
Introduction – Concept of the Issue and Some Characteristics of the German Welfare-State

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The German welfare-state has been under pressure for some time, resulting in more changes and more uncertainty about its future development. Are pensions still secure, how can we create more jobs, and how can the spread of poverty be curtailed? In addition to these classical questions of welfare-state policy there are also some new aspects: should there be more decentralisation? Is the educational system still adequate in the post-industrial era? What about the position of women and the gender dimension in the welfare-state? There are other questions dealing with the feasibility of public policy, such as: are the agreed reforms really reforms, or instead are they cost cutting measures and are these policies only introduced to secure the power of the governing parties and elites? Finally, in view of the globalisation of the world economy, is there any room left for politics to determine public policy or are these changes only a "Defizitflucht" (escape from deficits, Luhmann)?

Of course, considerations like these are not only limited to Germany, but are common in all developed industrial societies and even in the quickly emerging economies of Southeast Asia and Latin America (Kuhnle 2000, Alber 2000). We do not want to undertake a strictly application-orientated search for the best practices and successful models, but rather analyse the German case against the background of comparative research on welfare-states (Heinze/Schmid/Strünck 1999, Leibfried/Wagschal 2000). This methodological approach seems especially helpful in order to evaluate measures with regard to their political implications and to categorise the results in a theoretical framework.

Therefore, in this issue we want to present comparative studies of specific areas or problems of the welfare-state. This brings up the first question: do something like coherent national types à la Esping-Andersen still exist, and must Germany always be classified as a conservative, corporative type, or should politically and theoretically relevant differences and similarities be examined along policy lines (Freeman 1985, Peter/Cole 2000)? This question also applies to a specific level of policy on which a study concentrates. For example, there are hints that there is a 'local' logic at the community level. It might be that the developments of core areas of the German welfare state – the system of social insurances – follow paths other than the periphery (e.g. social assistance, education, gender or communities). Furthermore, in most contributions in this issue we follow qualitative methods instead of a quantitative analysis of aggregate data. Not least because of a lack of hard data in many policy areas and for the question of innovation and trends of development (or rather a disruption in those trends compared to the welfare-state's golden years) that can be analysed using statistical methods.

A second theme in this issue is the broad concept of the welfare-state. This means that not only the central aspects of the welfare-state will be examined, like social insurance, additional areas like social assistance, labour-market policy, but also socio-political activities on the local level will not be neglected. Here, somewhat parallel and somewhat complementary relationships to the traditional social policy are evolving. Compared to the conventional perspective of welfare-state comparison (Schmid 1996/2001) a strategy of re-commodification in these rather marginal areas has been recently observed. Here there is an attempt to activate people and re-integrate them into the labour-market. In the German case there have been at least in some fields and partly on the sub-national level, interesting, innovative reforms, which might put the often lamented blockades of reform into perspective. At the same time these reforms overlap the old division of social-democratic and conservative policies. The expansion of the study's framework (especially with the inclusion of education and gender-policy) leads to shifts in the assessment and e.g. casts the liberal model and its measures in a more favourable light.

Six contributions try to develop these conceptual and methodological ideas. First, Hülsmann, Schmid, and Schöll look at the traditional core of the German model, the pension insurance. They

compare specific characteristics and recent reforms in six Western European countries and conclude that a high degree of path dependency and respectively limited reform has taken place in Germany. Secondly, Fuhrmann deals with the situation of women in the German welfare-state and observes that a considerable backwardness exists with comparison to Denmark. In their analysis of welfare to work strategies which are part of social assistance reform Woods, Chadwick, and Volkert conclude that, compared to the U.S., incentives in Germany are small. However, the downside of activation and re-commodification becomes clear as these measures also have elements of coercion and reduction of benefits. Blanke and Schridde take a closer look at the sub-national level and deal with the local welfare-state. In an English-German comparison they discover a substantial but almost hidden change. Hega and Hokenmaier move even further away from the field of the conventional welfare-state and examine the educational system in Western countries. This puts the liberal cases into a better light, whereas conservative regimes such as Germany come off rather badly. Finally, Cox discusses the question why Germany's ability for reform is lower than in neighbouring Denmark and the Netherlands, which are praised as good examples.

