

MOMENTUM 2021: ARBEIT

TRACK #7: ARBEITSMARKT & SOZIALSTAAT

Welfare to work, Labor Market Flexibilization and its Effects on two Conservative Welfare State Systems

Nora Waldhör

Marie Jahoda – Otto Bauer Institut

nora.waldhoer@jbi.or.at

Table of Contents

1	Introduction	2
2	The Role of Ideas and Paradigm Shifts in Social policy.....	3
2.1	The Golden Era of the Welfare State	3
2.2	Moving towards a Schumpeterian Workfare State.....	4
2.3	Policy Paradigms, Social Learning, and the Role of Ideas in Social Policy	6
3	Why Compare Germany and Austria?	7
4	Changing Paradigms: Ideas of Workfare in the German and Austrian Welfare State Systems	8
4.1	The <i>Hartz IV Reform</i> in Germany	8
4.2	The <i>Sozialhilfe Neu</i> Reforms in Austria	11
5	Discussion & Conclusion	13
6	Literature	15

1 Introduction

In public debates about poverty and unemployment, a picture is repeatedly drawn in which poverty and unemployment are perceived as individual failures: Those who are poor and unemployed must blame themselves because, after all, anyone can get a job instead of living on the taxpayer's pocket. Just as often, the overly generous welfare state, which allows poor and unemployed people to live in a "social hammock" at the expense of hard-working people, is held responsible in this context. Right-wing and conservative parties are calling for the belt to be tightened, it needs more incentives and less "social hammock" for unemployed people to actively look for a job and to be able to live an independent life.

It did not take long for such demands to grow louder in Austria after facing record unemployment since World War II in the wake of the Corona pandemic in 2020 and 2021. In one of his first interviews with the daily newspaper *Der Standard* on 14th of January 2021, the newly in office Minister of Labor, Martin Kocher of the right-wing conservative ÖVP, made it crystal clear what kind of labor market policy he would pursue: Current unemployment benefits are too high, it needs degressive unemployment benefits, as unemployed people would need more incentives and activation. But conservatives in Austria already told a similar story long before the Corona pandemic, for example in connection with the reform of the *Bedarfsorientierte Mindestsicherung* (BMS) in 2019. In an interview with the public television broadcaster ORF on 13th of January 2019, Chancellor Sebastian Kurz also from ÖVP expressed his annoyance that fewer and fewer people in Vienna are getting up in the morning to go to work. In many families, the only ones who get up in the morning are the children, he said, to go to school. The list of examples could be continued for a long time. And in Germany, too, there were several prominent and controversial statements of this kind in connection with the *Hartz IV reform*: The former SPD-federal chairman Kurt Beck, for example, declared in 2006 in the newspaper *Wiesbadener Tagesblatt* that the unemployed should wash and shave themselves, then they will find a job. In 2001, the then German Social Democratic Chancellor Gerhard Schröder emphasized in the daily newspaper *Bild* that those who can work but do not want to would not receive solidarity. There would be no right to laziness in the German society. And, Wolfgang Schäuble from the conservative CDU emphasized the need for more individual responsibility and less social hammock in 1994 in *Bild*.

These quotes underline the image of lazy, unemployed people who, although they would be able to, do not want to work and prefer to live at the expense of the well-behaved, hardworking, tax-paying people. They also make clear under which light debates about labor market policies and welfare benefits are being conducted. More activation and self-responsibility – that is the credo in post-Fordism!

However, this way of thinking about unemployment, poverty and in general about the welfare state is not only a phenomenon of Germany and Austria, because similar debates around unemployment and poverty and, subsequently, social policy reforms have occurred in most Western welfare states, as they came under increasing pressure after the two oil crises in the early and late 1970s and the crisis of Fordism. Since then, social policy reforms aimed at activating people who were unemployed or excluded from the labor market. The motto was independence through paid employment and the avoidance of social abuse. A central role in this context played the concept of workfare, originally derived from the Anglo-Saxon speaking area and composed of the words "welfare" and "work". Workfare was considered as a successful concept for combating the misuse of social benefits and as a solution for inefficient and expensive welfare state systems. The new principles are now reciprocity, self-sufficiency, and independence through paid employment (cf. Peck 2001, p. 33).

By comparing social assistance reforms of two conservative welfare state regimes (see Esping-Andersen 1990), namely the *Hartz IV reform* in Germany and the reform of the *Sozialhilfe Neu* (former: *Bedarfsorientierte Mindestsicherung*) in Austria, this paper aims to analyze the impact of Workfare on two conservative welfare state regimes. National differences in the implementation and reforms of both programs will be examined and it will be asked whether a paradigm shift in social policy can be observed in both countries. Likewise, some thoughts are presented at the end asking if the initial goals of the two programs, to reduce poverty in society and to achieve individual independence through work, have been achieved so far. This comparison seems relevant, as it can be used as a basis for future social policy reforms, especially in Austria. Thus, the following research question has been formulated:

What differences in respect to the Hartz IV reform in Germany and the Sozialhilfe (former BMS) reform in Austria can be identified and have these two welfare state systems experienced a paradigm shift in social policy?

