final Report.

WE REFER TO:

- We obviously have an ethical and moral responsibility to ensure a sustainable climate and environment for ourselves and for future generations.
- Continued economic growth is important to employment, and to meet social challenges, provided that living conditions, resources, climate and the environment are safeguarded.

WE WILL:

- Ensure that economic growth in the Nordic countries is given a green direction, so as to make it sustainable in terms of resources, climate and environment and buttresses peoples' opportunities and living conditions. We will also promote broader indicators and analyses to make this possible.

- Stimulate technology that promotes green growth.
- Promote the EU climate goals as important contributions that should and must be followed up globally.
- Give priority to new quality public infrastructures such as public transport and energy supply, and their maintenance.
- Take special responsibility for constructive contributions towards the solution of the global climatic problem, by reducing emissions and vulnerability of the Nordic countries as well as through investment of considerable political and other resources in the global effort.
- Assess how we can supplement scientific investigation aimed at solving the climatic problems with better knowledge of the political and communicative requirements.

11. Creating for sharing and sharing for creating

To have something to share, we must first create something. The Nordic model was always characterized by offensive production policies. In exchange for co-decision, competence, development and social security, Nordic workers actively agreed to the rationalization of companies. Companies that could not pay Nordic wages, had to restructure or fail – thus leaving room for new and better jobs. This is how things should be also in the future.

With stronger competition from foreigners at home and abroad, continuous production improvements and development should be the rule. We must have faith in that our very capable work force and co-operation in the work places will continue to produce good results and that new technology will promptly be introduced. New communication technology is rapidly adopted by the Nordic workers.

Production of public services is – obviously – as important and valuable as production of ordinary goods and services. Public infrastructure and production of education and health services are as necessary to the private sector, as the private sector's deliveries are to schools and hospitals.

In addition, it is increasingly evident that the similarity of income and competence achieved in the Nordic countries have positive effects on value creation. Excessive inequality very soon curbs economic growth, particularly so when it leads to social unrest and segregation. Active family and equality policies also contribute to the value creation, particularly in the long term.



Our analyses are based on the idea that minimum levels of inequality are the result of, and a condition for, the capacity of the Nordic models to adapt when necessary. It can therefore not be pushed to one side without consequences for trust, wages and other important aspects of the effects of the Nordic model.
NordMod2030: Final Report.

WE REFER TO:

- The Nordic countries cannot survive by being the cheapest; we must be the best.
- For this reason, the norm must be that we must constantly improve our capacity to identify new goods and services to sell, and produce these ever more efficiently.
- We must expect fluctuations in markets just as we must expect fluctuations in the production of individual companies.
- Good schemes for workers involved in conversion processes make positive contributions to the will to take risks and foster innovation.

WE WILL:

- Ensure that the economic policies and active industrial, competition and innovation policies create sound and predictable framework conditions for industry.
- Contribute to the continued cooperation from Nordic workers at company level on rationalization and product development, concerning, for instance, green technology.

12. Equality and the social heritage

Equality and equal opportunities are a main objective of the Nordic model. We must *take care of those at the far end of the table*. Social and economic differences are limited in our countries, but the differences in income, wealth, health, education and political power are still too large. There is also pressure in favor of increasing inequality.



Although the Nordic countries are amongst those in the world where the differences between people are the least, inequality is growing here too.
NordMod2030: Final Report.

We must highlight the fact that inequality is easily inherited. We have made good progress by increasing the number of pre-schools and schools in many parts of the Nordic countries. At the same time, however, we see that differences can cause segregation on the housing market, with consequences for the quality of pre-schools, schools and other public services.

These problems also lead to child poverty. It is not natural or just that children in the Nordic countries grow up in conditions of poverty. It is the parents who have the main responsibility for the conditions in which their children grow up. For social democrats, however, this is also a societal issue.

The increase in the wealth of the rich is worrying. On the one hand, it increases differences in spending, the perception of reality and attitudes. On the other hand, it is difficult to prevent that economic power translates into political power.

