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**Economics or Morality: Mediatic Constructions of the need for Welfare Reforms
in the United States and Germany**

Proposal for *'The "Governmediality" of Work, Welfare, and the Life Course: Regulating Lives in the Knowledge Society'*, Workshop to be held at the Hanse Institute for Advanced Study (*Hanse-Wissenschaftskolleg*) Delmenhorst, Germany, 7-8 December 2006

For the past decades, the working population of western societies has been struck by a paradox: on the one side, as economic hardships increased, the situation of many people has worsened – with shrinking real wages, higher unemployment rates, and major cuts in welfare and benefits, alongside a higher social inequality and a public attention that increasingly loses empathy with the ones affected. On the other side, the expectations that are formulated by major institutions – job centers, social welfare offices, politicians, consultants, and the media – recall a work ethic that evolved in a different situation: citizens are expected to be independent, self-responsible, and preferably self-employed. Citizens are expected to be not only Citoyens, but also Bourgeois, or rather *entrepreneurs*, including the corresponding worldview and self-understanding. This clearly states an “objective contradiction”, worthy of the Hegelian spirit of 1970s social criticism.

A first group of critical questions that may be asked concerns the “objective possibility” of such a project: can a capitalist society possibly consist of entrepreneurs only? How can cultures that evolved over decades and longer (“cultures of poverty” and “work ethics” that are influenced by class as well as religion, culture etc.) be changed forcibly by a new surveillance regime? These questions have been tackled with by critical scholars (e.g. Kilty 2006). My presentation is aiming at another perspective: how do these policies of social control work in detail? Given that the task is paradox, how exactly do social institutions manage to make un- or underemployed workers and low-paid working mothers (sometimes with two or more jobs to maintain their families, cf. Ehrenreich 2001) believe they were in fact entrepreneurs? Is it enough to redefine “capital” as a spiritual asset (“human capital”, see Priddat 2006) in order to make everybody a “capitalist”?

The hypothesis I would like to develop is that although the impulse for contemporary welfare reforms in Germany clearly came from the Anglo-Saxon world, especially the United States, the way the reforms are framed differs considerably. In the United States, where the most important welfare reform was enacted by Bill Clinton in 1996, the rhetoric may sound similar, yet there is much more force at work: unemployment is relatively low, that means that underpaid work is available in many places. That makes it easier to push people back onto the labor market, and for reasons to be elaborated surprisingly little resistance to this practice emerged.

Moreover, the time recipients can maintain themselves by social welfare is limited to a total of five years per person. Even though much media attention and ideological discourse (as for example the “welfare queen”, the black single mother driving Cadillac, famously evoked by Ronald Reagan) accompanied the *implementation* of the welfare reform, nowadays it is functioning without much media attention, which has shifted to other issues instead. It is not necessary, as long-lived racist and sexist stereotypes complement public approval of the welfare reform, as a considerable share of welfare recipients are portrayed as unmarried women and people of color.

The German social-democratic welfare state cannot implement a welfare reform with the same ideological framing, due to less diversity in the population, a higher degree of unionized labor, higher unemployment rates and minimum wages, a social-democratic tradition (including a persistent ethics of solidarity rather than of independence) and a higher share of skilled labor within the work force. All of this makes it more complicated to win citizens approval of the major cuts in benefits, real wages and of corporate downsizing, for example. My thesis is that whereas in the United States the ideological backbone of the welfare reform refers to a common *morality* and public prejudices (the assumption that welfare recipients are “lazy” and thereby harm themselves, their families, taxpayers, and on the long run the whole nation), in the German context the rationale for welfare reform is framed as resulting from *economic* expertise instead.

Experts in the media were claiming once and again that Germany was suffering from a slow growth due to excessive wages and much too generous benefits and social welfare. Even though there are also “irrational” aspects such as the demand for patriotism (as visible in comments to the soccer world cup), most of the media coverage linked the need for welfare reform and the entrepreneurial renaissance to economic “facts”. Compared to the situation in the United States this brings two obvious advantages for critiques: First, the way the reforms are enacted can be disputed on more “rational” grounds – by economic discourse, for example. As long as the discourse on welfare reform is based on knowledge, ideologies can be tackled by counter-expertise. This is hardly possible once deep rooted morality or prejudices are at play. Second, once economic growth accelerates, the rationale for the major cuts crumbles. The coming tide should lift all the boats – if this does not happen, political and economic elites have to expect severe opposition. As a result, different ways of criticizing shortcomings of welfare reforms can be spelled out.

Sources:

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