2 The Role of Ideas and Paradigm Shifts in Social policy

To understand the crisis and the transformation of the welfare state and to find out, whether a paradigm shift in social policy has occurred, it seems important to look at the development of modern welfare state systems, especially in the postwar period, as most welfare states experienced a historic boom during this time. Hence, this chapter seeks to briefly discuss how modern welfare states developed during the golden age of the welfare states after World War II, and why they were criticized after the two oil shocks at the beginning and at the end of the 1970s and the crisis of Fordism. In a second step workfare as an answer to the “welfare mess” will be outlined and additionally the transformation of western welfare states will be situated in terms of regulation theory. In a third step paradigm shifts and the role of ideas in respect to policy making will be discussed.

2.1 The Golden Era of the Welfare State

The roots of the modern welfare states go back far in history, as poverty and – in response to poverty – philanthropy and poor laws existed in any way since quite a long time in many countries. However, the introduction of social insurance policies in former Prussia – also known as Bismarck’s programs for sickness in 1883, accident in 1884, old age and invalidity insurance in 1889 – was “the core element of an emerging new role of the state” (cf. Kuhnle & Sander 2010, 64). By introducing social insurance policies in Germany, a new era of social policy, which was radical in several ways, started. Most notably was that individuals – mainly industrial workers – got mandatorily insured now and thus became eligible for social benefits as a matter of right, instead of being granted poor relief based on need and means tests. This new way of social policy reached beyond the very poorest and included nearly all citizens of Germany (cf. *ibid.* 2010, 64f). In the postwar years western welfare state systems were further expanded. The reasons for this were among others progress in the scientific-technical and economic field, knowledge about the connection between economic crisis, social destitution, and fascist takeover as well as the competing systems, capitalism in the West and socialism in the East (cf. Butterwegge 2018a, p. 63).

However, the modern welfare state fulfilled yet another function as he was a central part of the postwar settlement that ushered in a quarter century of unprecedented prosperity in all advanced industrial democracies. Its role was twofold, economic, and political: On the one hand, the welfare state was seen as a powerful countercyclical instrument that compensated for the deficits of the private market, and on the other hand, the welfare state was an important political tool that

established a link between the state and society (cf. Pierson 1994, p. 2f). Lessenich (2013), in the introduction of his book *Die Neuerfindung des Sozialen*, points out that social policy not only responds to social problems but also creates a social order. As such, social policy is an ambivalent endeavor as well, as it enables and limits, empowers and patronizes, provides, and neglects. Social policy creates more equality, but at the same time it produces new inequalities; in this respect, social policy is both conservative and revolutionary. It can be seen as the condition and the counterpart of the capitalist mode of production and the social order shaped by it (cf. *ibid.* 2013, p. 10).

Nevertheless, after a period of economic growth and comprehensive expansions in social policy after World War II, a period characterized by high rates of unemployment and continuing slow economic growth followed in most industrialized countries after the first oil shock in 1973 and the crisis of Fordism. As a result, modern welfare state systems came under pressure and the positive attitude towards the welfare state changed. For some governments austerity was a painful necessity, while others saw a fundamental contradiction in the welfare state itself. Conservatives saw the welfare state as part of the problem because – according to them – social policy programs led to massive inefficiencies and its funding would require incentive-sapping levels of taxation and inflationary budget deficits. Moreover, social policy programs and its absorbing effects for individuals were seen as impediment for economic growth, as they were leading to unrealistic wage demands of workers which hampered competitiveness and lead to structural unemployment (cf. Pierson 1994, p. 1-4). Thus, in Germany and in other industrialized countries, too, a social and sociopolitical epochal break has been recognizable since then. With Margaret Thatcher taking office as British prime minister and Ronald Reagan as U.S. president, neoconservatism/neoliberalism or neoclassicism gained acceptance as economic doctrine; monetarism replaced Keynesianism (cf. Butterwegge 2018a, p. 71).

The European Union recommended that member states should improve the employability of employees as part of the European Employment Strategy and suggested that member states increase their efforts in active labor market policy. At the same time, wage replacement benefits of passive labor market policy, in particular unemployment insurance and social assistance programs, should be redesigned to generate more incentives. And indeed, in many member states, unemployment benefits and social assistance programs have been curtailed and/or their receipt increasingly tied to far-reaching eligibility requirements under the slogan of activation since the 1990s (cf. Fink 2019, p. 209).