WE REFER TO:

- Inequality in the Nordic countries is less pronounced than in the world as a whole; even so, it is unacceptably high.
- Long-term poverty in particular must be combated.
- Inequality is limited by reasonably priced or free public services, which are often not taken into consideration when indicators of inequality are studied.
- Efforts to minimize inequality must include a variety of actions, such as investment in pre-schools and schools and employment promotion. Other important policy instruments are taxation regulations, housing and district policies, welfare arrangements, co-coordinated wage formation and ensuring a decent working life for all.
- Inequality affects, and is affected by housing patterns.

WE WILL:

- Strengthen efforts that fight inequality in the Nordic countries, and always bear in mind that principle in our policies.
- Actively counter all child poverty and ensure the distribution of society's resources in a way that evens out social differences and lifts weak groups and housing areas.
- Provide people in weak groups with a greater say in democracy.
- Find ways of preventing people in the highest income bracket from assuming too much economic and political power.

13. Inclusion in the labour market

Inequality is also about those who fall out of working life.

The Nordic countries, as seen from outside, are characterized by equality and inclusion. The fact that more people here than in other countries are on social welfare, is not because fewer people work. On the contrary, we enjoy a high level of employment, with many groups at work that in other countries would not be in the labour market. This, of course, also makes for more people on welfare. In our countries, people who have lost their job, or have health problems, receive public support and do not have to live off their savings or their families. That is how we want it to be.

At the same time, we must not cease our efforts to make it possible for more of those who want to work, and can work, to enter working life. This, however, requires comprehensive efforts.

We must have a good, safe working life, where health, environment and safety (HES) are taken seriously. The result of one's working life should not be illness or disability.

Furthermore, we must improve existing schemes that help those who can to return to work. Such arrangements are difficult to design and benefit all. Early intervention, tailor-made measures, competence, activities and optimal motivation are important key words. It is also important to ensure that older people can continue working.

This is our main track, a social line of work.

WE REFER TO:

- Good working environments and income guarantee arrangements create security and a will to change.
- In the Nordic countries, there are more people in the work force and fewer unemployed than in other countries.
- It is, nevertheless, possible to prevent more people from dropping out of working life, and to bring more people into it. This is important for the individual as well as society.

WE WILL:

- Give priority to prevention in working life in order to counter exclusion.
- Implement pro-active labour market policies with special efforts aimed at groups of people who have been unemployed for a long time, in order to bring more people back to work or to find jobs for them.

- Ensure comprehensive welfare and social insurance schemes with benefits based on previous wages, which activate and motivate the individual. Proper control systems will prevent abuse and give legitimacy.

14. A decent, well-organised working life

The 2004 extension of the EU put pressure on the working life pillar of the Nordic model. Immigrant workers contribute positively to the economy and society. At the same time, however, their presence increases the risk of social dumping and labour market crime, which can spread to serious companies and their employees. The employees themselves are not the problem; it is the employers benefitting from social dumping. We will defend fair working conditions and the principle of equality for all employees. This is a cornerstone of the Nordic model. *Do not stand cap in hand.*



On the outskirts of the labour market, we can see the contour of a new, multiethnic lower class working in conditions very different from the conditions traditionally related to the Nordic labour market model. In recent years, the number of trade union members in the private sector has decreased.

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The driving forces of worker immigration will continue to be strong, thus endangering the Nordic working conditions, which could be undermined. This situation demands co-operation between the employer organisations, trade unions and authorities to counteract these risks. Certain sectors of the private service providers may be particularly threatened, since the number of trade union members there is low, but no part of the working life is immune to a weakening of good work conditions. The decrease in union affiliation in working life must also be seen as a problem for society.

Future political developments within the EU could influence the magnitude of these challenges. Pressure in favor of greater inequality on our labour markets comes from inside, from sectors of the Nordic employer's side and conservative political parties. A working life characterized by permanent employment, with limited use of staffing agencies and without fraudulent one-man companies, is important in itself, but it also helps to stop irresponsible companies from getting a foothold.

