<table>
<thead>
<tr>
<th>タイトル (Title)</th>
<th>Social Changes and Organizational Adaptations in the Age of the Post-Welfare State: Diversified Responses of Political Parties and Trade Unions in Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>著者 (Author(s))</td>
<td>Yasui, Hiroki</td>
</tr>
<tr>
<td>掲載誌・巻号・ページ (Citation)</td>
<td>Kobe University law review, 42:13-27</td>
</tr>
<tr>
<td>刊行日 (Issue date)</td>
<td>2008</td>
</tr>
<tr>
<td>資源タイプ (Resource Type)</td>
<td>Departmental Bulletin Paper / 紀要論文</td>
</tr>
<tr>
<td>版区分 (Resource Version)</td>
<td>publisher</td>
</tr>
<tr>
<td>権利 (Rights)</td>
<td></td>
</tr>
<tr>
<td>DOI</td>
<td></td>
</tr>
<tr>
<td>JaLCDOI</td>
<td>10.24546/81004332</td>
</tr>
<tr>
<td>URL</td>
<td><a href="http://www.lib.kobe-u.ac.jp/handle_kernel/81004332">http://www.lib.kobe-u.ac.jp/handle_kernel/81004332</a></td>
</tr>
</tbody>
</table>

PDF issue: 2022-01-14
Social Changes and Organizational Adaptations in the Age of the Post-Welfare State: Diversified Responses of Political Parties and Trade Unions in Germany*

Hiroki YASUI**
Kobe University

Abstract

It has often been pointed out that the basic conditions that resulted in the 'golden age' of the welfare state changed significantly. However, political actors in welfare states responded to the new conditions in various different ways. This paper will examine the adaptive changes of the organizational strategies of various social actors in the age of the post-welfare state, with particular focus on the German Social Democratic Party (SPD) and the Confederation of German Trade Unions (DGB). The paper contends that membership structure and the purpose of the organization are the two major explanatory factors of the recent strategic differences between the SPD and the DGB, although both actors used to be regarded as allies in class-related matters in the age of the welfare state.

1. Labor movement and political parties in the post-war Germany

1-1. Post-war reorganization

After the disastrous collapse of the Nazi dictatorship, the German people tried to rebuild their democratic organizations in order to reconstruct their country. However, such rebuilding was not a simple revival of the former ones that were oppressed and destroyed under the Hitler regime. Many German political and social leaders thought that the fragmentation of democratic forces brought the disorder of the Weimar republic and gave

* This paper is based on the author's presentation for the international symposium, “Law and Politics in the Age of Post-Welfare State,” held at the Graduate School of International Cooperation, Kobe University, on November 14, 2007. The author would like to express deep gratitude to Prof. Margaret Levi, Prof. Veronica Taylor, Prof. Fumio Iida, Prof. Naruhumi Kadomatsu, and other participants of the symposium. Needless to say, the author is at fault for all the mistakes in this paper.

** Associate Professor of Western Political History, Graduate School of Law, Kobe University.
Hitler the chance to seize power. Therefore, they tried to make a new 'united' party or trade union in order to overcome the social and political cleavages that had characterized pre-war Germany.

These endeavors resulted in various outcomes. On the one hand, trade union leaders succeeded in uniting the traditionally divided trade unions, which were the major Marxist-socialist General Confederation of German Trade Unions (ADGB: Allgemeiner Deutscher Gewerkschaftsbund) and the minor Christian-social Joint Association of Christian Trade Unions in Germany (GCG: Gesamtverband der christlichen Gewerkschaften Deutschlands). The new united national center of the German labor movement, the Confederation of German Trade Unions (DGB: Deutscher Gewerkschaftsbund), was established in 1949.

