Budget 2013: A major mistake by the Red-Green Alliance

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This resolution was adopted by the national conference of the Socialistisk Arbejderparti, (SAP, Socialist Workers' Party, Danish section of the Fourth International) on November 17-18, 2012. We are publishing it as a complement to the article in this issue by Michael Voss "A major mistake by the Red-Green Alliance".

The Danish national budget for 2013 amounts to a setback, above all in relation to taxation rates. It contains no significant improvement, since it respects the limits that the government has decided to set. It does not go in the direction of greater prosperity, or in that of job creation, but on the contrary it aggravates austerity.

It incorporates the two main economic agreements made with the right in Parliament: tax reform and the imposition of employment flexibility on the sick. It contains no element challenging these setbacks.

When the majority of 25-person national leadership of the Red Green Alliance (Enhedslisten) approved this draft budget, they contravened the decision of the national congress of 2010 on principles and conditions for voting for a national budget. The executive committee of the SAP described, analysed and argued for this in a statement, published on November 13, 2011. The fact that the majority of the Alliance's national leadership has not followed the decision of the congress is problematic at both the political and democratic levels.

It is a political problem, because the national congress of 2010 had good political reasons to adopt the directives that Enhedslisten should apply during votes on the national budget.

First, it is crucial for the credibility of a socialist party and for its ability to strengthen unity for change and a better world that we are not complicit with rotten compromises, that mean that certain sectors of the working class and the people should pay while others obtain some extra morsels. This has been a well-established principle in Enhedslisten since we were founded, and it has become still more important from the political point of view in a situation where the ruling class is enriching itself to the detriment of the rest of society. That is why we cannot vote for an austerity budget.

The 2010 congress also realised that this basic parliamentary principle is not enough to decide how to vote on a national budget. A minimum improvement going hand in hand with no cutbacks could not constitute a sufficient reason to vote in favour of a budget. The finance law is not an ordinary law. It is a vote on the economic policy and political orientation that Parliament follows.

As a consequence the national congress stipulated that the budget should constitute a genuine break with the neoliberal bourgeois policies applied by the coalition of liberals and conservatives. One might even think that our congress had prior knowledge of what became the declaration of the future government of the Social Democrats (SD), the Popular Socialist Party (SF) and the Radicals (centre-left party), stating that it would pursue the economic orientation of the former government of the right and respect the constraints of the markets. A choice that this government is respecting.

Our congress also defined what a break with neoliberal policies required: the demand, not only for (small) improvements, but significant change on the one hand and on the other a warning to the SD-SF coalition: don't believe that you can carry out a bourgeois policy all year with the support of the right and have our support during the vote on the budget that your right wing allies in parliament will note vote for.
With this orientation the Red Green Alliance had both the possibility of relying on external pressure during the negotiations and showing that an alternative policy was possible. But this is not the orientation that the majority of the national leadership has followed.

The political disaster involved in turning back on these wise criteria has been strengthened further by the fact that the majority of the national leadership of the Alliance decided to retreat on its demand for either jobs, training or unemployment benefits for those about to be kicked out of the unemployment insurance system because of the new two year limit. It was a demand:

- which has a great importance for the balance of power between the classes and thus does not concern only the immediate victims;

- which the caucus itself had publicly defined as non-negotiable;

- which was the central theme of the main campaign of Enhedslisten this year;

- which was on all the evidence obviously a "significant" improvement;

- which has the broad support of the population; a significant part of the people would understand if the RGA would not give in on this demand

The decision of the national leadership majority is also a democratic problem. When the majority of the leadership chooses to ignore a decision of Congress, it undermines democratic debate and collective decision-taking within our party â€“ Enhedslisten. How can we involve members in the debates and make collective decisions when the leadership majority sends the following message: "you can adopt what you want, but when we are in a situation to decide, we do what we want".

The roots of this political and democratic failure date back long before the actual decision in November. The majority of the national leadership and the parliamentary group did not lead an offensive campaign for a national budget which would affirm Enhedslisten as a political alternative which wants to break with governmental auto-limitations and the neoliberal political and social orientation. Except for short periods and isolated opinions, the national leadership majority and the parliamentary group never used the demands for an offensive in public. They have never said clearly to the public and the government what the conditions were for a vote on the budget by Enhedslisten. They have not used them to put pressure on the government.