BOX 1 Important elements of a well-organised working life

- A sufficiently high rate of organization and efficient, responsible organizations on the employer side as well as on the worker side.
- Public rules and regulations, and agreements between the social partners, that are respected. In sum, ensuring a decent and productive working and industrial life as well as a favourable balance of power in the work place.
- Satisfactory co-operation between the social partners in the solution of conflicts at national and local level in the work place i.e. “conflict partnership”.
- Sufficient “tripartite co-operation” between the social partners and public authorities on working life matters, in order to ensure efficient and co-coordinated regulations.
- Framework regulations for wage formation to ensure that wages and owner-income develop in a fair and balanced manner which can be defended in relation to productivity, and contribute to securing high employment.
- A continuous effort to ensure a fair share of the value created for workers with low wages. This, too, motivates increased productivity.

WE REFER TO:

- An open and extended European labour market creates quite new frames for the Nordic labour markets.
- A major task for the Nordic countries is to avoid split labour markets with large numbers of poor workers in low productive jobs.
- A well-organised working life contributes to efficient businesses.

WE WILL:

- Take strong measures to increase the organization rates among workers as well as employers, with special reference to the young.
- Introduce comprehensive strategies against social dumping and criminal practices in the working life of all Nordic countries, while ensuring stability for lower-paid workers.
- Assess stricter requirements and better language training in order to avoid that immigrant workers suffer accidents and disability.
- Ensure that fixed employment contracts signed directly with the companies are the standard in the Nordic labor market.

15. Lifelong learning for all



In the Nordic models, the welfare and educational systems are important levers for social investment that has contributed to workers' security, trust and ability to participate in demanding conversions and secure industrial competitive edge.

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Social democrats have always invested in increasing the competencies of all inhabitants. This has been a necessary and successful strategy. Broad investments in knowledge and competencies are the only way, if we hope to achieve our goal: an efficient and equalizing economy.

Our educational systems produce good results, but also less satisfactory and to some extent weaker outcomes, even if these cannot be accurately measured. At the same time, adult training, especially on-the-job training, is comprehensive and has good results.

This requires continued and comprehensive investment in competence at all levels, from pre-school to university and throughout the working life. Technological development and an ageing population also demand new forms of continuous and further education within and outside of the labour market. In addition, research must be given greater priority.

Attempts must be made to minimise the numbers of drop-outs in our schools, together with serious efforts aimed at promoting vocational training. These are two particular challenges with important, long-term consequences that must be dealt with more efficiently in many places in the Nordic countries. Both problems demand offensive strategies, together with appropriate policy tools adapted to the situation of the young and the need for individual follow-up and services.

WE REFER TO:

- The Nordic societal model, with high cost and efficiency levels, requires a higher level of competence throughout the entire population.
- Competencies should be acquired and supplied throughout life.
- The comprehensive development of competence in Nordic companies has been underestimated as a competitive advantage.

WE WILL:

- Ensure that the status and working conditions of teachers and other employees in the education sector are recognised and suitably appreciated.
- Develop offensive strategies, which prevent drop-out in upper secondary schools.
- Improve vocational education and encourage greater respect for such careers.
- Continue to promote competence enhancement in companies.
- Create a greater demand for apprentices and professional workers by including apprentices in public tenders, and by ensuring that the public sector makes a serious effort to train more apprentices.

16. An offensive for welfare services

Comprehensive, tax-funded welfare services are one of the basic pillars of the Nordic model. Publicly funded welfare has been necessary in order to offer care and education for all, regardless of their income and their wallets.

When Social Democrats and the trade union movement demand public responsibility for welfare, we must be the first to ensure that high-quality services are available. This is a major task, when more and more people can afford private, more expensive solutions, and as the population ages.

We must safeguard the core of our welfare system, which is based on solidarity. This demands a better understanding and communication of *why* uncritical commercialisation of the welfare system can lead to an un-equal supply of services, segregation, a controlling bureaucracy, private market power and cost pressures.

The markets for welfare services do not function the same way as those for ordinary, private products. Commercial actors, profits and competition for profitable welfare customers may therefore often be inefficient.

As society develops, our common welfare system must also develop. Welfare services must be good enough to defend the resources they require. Furthermore, we see examples of how weakening the welfare service can force workers to give up working life in order to take on responsibility for care at home.