Some trade union leaders made an effort to build a new major center-left party, sponsored by the united labor movement, similar to the Labour Party in the United Kingdom. However, the social democrats in Germany showed reluctance towards this idea since they had traditionally enjoyed more autonomy than their U.K. comrades had. They finally refused to merge with the Christian-socials and declared the restoration of the German Social Democratic Party (SPD: Sozialdemokratische Partei Deutschlands) in the western occupation zones in 1946 (Schmidt 1987: 159-175; Yasuno 1983). Despite some disappointment about the failure of a ‘Labour-Party’ in Germany, many labor movement activists joined (or renewed their membership in) the SPD and formed a strong and organized group in the party.

On the other hand, an epoch-making endeavor to form a major center-right party bore fruit. The Catholics, Conservatives, and some Liberals gathered to establish the Christian Democratic Union / Christian Social Union (CDU/CSU: Christlich Demokratische Union Deutschlands / Christlich-Soziale Union in Bayern), which held its first federal party convention in 1950. Many Christian-socials in the DGB entered this new Volkspartei (‘catch-all party,’ though it can be translated literally as ‘people’s party’) and built a strong bridgehead for the labor movement in it. After that, the DGB had strong connections to both major parties.

1-2. Nonpartisanship-strategy of the DGB for the unity and interest of workers

As a monopolistic national center of the German labor movement, the DGB gained stronger bargaining power and influence against the government and employers. But, at the same time, in order to maintain this conciliation between the major Marxist-socialists and the minor Christian-
socials, the DGB had to refrain from clarifying its party affiliation. Although all chairpersons of the DGB were members of the SPD, they firmly kept the ideal of the DGB’s neutrality in party politics.

This strategy of nonpartisanship was also encouraged by the labor movement in the United States (Angster 2003). During the Second World War, the American Federation of Labor (AFL) and the Congress of Industrial Organization (CIO) made efforts to strengthen contacts with German labor movement activists in exile and to exchange opinions about policy ideas and organizational strategies. The State Department of the United States supported their endeavors. In addition, after the end of the war, the AFL and CIO sent their representatives to the Office of Military Government, United States (OMGUS) in Germany and influenced the rebuilding process of the German trade unions. In these processes, the Americans persuaded their German colleagues that trade unions independent of both the government and political parties could achieve more influential positions in the labor market and interest politics. Angster regarded these persuasions and financial support of the U.S. labor movement as a catalyst of the depoliticization of the German labor movement.

In terms of results, the Americans brought up an appropriate strategy for the age of the welfare state: namely,

1) as pointed out above, the strategy of nonpartisanship facilitated the maintenance of the unity of the labor movement;

2) its unity and the nonpartisanship principle paved the way for the constant connection and dialogue with the center-right Christian Democrats, which had been the natural governing party of the Federal Republic of Germany in the late 20th century;

3) and, as a constant constituent element of governance structure, the DGB could influence the welfare system effectively.

Utilizing such favorable status, the German labor movement succeeded in winning the Co-determination Law (Mitbestimmungsgesetz), the Works Council Law (Betriebsverfassungsgesetz), and the durable framework of

1 Nevertheless, the influence of the U.S. labor movement should not be regarded as deterministic. Even though the AFL and the CIO were involved in the formative phase of the trade unions in Japan in a similar fashion, the Japanese labor movement failed to establish a united national center and experienced deep schisms along party lines for more than four decades. The Japanese labor movement had no Christian-social wing, but a strong and militant communist wing. Plus, the disputes over the relationship with the communist bloc divided the social democratic labor movement into two fractions: on the one hand, the pacifistic leftists, who aspired for disarmed neutrality in the Cold War, took the leadership of Sôhyô [the General Council of Trade Unions of Japan] in 1951; on the other hand, the pro-U.S. right wing, who sought harmonious industrial relations, seceded from the Sôhyô and formed the Zenrô Kaigi [the Japanese Trade Union Congress] in 1954. Due to the difference of opinion on the role of the left social-democratic labor movement in the struggles against the communist movement, the AFL and the CIO intervened in the Japanese labor movement sometimes in an inconsistent way. This fluctuation of policy fostered the variety of trade unions in Japan (Nakakita 2006).
collective wage bargaining, even though the center-right ‘bourgeois’ coalition government ruled the Federal Republic in the formative years of the post-war welfare state.