A colourful picture of Germany's situation is developed in this series and it makes sense to organise the hypotheses of the contributors along three dimensions. On one axis we find the examined policy areas ordered into a continuum ranging from rather conventional (pension) to rather unconventional (education). On the second axis we have the level of research starting with the international and national levels down to the local level of the welfare-state. Finally, the third axis shows the intensity of reforms: continuity and path-dependency vs. innovation capability. It may be difficult to actually illustrate this concept but there seems to be a tendency to identify somewhat more reforms if the study is undertaken in the periphery of the German welfare-state. The data used here is mostly qualitative with only few best practice cases in the sample of compared countries. This teaches us to be careful with such interpretations and to regard the methodological implications of the chosen research design.

This series shows that modern welfare-states are multi-dimensional objects and that research approaches like those above are a viable and necessary way of differentiating between different levels and areas of welfare-state policy. Such complexity also becomes clear when

one looks at the structure of the German welfare-state, which is characterised by social insurances financed through employer and employee contributions and institutional fragmentation. Furthermore, the social budget is considerably high and still growing (see tables below, Schmid 2000).

Figure 1:
The structure of the German welfare-state

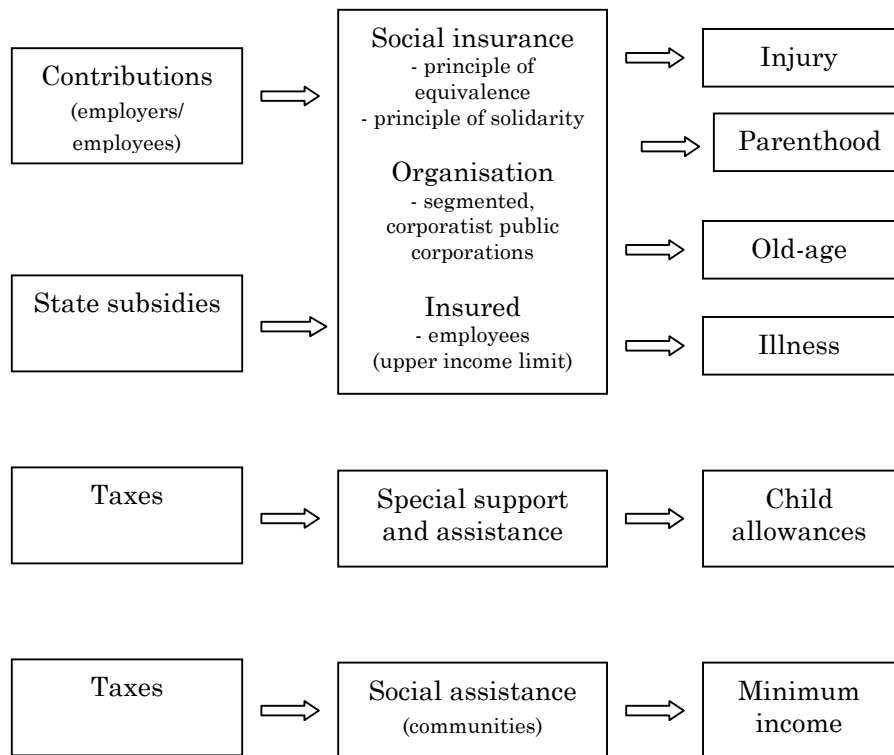


Table 1:
Germany's social budget 1960-99

Year	Social budget; payments in percentage of GNP					
	Total	Old age and Survivors	Health	Marriage and family	Employment	Other
1960	21,7	9,6	6	3,6	0,6	1,9
1965	23,3	10	6,5	4,3	0,5	1,8
1970	26	11	7,5	4,7	0,9	1,8
1975	33,4	13,3	10	5,2	2,3	2,6
1980	32,2	12,8	10,3	4,9	2	2,3
1985	31,4	12,6	10	4,2	2,5	2
1990	29	11,7	9,8	3,7	2,5	1,2
1995	33,5	12,2	11	4,2	4,2	1,3
1999	33,5	12,4	11	4,6	4,2	1,3

source: Statistisches Bundesamt 2000

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Biographical Sketch

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