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Denmark

A major mistake by the-Red Green Alliance

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On November 11th the Danish government and the Red-Green Alliance – at separate press conferences – announced that they had agreed on a National Budget for 2013. At a National Assembly two weeks later SAP, the Danish section of the FI, characterized this as a major mistake by the RGA. [1]

This was the second National Budget since a centre-left government took power in September 2011. The first budget was also supported by the RGA. While the decision in the first year provoked almost no debate, this year a considerable opposition inside the party has evolved. In both cases, as stipulated by party rules, the National Leadership approved the decision, this year only by a 15 to 9 vote, though. The critical members of the party have put forward two major arguments.

Unemployment benefits

One argument concerns the issue of unemployment benefit. The former government changed the law on unemployment benefit in order to limit the period that one can receive allowances from the trade-union-administered unemployment scheme. This change of law will take effect from January 2013, and it has aroused anger and protests, especially from the trade unions and from the members and voters of the two workers' parties, Social Democracy (SD) and Socialist People's Party (SPP). [2]

For months a proposal to either get jobs to the unemployed or prolong the benefit period was the most important RGA demand for the National Budget. At times it was even called a non-negotiable demand. But in the end the RGA accepted much less. The opponents inside the party have argued strongly that the party undermined the protests and weakened the possibility of building a movement by accepting this less than minimal solution.

Break or no break?

The other major argument against the RGA vote is that the budget does not fulfill the conditions laid down by a decision of the RGA National Convention in May 2010, before the elections and the new centre-left government. As part of a text about the RGA and the expected change of government the resolution stated:

“The RGA encourages a new government to make a break that replaces the policies from the previous government with policy that is based on social equality, solidarity and sustainability. A budget that marks such a break will also have our votes. But we will under no circumstances vote in favour of a budget that:

- includes setbacks;
- doesn't include significant improvements;
- is the summary of one year of austerity policies, decided together with the parties of the right.”

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Opponents of supporting the budget argue that the budget includes cutbacks for some groups of working people or poor people. More important is that the national budget actually sums up one year of austerity policy. Since the first national budget of this government major reforms have been voted without the support of RGA, but instead with the support of the liberal party and the conservative party.

These reforms are clearly based on a neoliberal approach aiming at increasing labour output and increasing the income gap between the unemployed and people with jobs. In line with this overall approach capital and high income layers are not forced to pay any part of the bill.

One of them is a tax reform, which lowered the taxes for the higher incomes. Another is a social security reform that made it even more difficult for disadvantaged people to get a state-funded job.

On top of that there was no room in the budget for expansionary policies that might improve social welfare and create jobs in the public sector – and no single element that would make the rich pay.

In negotiating the budget the RGA succeeded in getting some relief for disadvantaged people or people with health problems, but nothing that changed the overall direction. Some extra funding for green policies was added to the budget, and a number of minor improvements in other areas – as a result of RGA proposals. But when the RGA National Leadership accepted to vote for budget without a real solution for the unemployed the last chance was lost to seriously argue that the budget contained major improvements.

Lesser evil?

The parliamentary group and the majority of the National Leadership argue that they were taken by surprise tactically when the Liberal Party entered the negotiations on the budget – after the party had for a long time stated that they would not help the government to get a parliamentary majority for the budget.

This made the leadership and the MPs fear that the government would agree with the Liberal party about the budget. The leadership feared that the electorate would criticise the RGA because (i) it would look as if their non-negotiable demand had forced the government into the arms of the Liberal party, and (ii) the party had turned down the government's offer for the very partial solution for some of the unemployed. Some parts of the majority even argue that the RGA has to vote for the budget to prevent a budget with the Liberal party that would be even worse, that is the “lesser evil” argument.

SAP, the Danish section of the FI, has been part of the RGA since its inception in 1989. Members of the SAP is actively building the RGA and its youth organization the SUF [3] A National Assembly of SAP was already planned for the weekend two weeks after the agreement on the national budget. The agenda was quickly changed to make room for discussion and decisions on a statement on the budget.

The headline of the statement is “The agreement on the national budget was a major mistake”. It concludes that the necessary conditions for supporting a budget were not met. The statement also emphasizes the abandonment of the demand of job security as a serious tactical mistake – that was even more serious because the party was running a campaign about unemployment benefit and jobs at the time.

The statement calls for all parts of the RGA to accelerate their commitment to the campaign – especially to try to mobilize local branches of the trade unions around these demands in order to put pressure the government.

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Furthermore SAP calls upon every local section of RGA to discuss the decision and to adopt critical statements for the leadership.

SAP promises to work for the next National Convention of the RGA in May 2013 to make a negative balance sheet on the decision on the National Budget and to reaffirm the original principles that were neglected this year. Finally SAP calls delegates to vote only for opponents of the national budget vote when the National Convention elects a new National Leadership.

[1] See the Congress statement "[Budget 2013: A major mistake by the Red-Green Alliance](#)".

[2] SD and SPP make up the government together with a centre-liberal party; more about this: "[A new period for the Red Green Alliance - After the Danish elections](#)"; and "[Use the election victory to put pressure on the government and build up the Red-Green Alliance](#)".

[3] Background article [The Red-Green Alliance in Denmark](#).