2.2 Moving towards a Schumpeterian Workfare State

As a solution to the above-mentioned criticism of the welfare state, a concept is considered that Jamie Peck (2001) describes as workfare. According to Peck (2001), who observes developments of the “workfare offensive” primarily since the mid-1990s, states that the neologism workfare has a very wide and flexible meaning: Firstly, as a “pithy, generic label for work-enforcing welfare reform” and secondly as “a rather vague umbrella term for a wide range of welfare-to-work policies, job-training and employability programs, and active-benefit systems” (*ibid.* 2001, p. 1). According to Peck, workfare can also be defined as a “regulatory project” combining active/minimalist welfare and flexible job markets, accepting low-paid and insecure employment and labor market flexibilization. Peck describes the regulatory essence of workfare as it “is not about creating jobs for people that don’t have them; it is about creating workers for jobs that nobody wants” (*ibid.* 2001, p. 6). This makes clear that workfare is more than just the reform of individual social policy programs, rather, workfare represents a new regulatory framework that marks a break with previous welfare states. He even goes further and summarizes that “workfare has become the discursive vessel for all things called anti-welfare” and that “it is not about cleaning up the ‘welfare mess’, but about replacing the welfare system with something different” (*ibid.* 2001, p. 33). At the material level, workfare means

a set of labor market-oriented measures with retrenchments in eligibility and benefit levels, combined with the end of needs-based, federally policed entitlements. Discursively, workfare was framed in the language of reciprocity, self-sufficiency, and independence through work. In other words, workfare was presented as means to liberate the poor through work from the “dependency culture” caused by the welfare state (cf. *ibid.* 2001, 33f). In a later essay Peck (2003) specifies that workfare regimes no longer aim to address the causes of poverty, as welfare regimes initially aimed to, rather they aim to end welfare state dependency through activation (p. 76).

Starting with the welfare reform in the USA in 1995-1996 the workfare campaign quickly transformed traditional welfare states developed after World War II, making work a condition for welfare benefits – mostly gained through social assistance programs. Although workfare policies were on the political agenda in various welfare states, ranging from liberal welfare state systems such as the British or Canadian one to universal welfare state systems such as the Danish one, Peck claims that there are different interpretations of workfare programs, influenced by distinctive national histories and institutions. Nevertheless, all these countries derived the idea of workfare from the experience of the USA and the principles behind workfare were the same in all different countries: blaming unemployed or poor people for not participating in the labor market and taking advantage of too generous welfare benefits and understanding unemployment or poverty as individual problems or failure (*ibid.* 2001, p. 6). Summarizing, workfarism can be defined in terms of the following three dimensions:

- Individually, workfarism is associated with mandatory program participation and behavioral modification, in contrast to the welfarist pattern of entitlement-based systems and voluntary program participation.
- Organizationally, workfarism involves a systematic orientation towards work, labor-force attachment, and the deterrence of welfare claims, displacing welfarist bureaucratic logic of eligibility-based claims processing and benefit delivery with a more insistent focus on deflecting claimants into the labor market;
- Functionally, workfarism implies an ascendancy of active labor-market inclusion over passive labor market exclusion, as workfarism seeks to push the poor into the labor market, or hold them in persistently unstable state close to it, rather than sanctioning limited nonparticipation in wage labor in the way of welfare systems (Peck 2001, p. 12)

Bob Jessop (1999, 2002) attempts to explain the transformation of the welfare state, which occurred in the transition from Fordism to Post-Fordism, in terms of regulation theory and identifies a shift from the *Keynesian Welfare National State* (KWNS) to the *Schumpeterian Workfare Postnational Regime* (SWPR). These four terms to describe these two ideal types are associated with their own dimension of economic and social reproduction. In the KWNS the term *Keynesian* referred to the aim to create full employment and economic growth through macroeconomic demand-side management. The term *Welfare* refers to the role of social policy, which aimed to let all citizens participate in the economic boom via the male family wage, and thus to generalize the norms of mass consumption and contribute to domestic demand. Second, social policy was intended to promote forms of collective consumption that had a positive effect on Fordist growth dynamics with its national cycle of mass production and mass consumption. *National*, as economic and social policies were pursued within the historically specific matrix of a national economy, a national state and a society seen as comprising national citizens. The fourth term *State* refers to statist, as state institutions on different levels were the chief supplement to market forces in securing the conditions for economic growth and social cohesion (cf. *ibid.* 1999, p. 350). In contrast, the SWPR can be described *Schumpeterian*, as it aims to promote permanent innovation and flexibility in relatively open economies by intervening on the

supply-side and to strengthen structural and/or systematic competitiveness. The term *Workfare* refers to a new regime, which subordinates social policy to the demands of labor market flexibility and structural or systematic competitiveness. The SWPR is *Postnational*, as the increased significance of other spatial scales and horizons of action makes the national territory less important as a “power container”. And finally, the SWPR can be understood as a *Regime*, because of the increased importance of non-state mechanisms in compensating for market failures and inadequacies and in the delivery of state-sponsored economic and social policies (cf. *ibid.* 1999, p. 355f).

2.3 Policy Paradigms, Social Learning, and the Role of Ideas in Social Policy

Addressing the question of what factors motivate the actions of the state, in his article, Peter Hall (1993) examines the process of policymaking, more precisely he asks about the nature of social learning and its impact on social policy as well as the role of ideas concerning policymaking and change.

