

Conservatives to lead new government in Norway

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A new right-wing coalition government is set to be formed after last week's elections in Norway, which saw the defeat of the Labour Party-led government of Jens Stoltenberg.

The result expressed the opposition among the population to the Stoltenberg government, which imposed attacks on working people, intensified anti-immigrant chauvinism and was implicated in the failure of the intelligence services to prevent fascist mass murderer Anders Behring Breivik from killing 77 people in his twin terror attacks of July 2011.

Its period in office has prepared the way for the coming to power of one of the most right-wing governments in Norwegian history, which is likely to include the far-right Progress Party and will deepen the attacks on working people and launch a vast privatisation drive of state-owned companies and services.

Labour remains the largest party in parliament, but its support fell to just over 30 percent and it lost nine seats. Disillusionment was stronger among voters of its coalition partner Socialist Left (SV), which lost a third of its support and four of its 11 seats. SV barely managed to achieve the necessary votes to pass the four percent barrier for parliamentary representation, finishing on 4.1 percent. By contrast, the Conservatives' backing rose from 17 percent to 26 percent.

Conservative leader Erna Solberg will begin coalition talks this week, and is seeking the support of three other right-wing parties to form the government. The largest is the Progress Party, an anti-immigrant populist organisation that has played a critical role in driving Norwegian politics to the right. Progress lost more than a quarter of its support during the election, achieving 16 percent of the vote. Its popularity fell sharply after

Breivik's attacks in 2011 due to the party's ties to the mass murderer, who was a member for ten years until 2007. Progress has declared that it would support a military strike on Syria without United Nations authorisation.

The other two smaller parties involved in coalition talks are the Christian Democrats and the Liberals. It is still unclear if all four organisations will reach a deal, and both smaller parties have stated their unwillingness to collaborate with Progress.

Solberg has spoken in favour of tax cuts aimed at increasing competition. As Norway's economic fortunes are so inextricably bound up with developments in the world economy, the drive for competitiveness will inevitably be accompanied by a sharpening of attacks on social spending and the wages and working conditions of working people. The *Financial Times* in an editorial complained that Norway had "a state apparatus that a benign economy has allowed to go on autopilot."

Norway has maintained relatively strong growth rates due to its access to oil, but this year projections are for an expansion of just 2.5 percent. In June, unemployment reached an eight-year high, approaching 100,000. The International Monetary Fund has warned that one of the largest housing bubbles in the world has developed in Norway and that it could produce an economic crisis when it bursts.

Reuters noted that average wages had risen by 60 percent since 2000 and were far above the European norm. Along with banking regulations that were preventing lending, the article claimed that this was holding back Norway's future economic development.

Solberg's Conservatives have proposed the break-up of the oil fund, one of the largest sovereign wealth investment funds in the world with an estimated value

of \$750 billion. This will be part of a drive to privatise large swathes of state-owned property, including through the reduction of state holdings in Statoil, SAS airlines, the train operator to Norwegian airports, the telecommunications concern Telenor and fertiliser producer Yara.

Fully one-third of the value of companies listed on the Norwegian stock exchange are state-owned, a figure that the ruling elite is determined to reduce in order to boost profits. As Conservative spokesman on property issues Svein Flatten told the *Financial Times*, “It is our opinion that increased private ownership in attractive companies results in increased added value, increased public visibility and improved development possibilities.”

Such a programme does not enjoy broad-based support among the population. The ability of the Conservatives to come to power and implement these policies is the result of hostility to the outgoing Labour government.

Stoltenberg’s government oversaw some of the harshest attacks on the working class in Norway in recent times. Repeated strikes have taken place over the past two years in the public sector and important economic areas, including the oil industry. These were provoked by the Labour government’s attempts to undermine the country’s pension system by increasing the pension age and preventing pension rates from keeping up with inflation. A similar approach was taken by the government on pay issues, provoking up to 50,000 public sector workers to strike last May.

The strike by oil workers which followed soon after saw the government intervene to impose legal arbitration, through which the interests of the employers could be enforced. The government received the full support of the trade unions in announcing this step, which did all they could to restrict the impact of the oil workers’ strike on the national economy—where oil and gas accounts for more than 20 percent of GDP and more than half of all exports.

The government also sought consciously to cover up the background to Breivik’s terrorist attacks. In spite of widespread evidence that the intelligence services knew about the threat which he posed but did nothing to prevent his planning and executing the bloodiest massacre in post-war Norway, the government did all it could to block a thorough investigation, fearing it

would reveal the culpability of the ruling elite in creating the political and ideological conditions in which someone like Breivik could act. The official report, which avoided any investigation of Breivik’s political motives, was even forced to conclude that there had been serious security failings prior to and during the attack.

Labour was in no position to give an accounting of these failings, since to have done so would have meant exposing its own role in promoting right-wing politics in Norway, which has seen the integration of many conceptions traditionally associated with the far right into official politics. The anti-immigrant measures adopted during Stoltenberg’s time in office, including a sharp increase in the number of asylum seekers who were deported, were first proposed by the Progress Party.

The integration of Progress into the official bourgeois establishment was once again on display last week after the election. With reports appearing in the international press that elections in Norway had resulted in a party that had counted Breivik among its members until 2007 possibly forming the government, Labour Foreign Minister Espen Barth Eide told national broadcaster NRK that Progress was being subjected to unfair and misleading coverage. He assured the party that “we will help them as much as we can” to correct this image, adding that his ministry had contacted Progress before the election when it had noticed the first reports raising Progress’s ties with Breivik. He concluded by saying that the Labour government agreed with Progress that it was necessary to ensure that “correct information comes out” about the party.



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