

# **Basic social security as a political concept and socio-political problem**

## **Propositions for approaches to a common European socio-political strategy in the light of the German experience**

Socio-political debates often focus on the differences between the social security systems within the EU area. This might be one of the reasons for the continued dearth of joint left positions on the future of social security. The following propositions are an attempt to highlight common features in the development of social policy in Germany and other European countries, particularly within the EU, in order to pinpoint the problem shared by all our countries.

1. In practically all European countries 'social security reforms' are going beyond any mere tinkering with or phasing out of individual elements of social security. They represent a total break with the existing system. The objective is to bring about a fundamental change in the reproductive conditions of labour as a commodity in conjunction with a fundamental realignment of the balance of social power. What we are dealing with here, therefore, is not an old society with new social security systems but a whole new society.

It is well known that the aggressive campaign to cut back and alter social security systems has not overtaken society without warning. Although the impression is often created in discussions that this is merely the resurgence of a long-standing debate, that is not entirely true. Apart from changes in certain framework conditions, which will be discussed in 2), it needs to be emphasized that these changes mark a fundamental reorientation with regard to the society of the future that is coupled with a new vision of man. This process was particularly apparent in Germany during the first half of the 1990s. Its profound influence on the intellectual life and political conceptualisation of society cannot be overestimated. The Future Commission of the Free States of Bavaria and Saxony, chaired by Meinhard Miegel, gave a clear and specific mould to the image of the self-marketing individual who is the employer of his own labour. The potential social consequences of these developments, such as impoverishment and increasing violence in society, were also highlighted, but they were referred to as being necessary transitional stages on the path to the new era of an enterprising knowledge society that will bring affluence to all. The vision of man construed by Miegel and the Future Commission harbours huge ideological appeal. It envisages active, success-minded, competition-conscious, risk-taking, charitable and comprehensively educated people mastering their own fate and achieving success unencumbered by the "bureaucracy and patronage of the social state". Although most people realise that this image is a figment of the imagination, it appears to incorporate so many personal desires, experience and interests that it has largely elbowed out any other concepts of human existence, society and life.

It is this change of philosophical perspective that has enabled the fundamental political and conceptual shift to take place. All previous attempts at radically altering the structure and substance of social security foundered. Admittedly, there has been a reduction in benefits and a strengthening of the repressive elements inherent in welfare state systems in recent years. But now the entire substance of the welfare state – the class compromise that recognizes wage-earners as being a collective,

inherently solidarity-oriented subject and part of a socio-political relationship - is being questioned from an ideological standpoint and eliminated by means of legislation. Calling this one subject of the welfare state compromise into question provides a whole new foundation for the long-standing pattern of reproduction of wage-earners and the working class. A complete reconstitution of social relations is likely to ensue, which will exclude any return to previous forms and methods of providing social security. The development of alternatives therefore needs to emulate the radical break introduced and implemented by the opposing faction and, in turn, to present similarly radical ideas.

2. The fundamental break outlined above has been made possible by the convergence of various factors. The most important among them are
  - technological change and corresponding changes in the world of employment;
  - changes in global relations including the collapse of the socialist world system;
  - changes in the structures of interests within the labour force and on the side of capital;
  - a new generation emerging within the elites (awareness and appreciation of the social element).

The individual components listed here are the subject of intense debate in many places. Here too, ideological, cultural and economic factors interweave and it is only by means of their cumulative impact that the shifting balance of power resulting from social changes can be explained. Individually, these factors irrevocably determine the path to change on which society has now embarked. Nevertheless, changes in the working environment – in the co-operation between the economy and society, on the one hand, and in the quality of the necessary labour, on the other – also open up the possibility of alternative routes. In this context, a great deal of emphasis is placed on ‘individualisation’ as the embodiment of everything that tears traditional social cohesion apart. However, there can be no overlooking the contradiction between the focus on unbridled competition as the main driving force in society and the need for co-operative, responsible action in both the economy and society. While this is seen to be an unresolved problem, a solution in connection with the vision of man set out in 1) is not considered to be necessary and, indeed, remains beyond reach within the present social framework. These views are supported by sociological research. Success in dispensing with the socio-political model of the welfare state as an instrument of compromise, therefore, depends on a strong ideological component. The change of elites now taking place in state, political party, business and union circles should not be underestimated. The departing elites, whilst none too enamoured of the welfare state, were still imbued with Ludwig Erhard’s spirit and able to draw on their own experiences in recognizing and appreciating the stabilising role of the welfare state in balancing the interests of capital and labour, a role that originally sprang from the collapse of the Weimar Republic. The up-and-coming generation no longer acknowledges this role, particularly in the wake of the collapse of the socialist world system. Hence technocratic, populist and demagogical views of economic, social, cultural and political interrelations are becoming increasingly important.

3. The problem faced by social security systems is not their financial but their structural link with the capitalist organisation of labour. The welfare state compromise state harbours the seeds of its own dissolution.