The concept of social learning generally is characterized by three key elements: First, a principal factor influencing policy at time 1 is policy at time 0. Accordingly, politics reacts more to the consequences of previous policies than to social and economic conditions. Second, experts in a particular policy area, either working for the state or in a privileged, advisory position at the interface between the bureaucracy and society, play an important role in the process of social learning. And third, the ability of states to act independently of societal pressures is underscored. However, Hall criticizes that this very schematic model of social learning needs to be defined more concretely and adds that social learning always involves new information based on past experiences. Consequently, social learning can be defined “as a deliberate attempt to adjust the goals or techniques of policy in response to past experience and new information” (*ibid.* 1993, p. 278). Hall also argues that the learning process can take different forms depending on the type of policy change. He therefore suggests disaggregating the concept of social learning. Thus, policy making is a process that typically involves three key variables, namely the overarching goals that guide policy in a particular area, the techniques or policy instruments used to achieve the goals, and the precise design of those instruments (cf. *ibid.* 1993, p. 277f). By analyzing the empirical cases of macroeconomic policymaking in Britain between 1970 and 1989 he identifies three distinctive kinds of policy changes: first order change, in which the levels or settings of the basic instruments were changed; second order change, in which the instruments of policy and also their settings change, although the overall goals of policy remain – as in first order changes – the same, and third order changes, in which the instrument settings, the instruments themselves, and the hierarchy of goals behind policy change (*ibid.* 1993, p. 178f).

In addition to that, the concept of social learning suggests that ideas influence the policymaking process. Reflecting on other observations about the role of ideas, Hall notes that policymakers work within a framework of ideas that influences not only the kind of instruments and the goals, but also the nature of the problems to be responded to. This framework of ideas is what Hall calls the policy paradigm (cf. *ibid.* 1993, p. 279). Third order changes, which include first and second order changes, appear when policy paradigms are inappropriate in order to explain developments. Alternative policies are tested and thus new paradigms including appropriate institutions are developed. According to Hall, first and second order change correspond to the state-centric approach, as they mainly happen inside the state. Third order change however is more complex and includes the current social debate. In this respect the interaction and the strong relationship of state and society is highlighted (*ibid.* 1993, p. 287ff).

3 Why Compare Germany and Austria?

In the literature of comparative social policy there have been many studies about the “paradigm shift” in social policy, “the activation turn” and about activating labor market policies since at least the 1990s and the 2000s. While some of them focus on the reasons for social policy reforms and on the impact of ideas on social policy (e.g. Block and Somers 2003; Block and Somers 2005; Daguerre 2004), other studies intend to analyze different outcomes of activating labor market policy programs (e.g. Dingeldey 2007; Bonoli 2010).

These comparisons are often drawn along Gøsta Esping- Andersen’s (1990) three ideal welfare state regimes. Also, the two liberal welfare state systems of the U.S. and the U.K. are often compared with each other and comparatively little attention is paid to conservative welfare states. If so, often either only Germany or Austria is analyzed in a single case study (e.g. Butterwegge 2018b; Brütt 2011; Fink / Leibetseder 2019; Atzmüller 2009) or Germany is compared with another welfare state regime, often Denmark or the United Kingdom. There are only a few comparative studies on Germany and Austria, and they often go back to the time before the *Hartz IV reform* (e.g. Ludwig-Mayrhofer & Wroblewski 2004). Thus, a comparative analysis of the extent to which the concept of workfare has shaped the social assistance programs of Austria and Germany and also labor market policies therefore seems relevant.

Moreover, the welfare state systems of both countries are very similar in respect to their main welfare institutions: In both countries paid employment and employment relationships based on a standard contract (in German: *Normalarbeitsverhältnis*) (see Mückenberger 1985) play an important role, as both welfare state systems are largely organized according to the social insurance principle. Hence, not only the financing structure of the welfare state systems, also the access to social security and the level of benefits are based on social insurance contributions paid by employees and employers. In this respect, paid employment and labor market policy play a central role within both welfare state systems. Tax-financed social assistance programs play a comparatively small role and rather act as a last social safety net. However, as described above, in both countries, a paradigm shift in social policy can be observed in the past decades, especially concerning social assistance programs, but also affecting labor market policy. Socio-political reforms in Germany took place a few years earlier than in Austria. Also, they were more radical in their extent and impact in Germany. Effects and consequences of this paradigm change are already recognizable. A comparative analysis can therefore also help to prevent possible mistakes made in Germany from being repeated in Austria.

But why analyze the paradigm shift in social policy by studying social assistance programs? In the German and Austrian welfare states, social assistance programs play a unique role as they institutionalize the fundamental conflict between the two poles of “social security based on paid employment” and “social security not based on paid employment”. Thus, social assistance programs provide social security without paying contributions based on employment, and therefore follow the principle of needs-based entitlement rather than the principle of equivalence and thus performance-based entitlements that dominates social insurance systems. In the discourse around activation of unemployed people, this interface therefore plays a major role. Another intriguing point regarding this question is the institutional theoretical assumption that welfare state changes are most likely to occur where the least resistance is suspected. This was the case in Germany in the case of social assistance reforms: neither the organizational nor the conflict capacity of possible interest groups was directed at the field of social assistance (e.g. unions), not given (e.g. advocacy groups) or applicable against social assistance (e.g. the argument of the social hammock) (cf. Brütt 2011, p. 11).