1-3. The way to the governing party: Prolonged innovation of the SPD

Contrary to the early and effective organizational innovation of the labor movement, the German Social Democratic Party (SPD) had to struggle with innovation for a decade (Klotzbach 1982; Takahashi 1986; Lötsche and Walter 1992; Walter 2002). Under the leadership of Kurt Schumacher, who was a survivor of the Nazi concentration camps and who had an overwhelming moral influence on the rank-and-file members, the SPD conducted the first general election of the Federal Republic with the slogan: ‘nationalization of key industries, planning economy, and parliamentary democracy’. Nevertheless, this strategy did not attract the voters of the middle class. The SPD stagnated within the ‘ghetto of one third’ of the voters in 1950s.

After three defeats in general elections, the reformers in the party succeeded in steering the party towards the idea of a center-left Volkspartei. In the Godesberg Program in 1959, the SPD officially renounced revolutionary Marxism but accepted the principle of the market economy, private ownership of the means of production, and liberal democracy. From then on, the new middle class, namely white-collar workers, came to vote for the Social Democrats. This expansion of firm voters to the center position opened opportunities for the SPD to make a coalition with the ‘bourgeois’ parties at the federal level. After the participation in Chancellor Kiesinger’s grand coalition government of CDU/CSU and SPD as a junior partner in 1966, the SPD, under the leadership of Willy Brandt, formed a coalition with the Free Democratic Party (FDP: Freie Demokratische Partei Deutschlands) and gained the Chancellorship in 1969. The Social-Liberal coalition government in the 1970s carried out some reforms of the German welfare state and managed the German economy relatively successfully in the age of stagflation. They could take pride in the ‘Modell Deutschland’ in the general election campaign in 1976. The SPD, ‘a fundamental opponent against the system (Systemgegner)’ in pre-war Germany, had finally changed to a legitimate component of the post-war democratic system after a decade-long period of self-innovation.

2. Social changes and the reform of the post-welfare state

2-1. Dissolution of the traditional working class
As Herbert Kitschelt pointed out, the post-war welfare state in its ‘Golden Age’ changed the distribution of voters and their preferences (Kitschelt 1994). It created a large public sector of education, health and other social services and needed the higher standard of education in order to manage the huge bureaucracy of welfare states. Moreover, this development boosted the process of post-industrialization and led to the decline of the petty bourgeoisie, e.g., farmers, shopkeepers, craftsmen, etc., and the working class, particularly low-skilled workers. The high standard of education and post-industrialization also enhanced the post-materialism that made keener the socio-cultural conflict between ‘libertarian’ and ‘authoritarian’. As a result, the main relevant axis of preference distribution in the 1980s ran from the ‘left-libertarian’ to ‘right-authoritarian’ (Figure 1).

**Figure 1: The competitive space for social democracy in Western Europe in the 1980s**


Such trends are also identified through social research in Germany. Michael Vester conducted social research about the socio-economic status and socio-cultural orientation of the German voter (Vester, Oertzen, Geiling, Herman and Müller 2001; Vester 2001; Vögele, Bremer and Vester 2002). His study revealed that the fewer people belonged to the social milieu of ‘traditional workers’ (four per cent of the German electorate) and of ‘tradition-losing workers’ (eleven per cent). On the other hand, more people belonged to the social milieu of ‘achievement-oriented white-collars’ (eighteen per cent) and of ‘modern white-collars’ (ten per cent) (Figure 2).
2-2. Search for the ‘new solidaristic middles’: challenge for innovation of the SPD in the 1990s

