

Second Essay on Danish Politics and Welfare
in Comparative Perspective

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1. Discuss the main reasons for the electoral outcome and the government formation after the elections in 2001, 2005 and 2007. In what way(s) did the elections and government formations deviate from earlier elections/government formations?

In the last 60 years Denmark faced two so called “earthquake elections” in its parliamentary history, one in 1973 and one in 2001. Both elections led to remarkable changes in the structure of the Danish parliament, the Folketinget. This essay will investigate the changes in government formations of the more recent election from 2001.

Since 2001 a minority coalition formed by the Liberal Party (Venstre) and the Conservative People’s Party (Konservative Folkeparti) and parliamentary supported by the Danish People’s Party (Dansk Folkeparti) is governing the country. This is a remarkable change in Danish politics, because “this is the first time since 1929 that the government has relied only on parliamentary support from the right of the left-right spectrum of the Danish political landscape” (Kosiara-Pedersen 2008: p. 1040). Another remarkable fact is that this was the first time that the party on the centre on the left-right spectrum – the Social Liberals (Radikale Venstre) – hasn’t been the “*tungen på vægtskalan* (‘weight that tips the balance’)” (Skidmore-Hess 2003: p. 104).

First of all the Social Democrats (Socialdemokraterne) have undoubtable been the party with the leading role in the Folketinget until the election in 2001. They were the major player in forming the government (with some interruptions) usually with the Social Liberals or with the Socialist People’s Party (Socialistik Folkeparti). Even though they didn’t have the majority in the parliament they usually formed the government anyway – either within a minority single party government or with a junior partner in a minority coalition government. Governments in Denmark are formed under the principle of “negative parliamentarism” – they don’t need the majority of the parliament, they just have to make sure that there is no majority *against* them. That’s why it isn’t really necessary that there has to be a majority government and this leads to more opportunities for small parties to take part in the legislation process.

The Danish political system can be described as a system which is supporting “equilibrium governments” (Green-Pedersen 2001: p. 64). Minority governments “can make ad-hoc agreements with changing coalitions” (Green-Pedersen 2001: p. 54) in the government. Before the 2001 election the “left-wing parties supported the governments in the cabinet formation process so, if they withdrew their support, the Government would fall” (Green-Pedersen 2001: p. 64). An alternative government would be probably a right-wing coalition government, so this wasn’t an option for the left-wing parties, because otherwise they couldn’t influence the government in their preferred policies. That’s why they never could argue that they will bring down the government, because this threat wasn’t reasonable. The right-wing parties had a very simple strategy: bringing down the government.

One even more remarkable result is the changing role of the Social Liberals. They are situated in the centre of the left-right-spectrum of the Danish political landscape and haven been very important for government formation in the election before 2001. Usually they decided, whether the Social Democrats or the Liberals and Conservatives were forming the government, because none of them had a stable majority to form a government. The Social Liberals understood themselves as a “moderating, humanizing and liberalizing” (Skidmore-Hess 2003: p. 104) part of the political system in Denmark.

Scholars of political science were pretty much surprised about the election campaign in 2001, because they didn’t expect that the topic immigration became the most important topic in the election eve. In the welfare state of Denmark the campaigns are usually about taxation (Skidmore-Hess 2003: p. 94). It was even more surprising or irritating, because Denmark was performing very well in terms of economic success and unemployment. Usually in times of bad performance and high unemployment people are tend to blame foreigners or immigrants, but in this case, immigration surprisingly became the main topic in the election campaign.

The change in government led to a “new free-market oriented direction in tax, social spending and labor market policies” (Skidmore-Hess 2003: p. 89) as well as to changes in the Danish immigration policy. They established for example a new Ministry of Refugee, Immigration and Integration Affairs.

The 2005 election confirmed the government of Anders Fogh Rasmussen – the first time a Liberal prime minister was re-elected in Danish history. The Social Liberals wasn't able to become an alternative for the Liberals and the Conservatives in forming a new government, because they didn't won enough seats.