Experiences of the last decades with a market-style governance in public services are very mixed and may indicate that it is time to develop a system, which, to a greater degree, can make better use of the employees' professional expertise, discrimination and user contact.

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Good welfare in the future also concerns better political governance competence. Within the welfare sector, there are vast differences in quality of services between local governments and between service providers. We cannot afford not to make use of gains in efficiency that could follow from open comparisons, qualified “coaching” from external, private actors, or tendering, where appropriate. In any case, we need increased competence and better tools for evaluating the governance and organisation of welfare services. Competitive tendering or privatisation must not be an excuse for dumping wages or working conditions.

A central issue in the privatisation debate is whether the quality of the service provided at the same cost will be better, different or worse if we allow commercial interests to become major welfare actors. The political right rhetorically asks whether your grandmother cares whether she is in a commercial or publicly run nursing home, as long as the quality is good. That question, however, takes quality for granted.

BOX 2 Developing welfare services: Complex basic services for vulnerable users

What is it that makes welfare services such as health-care and education so different from ordinary private products? It is the *combination* of the following characteristics:

- They cover *basic needs*. We “cannot do without” care if we need to go into a nursing home. Children who are the victims of inadequate education will suffer the consequences for the rest of their lives.
- They are often *complex*. Welfare services require high competence, and must be adjusted to the individual user and his or her personal needs. A good example is major surgery in hospitals.
- The users are often *vulnerable*. Young school-children, the seriously ill or patients suffering from dementia are not in a position to play the role of “the discerning customer”. Family members cannot always fulfil that function.

Technological development, higher incomes and the degree of competence of individual users create tensions, challenges and possibilities for future welfare services.

WE REFER TO:

- The special characteristics of welfare services mean that commercial competition and market exposure are often much less appropriate for such services than for standard products.
- The user’s freedom of choice can also be ensured in publicly provided services.
- One of the major challenges for the future will be to ensure good welfare services as health, care and education without creating inequality, with an increasing population of older people and a steadily growing private purchasing power.

WE WILL:

- Guarantee continued quality and comprehensive public welfare programmes in the Nordic countries.
- Promote innovation in public welfare, in view of the increasing challenges for future funding and user expectations.
- Invest more in technology, co-operation, competence and trust in employees, so that we create an active, user-oriented culture in social welfare.

- Investigate whether a “welfare manual” might be of use as a competence tool and check list for assessing organisation, competitive tendering and market exposure of individual welfare sectors.

17. Gender equality – a lot remains to be achieved

There are surprisingly many things we can still do to achieve genuine equality between women and men, not least in the home and working life, and in relation to access to power in business and society. Nobody should have to live in fear of violence, sexual abuse or harassment. The media and commercial ads are overflowing with stereotyped and repressive images that directly attack gender equality.

Even if each individual woman or man is responsible for their everyday life, our political duty is to consider the structural circumstances within our society. This is especially true in relation to the framework set for working and family life.

WE REFER TO:

- Equality of the sexes has come a long way, but there is still much to be done to ensure that women have the same opportunities as men.
- The Nordic labour market is still gender segregated.
- Women are still paid less than men for equal work, and have less power in our societies than men.

WE WILL:

- Ensure equality in our labour market policies, by fighting, for example, for permanent full-time employment.
- As a workers’ movement, we will take particular responsibility for the implementation of equal pay for equal work.
- Insist on access to good appropriately functioning pre-schools.
- Pay greater attention to how gender discriminatory attitudes are formed in early childhood.
- Fight violence so that women and men may live free from fear of violence and sexual maltreatment.

18. Discrimination hits

Discrimination, on the grounds of age, reduced ability, religion, ethnicity, culture or sexual orientation, has a negative effect on the quality of life, self-confidence and opportunities of the person affected. It is also a negative factor for business and the economy, for instance when qualified people who belong to a minority are

forced to accept jobs far below their qualifications and capacity. We do not want such a society. One should be *captain of ones own life*.

We can never remove the individual responsibility of those who discriminate, in act or word against others. We must, however, reach a better understanding of the causes of such behaviour, of the interplay between more individual reasons and structural conditions, which society and politics can influence more directly.