As a political party that needed votes in order to gain political office for implementation of its preferred policies (Müller and Strøm 1999), the SPD responded to such a change in the distribution of voters. After the failure of ‘the strategy of oligopolistic competition’ for eliminating the Greens (Kitschelt 1995: 165-6), the SPD sought the votes of the middles. Thomas Meyer, a professor of political science at Dortmund University and a theoretical mentor of the SPD, advocated that the Social Democrats should attract the voters in the ‘new solidaristic middles’ of the ‘new bourgeoisie (entrepreneurs, consultants, etc.)’ and the ‘new white-collars (engineers of information and communications technology, workers in social and education services, etc.)’ who were oriented towards achievement rather than mere (re)distribution (Meyer 2004).
This change of strategy was encouraged by the coming of the age of the post-welfare state. In the 1990s, the social, economic and international environment around Germany had changed significantly: the reunification of Germany with bankrupt East Germany, the rise of the ‘new economy’ or ‘knowledge economy’ based on information and communications technology, the mismatch between mass unemployment and employment, an ageing society with a decreasing birthrate, globalisation, and European integration with compulsory budget discipline that was introduced by the Stability and Growth Pact in 1996. In order to adapt to these changes in the age of the post-welfare state, European countries had to wage reforms to increase the flexibility of the labor market and to decrease the financial deficit by cutting welfare spending. The SPD’s new strategy of seeking the middle and achievement-oriented voters was fit for these circumstances in the 1990s.

It was Gerhard Schröder who utilized these changes as leverage for taking power. He led the general election campaign in 1998 with a slogan of the ‘New Middle (Neue Mitte)’ and gained power after a sixteen-year period in opposition. At first, the Schröder center-left government coalition could not manage the complicated governance structure of the Federal Republic effectively. However, after the general election of 2002 in which the red-green coalition won a slim majority, Schröder proposed the reform package named ‘Agenda 2010’ and achieved reform of the welfare system and labor market regulation in 2003 (Yasui 2004-5; Taniguchi and Yasui, 2008).

2-3. Resistance against change: response of the labor movement

It can be said that ‘Agenda 2010’ was a kind of equivalent to Tony Blair’s ‘Third Way’ politics. On the one hand, it pursued economic revival by reducing taxes and by increasing investment in education and research in areas of high technology. On the other hand, it planned to restore fiscal balance through cutbacks in social security benefit payments and the tightening of qualifying conditions for recipients. In order to justify these welfare reductions, Schröder insisted that the German welfare system needed reorganization and innovation in order to prevent its collapse. But his explanation did not satisfy the trade unions.

The DGB was one of the strongest interest groups in Germany and had the potential to mobilize an effective protest movement against ‘Agenda 2010’. However, IG Metall, which was a sector union for metal-related industries and played a leading role within the German labor movement, fell into turmoil over internal power struggles between the reformers and the hardliners and failed to organize an effective protest against Schröder’s reform endeavors. This accidental paralysis of IG Metall in the summer of 2003 saved the ‘Agenda 2010’ from the interference of trade unions.
However, after the enactment of the reform bills, the hardliners finally won the leadership of IG Metall. In contrast to a political party (especially a catch-all party) that tends to seek the widespread support of the electorate, a trade union is an organization for the representation of its constituent workers’ interest. The hardliners were able to gain a majority in the labor movement by agitating the workers. After establishing hegemony in the labor movement, they hardened their attitude and started the counterattack against the reforms of ‘Agenda 2010’. Some sub-leaders in IG Metall organized a new party named ‘Wahlalternative Arbeit und Soziale Gerechtigkeit’ (WASG) [the Election Alternative for Labor and Social Justice]. This new party formed an electoral alliance with the Party of Democratic Socialism (PDS: Partei des Demokratischen Sozialismus), a former communist party in the East Germany, and attracted protest votes against the ‘Agenda 2010’ from workers and aged pensioners. This new alliance, ‘Die Linke’ PDS [The Left Party - PDS], gained 8.7 per cent in the general election of 2005 and succeeded in preventing both the red-green coalition and the centre-right coalition of the CDU/CSU and the FDP (so-called ‘black-yellow’ coalition) from gaining the majority. After confused coalition talks, there was no way but to form a grand coalition of the CDU/CSU and the SPD. Angela Merkel, the party leader of the CDU, was elected as the first female Federal Chancellor on November 22, 2005.