4 Changing Paradigms: Ideas of Workfare in the German and Austrian Welfare State Systems

The roots of the German and Austrian welfare states go back to the 19th century, when the introduction of social insurance in both countries established essential basic structures that continue to shape social policy in both countries till today. Consequently, both welfare state systems are characterized by the dominance of the social insurance principle, which is also expressed in its financing structure: Most of the two welfare state systems – almost two-thirds – is financed by contributions from employers and employees, with only one-third coming from tax revenues (cf. Butterwegge 2018a; Tálos / Fink 2001, *Sozialleistungen.at* 2021). Furthermore, the equivalence principle plays a major role in both countries. According to this principle, the level of social security benefits, e.g. pension or unemployment insurance benefits, depends on previously paid contributions (cf. Butterwegge 2018a, p. 31; Tálos / Fink 2001, p. 5). Paid employment, in particular employment in which payments are made into the social insurance system, thus play an important role in terms of social security. As – already briefly mentioned in chapter 3 – in both welfare states not only access to certain benefits but also the amount depends on a prior employment. Thus, inequalities, in respect to income, that already exist during employment are also reproduced with regard to social security benefits and thus social security (cf. Butterwegge 2018a; Tálos / Obinger 2020, p. 20f). It also becomes apparent that wage labor centrality is reflected in both welfare states. However, a major advantage of the German welfare state – compared to other welfare state systems – is that benefits are not solely charity or gratuities to the needy and disadvantaged, but rather benefits are constitutionally guaranteed entitlements through the social insurance system and the associated contribution payments (cf. Butterwegge 2018a, p. 35). This advantage can also be identified in the Austrian system. In addition to the social security principle and the equivalence principle, both welfare state systems are also based on the subsidiarity principle (cf. Butterwegge 2018a, p. 32; Tálos / Fink 2001, p. 5). This means that individuals in need are only entitled to state benefits if all other possibilities, e.g. the use of one's own labor, one's own or family's material resources, and existing legal entitlements to benefits have been exhausted (cf. Tálos / Obinger 2020, p. 22).

4.1 The *Hartz IV Reform* in Germany

For unemployed people, the social security system in Germany was characterized by its tripartite structure, consisting of the *Arbeitslosengeld* (introduced in 1927 as *Arbeitslosenunterstützung*) and the *Arbeitslosenhilfe* (introduced in 1956) and the *Sozialhilfe* (introduced in 1962). The *Arbeitslosengeld* and the *Arbeitslosenhilfe* were insurance-based benefits of the unemployment insurance and were regulated by the Act on Employment Services and Unemployment Insurance (in German: *Gesetz über Arbeitsvermittlung und Arbeitslosenversicherung*, in short: AVAVG). The responsible agency was the Federal Employment Services and Unemployment Insurance Agency (in German: *Bundesanstalt für Arbeitsvermittlung und Arbeitslosenversicherung* and since 1969 *Bundesanstalt für Arbeit*, in short: BA) with its federal employment offices and regional offices. All those whose unemployment benefits of the *Arbeitslosengeld* had been exhausted or who had previously been in paid employment for at least ten weeks were eligible for benefits of the tax-financed and means-tested benefit *Arbeitslosenhilfe*. Likewise eligible were people who had completed a degree at an accredited college or university, and even those who had dropped out of such programs were eligible. Although benefits were lower than the wage-based and contribution-based *Arbeitslosengeld*, the *Arbeitslosenhilfe* provided a standard of living for occasional and seasonal workers, as well as for people in transition from college to work. The third program was the means-tested social assistance program *Sozialhilfe*, which gave non-employable

people, such as the disabled or otherwise disadvantaged people, a legal entitlement to welfare state support in distressed situations. The *Sozialhilfe*, however, was regulated in the Federal Social Assistance Act (in German: *Bundessozialhilfegesetz*, in short: BSHG) and, as the last safety net, formed the base camp within the German welfare state (cf. Butterwegge 2018b, p. 36f).

Labor market policy in Germany was based on two pillars: employment services and unemployment insurance, out of which affected individuals received passive transfer benefits – as already described. In 1969, another pillar was introduced in the form of the Employment Promotion Act (in German: *Arbeitsfördergesetz*, in short: AFG), namely active intervention in the labor market to prevent unemployment (cf. Butterwegge 2018b, 37f). The AFG replaced the former AVAVG, and it should be noted here, that also before 1969 the German labor market policy was not entirely passive as there were already various active labor market instruments in the AVAVG, such as short time working allowances (in German: *Kurzarbeitsgeld*), vocational training measures, wage cost subsidies (at that time named: *Eingliederungsbeihilfen*), or temporary aid for starting a self-employed activity, just to mention a few. These instruments were almost completely transferred to the AFG without any changes (cf. Oschmiansky/Ebach 2012, p. 92).