WE REFER TO:

- Efforts to combat discrimination in the Nordic countries have not been good enough.
- The structural frames for working and family life as well as awareness are, as for gender discrimination, important areas where policy measures can and should be taken.

WE WILL:

- Condemn and counteract all forms of discrimination and racism.
- Contribute to developing and spreading knowledge of the reasons for and effects of discrimination, in order to be in a position to combat it.
- Combat discrimination in our own organisations.

19. New technologies – solution and problem



Digitalisation has made the world smaller and revolutionized how we work and communicate, at work and in our spare time.
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Technology, and especially bio and communication technologies, develops by leaps and bounds. It is easy to underestimate the consequences of this for society and our daily lives. New possibilities in education, health and production appear every month. New technologies, used correctly, give us the key to the solution of major social problems.

Many of us have probably, for a long time, considered mobile phones and the Internet as only positive inventions.

Nevertheless, we now clearly see that the picture is not that simple. New communication technologies become so penetrating that they also become spearheads for a large number of negative influences. Suffice it to mention economic crime, terror, Internet harassment, surveillance and threats to the freedom of

speech and our privacy. New biotechnologies offer possibilities that are partly at or beyond the limits of what is ethically acceptable.

WE REFER TO:

- New technologies, such as bio and communication technologies, open up great opportunities to all sectors of society.
- New communication technology has become so penetrating that it may also entail serious challenges for the individual, industry and society.
- The Nordic countries are in the lead when it comes to the use of new technologies.

WE WILL:

- Stimulate and make use of new technologies in all areas of Nordic society, in order to solve many problems and increase social welfare.
- Take the negative sides of new communication technology seriously, whether we are referring to the rights of ordinary people, workers, consumers, business or society.
- Assess whether there is in fact a need for new institutions and strategies to ensure sound and adequate use of, for instance, bio and communication technologies.

20. The Nordic countries in Europe and their global responsibilities

The world, not least Europe, is coming ever closer to the Nordic countries. For those of our countries that are EU-members – Denmark, Finland and Sweden – this is most obvious, but also Iceland and Norway, which are members of the European Economic Area (EEA), are becoming more and more affected.

The foreign policies of the Nordic countries, for historic, geographic and strategic reasons share similarities and differences. Their attitude to many international issues is similar, while there are differences related to, for instance, NATO. Finland and Sweden are not NATO-members. Co-operation in matters of common interest makes it easier, of course, to make headway. Efforts connected with the far north in recent years are examples of this.

The EU affects the Nordic countries in a number of ways. Thanks to efforts on the part of the Nordic countries, the Nordic model now has a voice in Brussels. This should be further developed.

Developments in Europe, and not least in Germany because of its size and developments, challenge the Nordic model in many areas, especially in relation to

efforts intended to ensure a decent and well-organised working life. This would indicate the need for further initiatives towards the EU.

The labour movement has always accepted international responsibility, by means of, for example, support for the developing countries. This effort must continue. It is vital to create an understanding of the fact that successful development depends on competent and responsible institutions, and that co-decision, gender equality and redistribution must be taken into consideration. Nordic development with respect to equalization could continue to inspire other countries.

WE REFER TO:

- Economic, social and political developments in Europe will affect the Nordic countries stronger in future.
- The Nordic countries, with their Social Democratic parties and trade union movements LOs, must strengthen their competence and efforts in the European political arena.
- Working towards a more equitable world is the natural consequence of our social democratic values.

WE WILL:

- Increase our co-operation between Social Democratic parties in the Nordic countries, Europe and the rest of the world.
- Strengthen co-operation between the Social Democratic parties and trade union movements on European matters, also by taking advantage of our affiliation with international trade union organisations, such as the European Trade Union Confederation (ETUC).
- Develop joint initiatives towards the EU and the Nordic Council on how we can ensure a better-organised European labour market, free from social dumping and unacceptable working conditions.
- Make efforts to spread the word about and knowledge of the Nordic model internationally.
- Continue our considerable investment in international development aid.