To gain more power and a more stable majority to make some important reforms (especially a restructuring reform for the Danish municipalities) Anders Fogh Rasmussen wanted a new election in 2007. He won again, but this time a new party entered the Folketinget. Some members of the Social Liberals were forming the so called "New Alliance" and won 5 seats in their first election campaign in 2007. But they still weren't big enough to change anything in government formation.

2. Discuss the reasons for the relatively poor labour market integration of non-Western immigrants in Denmark. What is the role of the political and/or welfare state institutions? You may compare with the integration of immigrants into the democratic process.

Denmark has a relatively low level of unemployment. The labour market in Denmark is characterized with a “high share of the public sector in total employment, high employment of women, a strong dominance of small and medium-sized enterprises, and a relatively generous welfare system coupled with high collectively bargained minimum wages and low employment protection” (OECD 2007: p. 125). In September 2010 only 4,2 % of the workforce were looking for a job (StatBank Denmark 2010). This comes usually with a very high level of employment around 75% from national citizens, either women or men. So there are only around 20% of the Danish Citizens which are not in the workforce, for example children or older people.

In contrast, “the difference between the employment rates of immigrants and those of the native-born [is in no other country] as high as in Denmark” (OECD 2007, p. 126). In 2005 only 59,5% of Non-OECD foreign-born men and 47,6% of Non-OECD foreign-born women were employed in Denmark and the unemployment rates are more than twice as high as compared to those who are born in Denmark. With those numbers it is understandable, that some might argue, “that immigration may put the legitimacy of the welfare states und pressure” (Andersen 2006: p. 1).

Many immigrants or descendents came only a few years or decades ago to Denmark. The country didn't need them that much in the middle of the 20th century. Whilst Germany led a lot of Turkish guest workers in its country in an era where a lot of workers where needed (“Wirtschaftswunder”), Denmark tried at first a different way compared to Germany: They were trying to get women into the workforce, which explains the relatively high level of employed women nowadays. Only in the late 1960s “a minor guest worker scheme was introduced to relieve labour shortages in certain sectors of the economy” (Nannestad 2004: p. 3) and guest workers from Turkey, Pakistan and Yugoslavia entered the Danish labour market. In 1981 Denmark improved the legal situation for immigrants (especially about family

reunification) and (war-)refugees from Yugoslavia or Islamic Countries began to move to Denmark. In 2006 around 8,4% (or in numbers: 452.095) of the Danish population were immigrants or descendants (Ministry of Foreign Affairs of Denmark 2006: p. 1) and the largest immigrant groups are Turks and Yugoslavs, “followed by Iraqis, Germans, Palestinians, Pakistanis and Somalis” (Togeby 2008: p. 327).

In comparison to the native Danish population immigrants from non-Western Countries can be in average characterized as younger and less well educated (Nannestad 2004: p. 5). Denmark faces like every western country some demographic challenges in the future and needs immigrants for their welfare state, but they have to fit in it. Because Denmark has high entry hurdles to their labour market, immigrants are not able to contribute to the Danish welfare system. One reason for that is the high income tax, which leads to higher salaries and the need of a higher productivity level, which requires a higher education. Another reason are the minimum wages through collective agreements from unions, which leads again to higher salaries. Unlike other countries like Germany it is very unusual to employ low wage jobbers.

Yet though immigrants have a hard time to get integrated in the labour market and contribute to the Danish welfare state, they are nevertheless fairly represented in the political life. Even if they are not Danish citizens they are able to vote in the Danish municipalities. With some changes in 1981, “foreign citizens with permanent residence in Denmark have had the right to vote in local elections” (Togeby 2008: p. 325). The local election system in Denmark is characterized by “its combination of proportional representation and preferential voting” (Togeby 2008: p. 326). The proportional representation system is based on semi-open party lists and personal votes tend to support immigrant voices.

In sum, it can be said, that immigrants from non-Western countries in Denmark are having a hard time to participate in the labour market, but are still having good chances to get heard in the political system.

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