One of the central goals of the AFG was to cushion cyclical unemployment, and less the frictional, seasonal, and structural unemployment. The AFG was the first systematic active labor market policy established in Germany and through the three main fields of activity, namely (1) promotion of vocational training, (2) preservation and creation of jobs, and (3) labor market and occupational research, the overall efficiency of the labor markets should be improved (cf. Bogedan/Bothfeld/Sesselmeier 2012, p. 14). In addition to the goal of actively promoting employment through educational measures, the AFG was innovative in the way that it focused on the prevention of unemployment (cf. Butterwegge 2018b, p. 38).

In the wake of the first oil crisis in the mid-1970s, when Germany experienced mass unemployment, it became apparent that the instruments of the AFG were mainly aimed at preventing structural, seasonal, or short-term cyclical unemployment. At the time, however, long-term mass unemployment was almost unimaginable, thus labor market objectives of the AFG were only gradually adapted to the new challenges of the labor market, while the concrete content of the instruments was adapted through several amendments to the law, adjustments, and decrees. Adjustments to the various instruments were dependent on the budget situation and resembled a roller coaster ride. In summary, however, the eligibility requirements have been made more difficult over the years and the conditions have been curtailed (cf. Oschmiansky/Ebach 2012, p. 93).

With the Employment Promotion Reform Act (in German: *Gesetz zur Reform der Arbeitsförderung*, in short: AFRG) in 1998, the AFG was incorporated into the *Sozialgesetzbuch III* (in short: SGB III) (cf. Butterwegge 2018b, p. 48). This fundamentally changed the philosophy of public employment promotion and focused attention on balancing the labor market (cf. Oschmiansky/Ebach 2012, p. 95). The shift from active to activating labor market policy became evident in legislative terms. This reform involved a legal obligation of the authorities to reduce support by at least one fourth if people in need of support refused appropriate work. In addition, the appropriateness criteria for the unemployed were tightened and occupational and status protection was eroded. Additionally, temporary employment was liberalized, and employment offices were given new instruments, such as short training measures or hiring subsidies (cf. Butterwegge 2018b, p. 48f). Another law – in addition to the AFRG – which paved the way for the *Hartz IV reform* was the Act on the Reform of Labor Market Policy Instruments (in German: *Gesetz zur Reform der arbeitsmarktpolitischen Instrumente*, in short: *Job-AQTIV-Gesetz*), which aimed to improve the BA's service in order to get the unemployed into work

more quickly and was entered into force on January 1, 2002 (cf. Mohr 2012, p. 62).

However, this law was overtaken quickly by recent developments, as due to a recruitment scandal of the BA and the upcoming national elections, Chancellor Gerhard Schröder came under increasing pressure to act. For this reason, a commission was installed, the so-called *Kommission moderne Dienstleistungen am Arbeitsmarkt* (or colloquially named: *Hartz Commission*), whose task was to develop recommendations for a comprehensive reform of labor market policy. These recommendations were presented in public in August 2002, before central recommendations of the commission were implemented in the years 2003 to 2005 with the four Acts for Modern Services in the Labor Market (in German: *Vier Gesetze für moderne Dienstleistungen am Arbeitsmarkt*, also known as *Hartz IV-Gesetze*). The recommendations included (1) a fundamental restructuring of the employment service, (2) extensive changes in benefit regulations, and (3) instruments for active labor market policy (cf. ibid. 2012, p. 62).

As part of the restructuring of the employment service, the *Bundesanstalt für Arbeit* was renamed *Bundesagentur für Arbeit* (in short: BA), which was restructured according to the principles of New Public Management. This weakened the BA's self-administration and sociopolitical mission. Furthermore, employment services were opened for private providers, which should increase the BA's efficiency in the field of employment services (cf. ibid. 2012 p. 62).

The second big amendment concerns benefit regulations, which are embedded in the fourth *Gesetz für moderne Dienstleistungen am Arbeitsmarkt* and which probably received the most publicity. These concerned the three fields of minimum benefits for long-term unemployment, the duration of insurance-based unemployment benefits, and the reasonableness and sanctions regime. The first change concerns the consolidation of the *Arbeitslosenhilfe* and the *Sozialhilfe* into the new *Arbeitslosengeld II* (colloquially known as *Hartz IV*), which is more means-tested and at the same level as the former *Sozialhilfe*. The old *Arbeitslosenhilfe* was abolished and replaced by the new, standardized minimum benefit for all long-term unemployed. This new benefit is codified in the *Sozialgesetzbuch II* (SGB II) and is conditional to a greater extent than the previous *Arbeitslosenhilfe* and *Sozialhilfe* on the willingness to participate in activation measures and job search. Also, the maximum period of entitlement to the *Arbeitslosengeld* under SGB III for older people was cut from 32 to 18 months. These two changes increase the pressure on unemployed people. By shortening the period of entitlement to the insurance based *Arbeitslosengeld*, unemployed people are forced to look for a job more quickly, as they would otherwise fall into *Arbeitslosengeld II* with its much lower benefits and stricter means tests. The third amendment relates to the reasonableness and sanctions regime: Whereas there were differentiated reasonableness regulations in the *Arbeitslosenhilfe*, as in the early phase of the benefit receipt the previous occupational status was considered, this no longer applies to recipients of *Arbeitslosengeld II*. Now, any type of work that the unemployed person is physically and mentally capable of doing is considered reasonable, regardless of the working hours, local wages or collectively agreed regulations. At the same time, the possibilities for sanctions have also been significantly expanded (cf. ibid. 2012, p. 63).