3. Turmoil in the grand coalition

3-1. Intraparty strife for the new party program of the SPD

After the general election, the SPD experienced frequent changes in its leadership. After Ex-Chancellor Schröder retired from politics, Franz Müntefering resigned as Party Leader of the SPD over a defeat in the election of the Party Secretary General. Matthias Platzeck took over the leadership, but he had difficulty obtaining a consensus in the party. He suffered from psychogenic hearing loss and resigned after 143 days in office. In his farewell speech, Platzeck attributed his resignation solely to a health problem, but he said later that the obstacle to his leadership in the party was another reason (Frankfurter Allgemeine Zeitung, December 31, 2006). The third Party Leader after the general election was Kurt Beck, the Minister President of Rheinland-Pfalz. He had been a Vice Party Leader for years and a good mediator. His leadership started in a relatively stable manner.

In spite of the loss of the Chancellorship and frequent leadership changes, the SPD was able to participate in the government and the leaders who supported the ‘Agenda 2010’ were also able to keep their position
within the mainstream of the party. Not only that, with the formation of the grand coalition with the CDU/CSU, they gained the potential to override resistance from the left wing of the SPD and thus to advance the reforms further—the grand coalition had 448 seats, while the majority of the 16th German Federal Diet at its beginning was 308 seats. Even if half of the SPD's Federal Diet members rebelled against the party decision, the government could secure a majority.

Furthermore, the supporters of ‘Agenda 2010’ planned to embed their policies into the party program as the basic principles of the party. As a result, a new party program with the concept of the ‘preventive welfare state’ was prepared. According to this concept, the state should give priority to assisting the development of citizens’ abilities rather than the mere distribution of wealth. In other words, it prioritizes investment for the ‘activation’ and ‘strengthening’ of citizens rather than ‘passive’ payment to recipients, even though it does not deny protection to the weak.

This new party program, especially the ‘preventive welfare state’ concept, stirred up harsh controversies. Some members of the SPD’s left-wing faction, ‘Forum Democratic Left 21’, criticized the concept by claiming that it did not strengthen, but abandoned, the weak and disabled people who had little possibility to develop their ‘productivity’. On the other hand, the ‘pragmatist’ group, named ‘Seeheimer Kreis,’ defended the concept since they believed that economic prosperity through improvement of productivity was needed in order to maintain the welfare state in this century.

In order to deepen deliberation and secure consensus among the rank-and-file members, the SPD established a ‘dialogue phase’ from April 2006 to September 2007. A variety of means for deliberative democracy were used: ‘grass-roots caucuses’, an internet bulletin board on the website of the SPD, and a convention ‘One Hundred Clever Heads’ of academics, experts and representatives of major interest groups. Nevertheless, after many debates, the executive board approved the draft without essential changes. The group that supported the ‘Agenda 2010’ and aspired for the middle of the political spectrum looked likely to maintain a lead position in the party.

3-2. Counterattack of the labor movement: loosening eligibility for unemployment benefits

In the meantime, the German labor movement steadily tried to recover from the previous defeat. When the CDU held its first regular party convention after the formation of the grand coalition in Dresden in November 2006, the Christian-socials in the CDU proposed a motion that demanded the expansion of the duration of unemployment benefits.
On the surface, it looked progressive, but the expansion of coverage is dependent upon the duration of one has paid into the unemployment insurance program. When a worker has paid insurance premiums for more than 15 years, the duration of benefits extends from 12 months to 15 months; 25 years of insurance premium payments guarantees 18 months of unemployment-benefits; and 40 years of payment assures 24 months of benefits. This formula has a discriminative effect on the people who find it difficult to reach the required payment duration, such as youth, female workers who leave their jobs in order to raise children, and workers from the eastern regions who joined the western insurance system only after reunification 16 years ago. Frequently unemployed people also cannot enjoy such extended benefits. In fact, such a privilege is only attainable for middle-aged male workers.

The neoliberal wing of the CDU showed resistance against this motion since it would worsen the account balance of the unemployment insurance program. However, the Christian-socials mobilized their organizational power and finally achieved its adoption at the party convention in Dresden.