On the contrary, they have negotiated and communicated on the basis of the government framework and how to improve it at little here and a little there. The national leadership majority has employed more resources for the so-called "listen-to-the-people-meetings" around the country than for organizing a campaign to build popular pressure in favour of demands for jobs, training and unemployment benefits.

This led the majority of the national leadership and the parliamentary group into a situation where it was more difficult to break the negotiations than necessary.

It was a bad and harmful decision. What has limited the damage a little is that the parliamentary group has made the choice of a media strategy of not applauding the agreement but addressing the population, calling on it to put stronger pressure on the government.
On the other hand, some of the arguments that have been used to justify the agreement have made it even worse, in particular within the Enhedslisten. We were told that the parliamentary group was "surprised" by the fact that the Social Democrats and the Socialist People's Party were ready to adopt a right wing policy, and by the fact that the government were ready to reach an agreement on the national budget with the Venstre Party (right wing liberal). This amounts either to an irresponsible lack of political insight, or a lie dreamed up by a spin doctor. The two are equally unacceptable.

We were told that the majority of the national leadership and the parliamentary group felt obliged to sign the agreement in case the government made an agreement with the Venstre Party, which would have been worse. If this becomes the guideline of the Alliance in the future, it will be obliged to vote in favour of all the proposals from the government, whatever the content, because there will always be something worse. We were told that six months of special maintenance for the unemployed is better than nothing. This is true. It is a small amendment that Enhedslisten could vote for at the last moment, if it were a separate vote. But by abandoning the demand for a guaranteed unemployment insurance benefit beyond the two-year-limit they created an atmosphere that undermines the popular mood in defence of unemployment benefits and the options of creating a popular movement and building the party campaign.

The decision is made. The damage has been done. Now the question is how we continue. How can we act so that this decision is not the beginning of a trend that will lead to Enhedslisten no longer having any reason to exist?

We wish to indicate the following initiatives:

1. We must engage fully in the campaign on jobs and unemployment benefits. Efforts should be made both to strengthen the party to build a wide unitary campaign in trade unions and communities. Those who support the budget agreement must show that they seriously believe their own explanations for the budget vote (that it can be a stepping stone for a movement for further improvements). Opponents of the agreement should not give up on the pretext that the majority of the national leadership and the parliamentary group have made the fight more difficult.

2. Rank and file Alliance members must correct the leadership. We encourage all branches to discuss this budget agreement and to submit their objections to the national leadership majority. It is important that the majority know what the branches think. Some people will say that internal debate (which will be de facto public) can damage the Alliance. On the contrary we believe that it must be visible that there are within it many opponents of the agreement. Otherwise, we may see the critical activists leave Enhedslisten and critical, frustrated voters turn away from the party looking for other pastures. Finally these debates should serve as a prelude to the preparation of the next national Congress.

We do not require an extraordinary Congress. We think it will take resources out of the efforts to develop the campaign for jobs and unemployment benefits as well as other activities turned outwards.

An extraordinary Congress would not significantly change the kind of balance sheet that the party will make nor improve the effects of a change of course.

On the other hand we believe that a well prepared ordinary Congress can adopt a concise and critical balance sheet of the decision of the national leadership majority and confirm the 2010-guidelines laid down for the vote on the national budget.

This process has confirmed that the national leadership is the political leadership of Enhedslisten. This is a good thing. It is therefore important that Congress elect it on the basis of political criteria. Different members can choose to focus on different issues and political views. But a the Congress, right after an national leadership decision which
has, to a certain degree, split the party and which threatens to lay a new foundation for party politics in the future, the attitude of candidates for the national leadership to the agreement on the national budget must carry important weight.

We believe that the Conference should elect a national leadership that will not repeat the mistake. We therefore call for a vote for leadership candidates who say clearly:

- The agreement with the government on the budget was a political mistake. In the future, Enhedslisten must be more offensive in budget negotiations, requiring a real break with the neoliberal policy that the rest of the parliamentary parties support.

- Approval of the agreement was a failure of our democracy, because it transgressed a decision of our Congress. Enhedslisten will continue budget negotiations on the basis of the three criteria developed by the Congress of 2010.

- The Red Green Alliance-Enhedslisten is a party in opposition to the general policy direction of the government, and our main task is to mobilize the population to put extra-parliamentary pressure on the Government and leaderships of the three parties of the government coalition.