

# Danish strikers demand share of 'prosperity'

by Poul Rasmussen

On April 27, more than 400,000 industrial workers went on strike in Denmark, shutting down almost all of the country's industries, construction companies, and truck transport. In addition, most of the air traffic in and out of Copenhagen International Airport was grounded, most newspapers were shut down, and within days, gas stations throughout the country ran out of gasoline.

Panic-stricken consumers raided the supermarkets for milk, bread, and meat, leaving behind rows of empty shelves that looked like the stores in the old days of communist eastern Europe. Yeast for baking bread became the focal point of this frenzy, although all the small, private non-industrial bakeries insisted that they had enough flour, yeast, and sugar in store, to supply Danes with fresh bread for months to come. In just three days, there was not a single package of yeast to be found anywhere in the country.

Part of the reason for this panic, was the general unfamiliarity with such a situation. This was the first major strike in Denmark in 13 years, and only the second in 25 years. Of course, there have been numerous small and local strikes, but many young families had no recollection of what a nationwide strike means. In addition, the strike came as a great surprise. A nationwide wage agreement had been reached between the National Employers Association and the National Labor Union. Catching everyone off guard, the agreement was voted down by the rank-and-file union members, making the strike an immediate reality. This was the first time since 1956, that a nationwide labor agreement had been rejected by the union membership.

From an American perspective, the demands of the Danish labor unions—one extra week of paid holiday, bringing the annual paid vacation up to a total of six weeks—might seem somewhat excessive. But, in major industrial western European nations such as Italy, Germany, and Sweden, industrial workers have enjoyed more than six weeks paid time off for years. The large “no” vote came because the employers association would only agree to add two days' vacation, specifically Christmas Eve day and New Year's Eve day, two days when 90% of the labor force was already off work, but unpaid. Now, the employers were offering to pay for them. This was seen as a provocation, and the strike was on.

A major element in the creation of the strike atmosphere was the illusion of prosperity created by the emergence of a bubble economy in Denmark, especially over the past five

years. Danish bankers insist that this is not a bubble, but a real economic upswing, with a small, but significant increase in the real wages of the working population. But, this “upswing” has to be seen in the context of the severe economic downturn of the preceding seven years, from 1987 to 1994. And, not least, the increase in real wages does not in any way match the increase in value gained by Danish stockholders. The Danish stock exchange has manically participated in the recent frenzy seizing the western stock markets.

This was the background to the strike. The Danish workers demanded their share of the prosperity, when they read about it in the newspapers or saw it on television, but which were intangible in their daily lives. Why, then, the demand for an extra week of vacation, and not a substantial wage increase? The answer is twofold: From past, bad experience, Danish workers know very well, that any wage increase above what the economists deem “acceptable,” will immediately be sucked up by the government, in tax hikes or austerity measures. A week of vacation cannot be stolen by anyone. Second, the speedup at the factories and the constant demand for higher productivity makes the demand for more free time a human necessity.

## The government intervenes

On May 5, negotiations between the National Employers Association and the National Labor Union broke down, and on May 6, Prime Minister Poul Nyrup Rasmussen announced a government intervention, that, when duly passed by the Parliament, would end the strike by midnight on May 7. By law, the workers got two extra days vacation, and in addition, families with children under the age of 14 were granted two paid “care days” to spend with their children.

Both the National Employers Association and the National Labor Union reacted strongly against the government intervention. Most agitated were the labor unions and the rank and file members, who immediately threatened to unleash an endless series of wildcat strikes. For them, it was an outrageous scandal that a Social Democratic-led government would intervene to end a law-abiding and well-organized strike.

But, Prime Minister Rasmussen had his reasons. On May 28, the Danes go the polls to vote on the Amsterdam Treaty of the European Union. The biggest nightmare of the Danish establishment, is the threat of a rerun of the 1992 referendum, when Danes rejected the Maastricht Treaty on creating the European Union. A strike ending with a government intervention just a few days before the referendum, could have provoked rage in the population, resulting in a massive anti-establishment vote. That is why Rasmussen intervened so early in the strike. Undoubtedly, many workers will now vote against the Amsterdam Treaty in protest against the government intervention, but most likely, far fewer than would have had the Prime Minister waited to intervene. Nevertheless, there is still a chance for a Danish “no” vote to the Amsterdam Treaty on May 28.