The DGB welcomed this motion, even though it would victimize the vulnerable and weak people such as youth, women, and the unemployed. The supporters of the ‘Agenda 2010’ reform in the SPD and the Greens criticized such ‘cold’ and ‘unsolidaristic’ attitudes of the DGB, but the DGB justified its support for the CDU’s policy proposal by reason of ‘expansion of benefit duration’.

This response of the DGB might be seen as a reflection of its organizational characteristics. Though it is true that the unionization rate of the DGB declined constantly after the 1950s, it was a gradual process: the DGB had covered two-fifths of workers in the 1950s, and one-third at the beginning of the 1990s. However, its decline was accelerated in the 1990s: the unionization rate of the DGB dropped rapidly from 33.6 per cent in 1991 to 19 per cent at the end of 2006; that means the DGB lost two-fifths of its membership in 15 years (see Table 1). Plus, after the 1980s, the aged and the middle-aged became over-represented in the German trade unions (see Table 2). In addition, its ideas on social security had been based on the male breadwinner model. Therefore, it might be a natural result, or even a ‘democratic’ consequence, that reflected the opinion and interest of the constituent members who kept their loyalty to the declining organization.

2 Professor Thomas Meyer, an advocate of the ‘New Middle’ strategy, participated in not only the Basic Values Commission that wrote up the outline of new party program, but also in the Program Commission that prepared the actual draft.

3 For details on the means and process of party program deliberation, see http://programmdebatte.spd.de/
Table 1: Change in the unionization rate after German reunification

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>31.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: http://www.dgb.de/dgb/mitgliederzahlen/mitglieder.htm

Table 2: Change in the unionization rate by age group and region

<table>
<thead>
<tr>
<th>Age</th>
<th>Region</th>
<th>1980-88</th>
<th>1990-98</th>
<th>2000-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 - 30</td>
<td>West</td>
<td>26.6%</td>
<td>21.4%</td>
<td>15.3%</td>
</tr>
<tr>
<td></td>
<td>East</td>
<td>-</td>
<td>32.2%</td>
<td>12.3%</td>
</tr>
<tr>
<td>31 - 40</td>
<td>West</td>
<td>30.8%</td>
<td>27.4%</td>
<td>21.5%</td>
</tr>
<tr>
<td></td>
<td>East</td>
<td>-</td>
<td>35.5%</td>
<td>18.3%</td>
</tr>
<tr>
<td>41 - 50</td>
<td>West</td>
<td>33.0%</td>
<td>30.7%</td>
<td>30.1%</td>
</tr>
<tr>
<td></td>
<td>East</td>
<td>-</td>
<td>43.8%</td>
<td>22.8%</td>
</tr>
<tr>
<td>over 51</td>
<td>West</td>
<td>36.1%</td>
<td>30.1%</td>
<td>23.4%</td>
</tr>
<tr>
<td></td>
<td>East</td>
<td>-</td>
<td>43.7%</td>
<td>19.2%</td>
</tr>
<tr>
<td>total</td>
<td>West</td>
<td>31.2%</td>
<td>27.2%</td>
<td>23.1%</td>
</tr>
<tr>
<td></td>
<td>East</td>
<td>-</td>
<td>38.7%</td>
<td>18.8%</td>
</tr>
</tbody>
</table>


3-3. Decline of approval rating and policy change of the SPD: a failure of innovation?

The pro-‘Agenda 2010’ Social Democrats had assumed that their ‘proper’ reform policies would revitalize the German economy and such good performance would bring the voters back to the SPD. However, such a scenario did not occur. It’s true that the grand coalition government succeeded in promoting some important reforms, such as the federal system reform and the health care reform. It also brought about the economic...
recovery in 2006 that contributed to the fiscal rehabilitation of Germany (Yasui 2007). But the approval ratings of the SPD did not recover. The achievements of the grand coalition benefitted solely Chancellor Merkel and her CDU/CSU.