To ensure quick integration into the labor market, several new active labor market policy instruments have been introduced (e.g. the expansion of so-called "Ein-Euro-Jobs"). The common feature of these support measures is that they focus less on maintaining or improving the occupational status of unemployed people but rather on rapid integration into the primary labor market. While the improvement of one's occupational status through education and training measures was one of the core elements of active labor market policy in the post-war years, they now play only a subordinate role in the new, activating labor market policy of the German welfare state (cf. ibid. 2012, p. 64).

Although some of the mistakes of the *Hartz IV reform* have been recognized and partially corrected in recent years, such as the reduction of the entitlement period of the *Arbeitslosengeld* for older unemployed people, the German welfare state has nevertheless been fundamentally restructured. This change happened over several years and was rather incremental at the beginning. It finally reached its peak with the *Hartz IV reform*. Social policy was subordinated more and more to competitiveness and the flexibilization of labor markets, and demand orientation was abandoned in favor of supply orientation. In this respect, this change can be described in terms of Bob Jessop's regulation approach as a shift from the KWNS to the SWPS. Also, in the sense of Peter Hall, it can be argued that a paradigm shift has taken place, as both the instruments and their adjustment, as well as a fundamental change in assumptions and objectives have taken place (cf. *ibid.* 2012, p. 59). The new regulations of the *Hartz IV reform* also include numerous workfare elements, such as benefit cuts, tightening of reasonableness criteria and sanctions, and new instruments that lead in low-wage work. Nevertheless, certain workfare elements already existed before the *Hartz IV reform*, e.g. social assistance included the obligation to work for people who are able to work since its introduction in 1962. With the *Hartz IV reform* however, they have reached a new level, as all resources, benefit structures and instruments are mobilized to integrate employable people in need of assistance into the labor market as quickly as possible (cf. *ibid.* 2012, p. 64).

4.2 The *Sozialhilfe Neu* Reforms in Austria

The introduction of health and accident insurance in 1887/1888 marked the beginning of Austria's social security system based on the social insurance principle and linked to paid work and gainful employment (cf. Tálos / Fink 2001, p. 2f). Social assistance programs act as a last, social safety net and are tax-financed (cf. Tálos / Obinger 2020, p. 28). In 1907, social insurance underwent a further expansion with the introduction of pension insurance for private employees. In November 1918, a provisional unemployment assistance scheme was created, which was replaced by the unemployment insurance two years later in 1920. From the 19th century onward, the Austrian social policy was shaped by different social and political interests and the balance of power between them. While there were further expansions after World War I, massive cutbacks followed during the Nazi Regime. Social policy after 1945, on the other hand, shows no comparable discontinuities till the 1980s (cf. *ibid.* 2020, p. 9-11).

However, the Austrian social security system for unemployed people has a tripartite structure as well: Unemployment benefits called *Arbeitslosengeld* and unemployment assistance called *Notstandshilfe* (as a follow-up benefit) are benefits of the unemployment insurance and are linked to certain conditions, such as a former employment relationship through which contributions are paid into the social insurance for a certain number of weeks. The level of the *Arbeitslosengeld* has been changed a few times over the past decades; currently, the level is 55 percent of the last net wage (cf. *ibid.* 2020, p. 25). The last safety net in the Austrian welfare state is the social assistance program for the poor, called *Sozialhilfe Neu* (formerly *Sozialhilfe*, then: *Bedarfsorientierte Mindestsicherung* and now again: *Sozialhilfe Neu*). The roots of social assistance in Austria also go back to the 19th century, and poor relief policies of the postwar years are based on the principles of subsidiarity and individuality, which were established at that time in the *Reichsheimatgesetz* of 1863. The embedding of the responsibility of the federal states and municipalities also goes back to this act (cf. *ibid.* 2020, p. 29). Despite attempts to enact a nationwide social assistance law after World War II, which aimed to address fundamental issues, such as the standardization of benefit rates, no agreement could be achieved between the federal states and the national government. In 1968, the national government finally decided against passing a nationwide social assistance law and recommended that the federal states

should pass new federal social assistance laws, which finally happened between 1971 and 1976. Differences appeared in the organizational structure, the catalog of benefits and in the distribution of funding between the provinces and the municipalities, but also in terms of the reasonableness of the own labor input. Also, differences between the federal states in respect to regulations on sanctions in the case of unwillingness to work could be identified (cf. *ibid.* 2020, p. 29-31).