Within the welfare state compromise, social security systems were characterised by their strict orientation towards the skilling of workers. Optimum conditions for development were to be provided for people as workers and not as individuals. A qualified and co-operative workforce was to be made available to the economy, whilst extended opportunities for consumption and social stability underpinned by a certain cultural standard were to provide the incentives for working. Breaking with this reasoning was not an option. Tough and often not entirely successful fights achieved some degree of freedom from the demands of the capitalist organisation of labour, while some freedom simply developed as a temporary sideline or an added extra, as was the case with temporary periods of active employment policy. Despite its obvious emancipatory aspects, the welfare state compromise has therefore always included repressive elements, which are linked to a definitive lack of democracy in this field. Indeed, the self-governing bodies of social security funds have never actively promoted democracy. Instead, they have developed into authorities that are not under any obligation to their contributors but merely administer them. The benefit structures of security systems have always been modelled on patriarchal stereotypes of gender relations with family structures and any non-conformist behaviour being punished by reduction or withdrawal of benefits. At the same time, minimum quality standards were not secured for those entitled to benefits; parts of social security (particularly income support) always remained beyond any kind of formal democratic control, and the provision of basic social security became increasingly patchy (e.g. bogus self-employment, other precarious jobs etc.) This is one reason why the 'old' welfare state and self-governing bodies were unable to respond to the above changes, processes and new realities with anything but voluntary capitulation. The recent exclusion of the self-governing bodies from the mapping out of reforms in recent years and the increasing responsibility of technocratic commissions in this process is a clear indication of the total failure of the traditional self-governing bodies. In that sense, the 'old' welfare state was always an instrument of exclusion. In the latter phase of its development it has consciously expanded these very traits, whilst any surviving elements of solidarity have degenerated into empty phrases. Today, all that is left to the self-governing bodies is to ensure that cutbacks in benefits are properly executed.

Both these movements - the repressive orientation towards the capitalist organisation of labour and deficits in democracy - provide the all-important seeds for today's disintegration of the welfare state compromise and traditional social security systems. The concurrent discrediting of the theory and practice of socially organised, solidarity-based security systems should not be underestimated. This in turn supports and legitimises the strategy of further privatising fundamental existential risks (e.g. the replacement of public security systems by privately organised structures). In addition, the option of privatisation appears to provide neo-liberalism with a universal social complement that is fully in line with the processes of globalisation. Within specific national systems, solidarity-based elements continue to be dissolved as part of a covert strategy towards achieving greater systematic compatibility.

Cutting the structural ties with the capitalist organisation of labour and democratising social security can serve as a strategic starting point for the development of

alternatives to the 'old' welfare states and the current processes of cutback and change.

4. Alternative proposals to current tendencies need to be scaled to the level of action of the political opponents. Attempts at unconditionally incorporating all areas of life into the capitalist system need to be countered by attempts to actively resist such universal incorporation into all areas of life. Basic social security as a socio-political concept could form an element of such a strategy.

If we agree that the current social reforms find society at a crossroads, complex alternative approaches are called for in response. Developing a socio-political strategy forms a central element of such approaches, since this would shape the relationship between capital and labour and the reproduction of the labour force as a commodity. Together, these represent the most important conditions for the reproduction of the central social relationship.

Developing a concept of basic social security is not primarily about the development of a new model of social security. In essence it is about a comprehensive concept of social security, making proposals for both the institutions and benefits of social security, but above all setting out the demands placed on political concepts and institutions in all areas of society.

Under the present circumstances, the concept of basic social security needs to be understood as a practical concept and strategic objective. It needs to take the existing systems as a starting point, follow up on their emancipatory potential and thus develop approaches to their fundamental change.

The core concept of fundamental social security can be described by reference to the following principles.

Existing security systems will be supplemented in such a way that

- benefits incorporate a basic amount, thus ensuring that benefits received by all eligible persons place them above the poverty level (creation of a poverty-proof society)
- general obligatory insurance is introduced, coupled with an unconditional entitlement to benefits depending on circumstances (removal of repressive and exclusionary tendencies),
- democratic self-administration of security systems is introduced, thus giving contributors and those entitled to benefits wide-ranging rights in respect of the form of benefits, quality assurance and service provision.

These core demands for basic social security will be supplemented by further elements that are essential for their implementation. These include

- a vigorous discussion of a separate vision of the future and vision of man. The question of "How do we want to live?" must once again be made a political question posed openly and with confidence. In this context, solidarity

needs to be presented as a possible and achievable option of personal and social lifestyle.

- reiteration of the question of the distribution of social wealth, again a question to be posed with equal confidence;
- enforcement of a minimum wage;
- use and activation of existing forms and approaches to solidarity-based, self-determined social policy (movements of patients, activities surrounding the Healthy Cities network, movements of people with disabilities or Local Agenda 21 etc.);
- taking account of the principle of gender equality throughout the security systems;
- development of active employment and structural policies that provide space for public employment assistance, employment in the public sector and alternative forms of economic activity.

As noted in the introduction, the propositions developed here refer primarily to the situation in Germany. In the author's opinion however, many parallels can be drawn with developments in other EU countries and beyond. The dominant tendencies, in particular, such as the promotion of exclusion and repression through social security systems, the privatisation of social security, deficits in democracy, etc. constitute common qualities and problems of social security systems irrespective of their organisational structure. With advances in EU integration and globalisation it is precisely these qualities that emerge ever more clearly as common problems.

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