What is worse, after the passage of pension reform bills in March 2007 for raising the age of pension-eligibility from 65-years to 67-years old, less than three-tenths of voters showed their support for the SPD in opinion polls. Critics of the reforms voiced their anxiety for the danger of the SPD’s status as a Volkspartei. Not only they, but some moderates also began to worry about the sole unpopularity of the SPD, since the elections of some important Land [state] parliaments would be held in 2008.

Such apprehensiveness from the local party cadres destabilized the consistency of the reform policies in the party leadership. On September 24, 2007, the SPD held a conference of local party leaders. At this conference, Kurt Beck expressed his willingness to loosen the eligibility of unemployment benefits that the Schröder government once tightened in the ‘Agenda 2010’ reforms, arguing that the cut of duration of unemployment benefits had caused a problem of credibility in the SPD. Members of the left-wing faction welcomed his proposal. On the other hand, Franz Müntefering, then Vice Federal Chancellor and Federal Minister for Labor and Social Affairs of the Merkel government, opposed Beck’s proposal. In addition, the ‘Seeheimer Kreis’ backed Müntefering. While controversies continued, some Christian-socials in the CDU asserted that Beck’s proposal was not so unrealistic since the CDU had already passed the resolution on the extension of the duration of unemployment benefits at the party convention in Dresden. The DGB also welcomed Beck’s ‘concession’.

The pro-‘Agenda 2010’ group in the SPD fell into difficult circumstances: they lost the potential to override resistance from the left wing by the implicit support from the CDU; the moderates in the SPD abandoned them; and, of course, there was no hope for support from the labor movement. In consequence, the Presidium of the SPD adopted Beck’s proposal on October 8, 2007. Though Müntefering tried to maintain his resistance by arguing that the limited financial resources should be invested in the development of employability of the unemployed rather than the mere consumption of unemployment benefits, finally he announced that he would obey the resolution of the party convention in spite of his own policy ideas: he said, ‘I respect it. In democracy, majority is majority. That is perfectly sure.’ (Associated Press, October 17, 2007)
4. Concluding remarks

As already observed, the SPD and the DGB followed different paths. While the DGB formed a broad membership base at the beginning of the post-war welfare state, the SPD required a decade of stagnation in which to transform itself into a catch-all party. In the ‘Golden Age’ of the welfare state, both of them enjoyed some fruits of their organizational and policy innovations: the DGB achieved some degree of ‘economic democracy’ and the SPD gained power in the federal government. However, in the age of the post-welfare state, they diverged again: while the DGB wished to keep the welfare state as intact as possible and resisted change, the SPD tried to adapt itself to the new circumstances. This diversity can be seen as a reflection of the difference of the membership structure and the purpose of the organization: the DGB has become an organization of the aged or the middle-age male workers aiming for the continuation of welfare state services to elderly recipients; on the other hand, the SPD is a political party that needs to pursue more votes from the broader electorate rather than to seek votes from narrower social groups. These differences in the structures and purposes caused the confrontation between them.

However, when the SPD faced difficulty in gathering support from a broader base of voters, they realized the miscalculation of their strategy. At the same time, the attractiveness of support from the DGB, which had been a still relatively well-organized interest group, began to increase. Therefore, the possibility of forming a coalition of all anti-neoliberal parties, such as the Social Democrats, the Greens, and the Radical Lefts, is not out of the question⁴. The choice of actors has still been fluctuating, regardless of the structural change in the age of the post-welfare state. In other words, it can be said that structure cannot dictate individual choice exclusively.

REFERENCES


---

⁴ Müntefering finally resigned from his ministerial posts on November 21, 2007. He explained his decision on the ground of his wife’s health condition. But many commentators guessed that his political isolation was the hidden and real reason of his resignation.
(accessed on October 23, 2007).


5 Following Beck’s proposal on the review of unemployment benefits regulations, Gregor Gysi, a Co-Leader of the Left Party’s faction in the German Federal Diet, evaluated it as ‘an effort of the SPD for changing themselves to a party that can make a coalition with us’ (Associated Press, October 11, 2007).