POLITICAL CAPACITY AND LEADERSHIP

The modern world demands faster political decisions that at the same time can have more far-reaching consequences. This, of course, makes demands on society's political resources, especially in terms of ensuring long-term, integrated policies.

We therefore see the need to increase political capacity at all levels of the labour movement. In addition to organisational development, we must educate our elected representatives.

The basis for the development of good policies is affected by media developments. It is a social problem, if resources in the media for serious, critical journalism is cut back, so that the political debate becomes tabloid. Politicians should refrain from using a too strategic "spin-doctor"-inspired communication that can weaken the public's confidence.

The strong growth of the social media undoubtedly influences the political debate. Increased political involvement and the fact that many people have found other ways of expressing themselves is positive. At the same time, however, we are faced with Internet harassment and misleading factoids can set strong feelings in motion, as, for example, in closed communication groups. With the introduction of the social media, public opinion can change more rapidly than before.

Future developments will demand further requirements for clear, reliable political leadership, supported by active, well-trained elected representatives and the best possible debate culture. *Politics build the dance floor, so that you can dance.*

WE REFER TO:

- Globalisation, modern communication technologies and the altered media reality have changed the conditions in which politics is developed.
- When many other countries place less faith in political governance and redistribution, passive policies easily become right wing policies.
- The demands on political and trade union leaders are ever-increasing. They must, for instance, avoid allowing everyday problems to undermine the development of long-term policies.

WE WILL:

- Strengthen the labour movement's political capacity, especially to make use of the global economy and counter its negative effects.
- Establish "The Nordic's School", a new Nordic Social Democratic parties and trade union political training facility run by SAMAK.

- Strengthen SAMAK's co-operation still further by stimulating the development of overarching policies and making better use of the Nordic experiences, through, for instance, increased co-operation with the labour movements' think tanks.



Sørmarka, on the outskirts of Oslo, Norway

A GREENER LABOUR MOVEMENT

The threat of climatic change is the most important challenge of our time. We face it together and must solve it together.

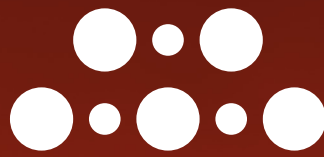
In this declaration we take a political step towards becoming a greener Nordic labour movement. This is the continuation of a yearlong commitment to climate and environmental issues, in line with our values, and signals that the labour movement wishes to govern the Nordic countries according to the map of the future. In view of the climate summit in Copenhagen in 2009, SAMAK launched “Ten Measures for a Better Climate”.

What does this mean in practice?

- It means strengthening and including the green perspective even more in our every-day policies in the coming years.
- It means to use climate and environment as an overarching, mainstreamed approach to social life and politics, and as an important framework for understanding Nordic people’s needs in the future.
- Our green perspective will be encompassing. It takes account of a healthy environment and good local, national and global living conditions in the short and long term. This includes efforts to save the global climate, but also to create good local and work environments, more equitable life opportunities and gender equality.
- We want to further our political method and give priority to long-term political work rather than to populist actions.
- It does not mean that we will always propose so-called “green policy tools”, if other concerns, such as jobs in remote areas, might be pushed to one side. In the long term, there must be coherence between, for instance, the competitive capacity of industry and safe, healthy climate and environmental policies. Where there are conflicting interests, conclusions must be based on the merits of the individual case.
- With our combination of a clearly red perspective together with a more pronounced green perspective, which includes our vision of the balance of power in society, the Nordic Social Democratic parties will stand out from parties with a purely green profile.

With this statement, we want to *strengthen the social democratic perspective*. We must improve our analysis of power relationships and continue our fight for political governance in a market-oriented, globalised world. And vice versa: Without a social democratic and power-critical approach to the climate and environmental challenges, these problems cannot be solved.

It is time to look ahead.



NORDIC WORKERS' CONGRESS

SØRMARKA, NOVEMBER 11-12 2014

This political declaration was adopted by the 24 th SAMAK
Workers' Congress, on November 12 2014 at Sørmarka,
on the outskirts of Oslo, Norway.



SAMAK