Economic and sociodemographic changes led to new social risks against which social insurance programs did not provide adequate protection. Indeed, instead of expanding social insurance programs, some programs have been continuously curtailed and redesigned more restrictively since the 1990s, such as unemployment insurance (see Atzmüller 2009). As a result, there has been an increase in the number of *Sozialhilfe* recipients especially since the 1990s (cf. Fink / Leibetseder 2019, p. 20). Since the *Sozialhilfe* fell under the responsibility of the federal states, which were confronted with an increase in benefit recipients, they had been open to reforms since the mid-1990s. However, the initiative to reform the *Sozialhilfe* did not come from the federal states, as different models involving basic security without work had been discussed repeatedly by parties in opposition since the second half of the 1980s. More than ten years passed from the beginning of the discussions on the reform of the *Sozialhilfe* to the decision on the implementation of a nationwide *Bedarfsorientierte Mindestsicherung* in accordance with an Art. 15a B-VG agreement in 2010. During this time, both the politically party compositions of the governments as well as the goals of such a reform changed. At the beginning of the reform discussions, the focus was on combating poverty. In 1998, a 40-member expert working group set up by the Ministry of Social Affairs concluded that benefits based on social insurance or universalistic principles should be extended to minimize the importance of means-tested benefits. It also recommended that the *Sozialhilfe* should be replaced by a means-tested minimum benefit called the *Bedarfsorientierte Mindestsicherung*, which should remain residual with other social benefits. It should also be made more easily accessible, be standardized nationwide, guarantee greater legal certainty, and include a support component through social services and protection under health and pension insurance (cf. *ibid.* 2019, p. 24f). However, Fink and Leibetseder (2019) conclude that the actual design of the *Bedarfsorientierte Mindestsicherung* adopted in 2010 did not fulfill the original ambition, namely – as mentioned – the fight against poverty. Rather, during the negotiations between the SPÖ and the ÖVP, anti-poverty objectives increasingly became secondary to labor market policy objectives. Especially toward the end of the reform, the dominant arguments were those of performance equity and the avoidance of welfare state abuse (cf. *ibid.* 2019).

The implementation of the *Bedarfsorientierte Mindestsicherung* resulted in some improvements for recipients. Harmonization of benefits mainly concerns reference rates, eligibility criteria and procedural law, although the setting of minimum levels does not imply complete standardization of benefits. The federal states still had flexibility in defining the laws in more detail. However, major improvements were the inclusion of minimum income recipients in health insurance and employment service (in German: *Arbeitsmarktservice* and in short: AMS) services and the equal treatment of single parents and single persons. Likewise, the previous recourse system (in German: *Regress bei Angehörigen*) was restricted or abolished altogether (cf. Tálos / Obinger 2020, p. 98). Dimmel and Pratscher (2014) however state that the *Bedarfsorientierte Mindestsicherung* was implemented as a workfare model. Poverty and social exclusion should be reduced by direct employment orientation, by extending sanction threats and by expanding labor market policy measures. In their analysis of the new scheme, the authors even argue that the *Bedarfsorientierte Mindestsicherung* was little more than a renamed *Sozialhilfe* with few improvements, mostly repressive tightening (e.g. sanction threats, application of the reasonableness criteria of the Unemployment Insurance Act (in German: *Arbeitslosenversicherungsgesetz*, in short: ALVG), maintenance obligations) and massive benefit cuts

(12 instead of 14 payments per year, no legal entitlement to special needs, extensive elimination of special payments) (cf. *ibid.* 2014, p. 945). The activating element becomes clear, as the substantial condition for receiving benefits is the participation in the labor market, in case the person is able to. Although this was also the case in the *Sozialhilfe* – which was in the competence of the federal states – the provision of one's own labor force in the *Bedarfsorientierte Mindestsicherung* is now directly based on the regulations of the AVVG. This has substantially tightened the criteria of reasonableness. Incentives to (re-)take up gainful employment after a longer period of receiving *Bedarfsorientierte Mindestsicherung* are provided by the introduction of a re-entry allowance named *WiedereinsteigerInnenfreibetrag*, which means that additional earnings are not fully offset against *Bedarfsorientierte Mindestsicherung* benefits. If the person refuses to take up gainful employment despite being able to work, the benefits can be reduced. This reduction is to take place gradually up to a maximum of 50 percent. In exceptional cases, benefits may not be paid at all (cf. *ibid.* 2014, pp. 947; 950-951).

As negotiations between the federal states and the government on prolonging the *Bedarfsorientierte Mindestsicherung* failed in fall 2016 and the agreement of 2010 expired, it was replaced by independent, federal social assistance laws again. During the ÖVP/FPÖ government from 2017 to 2019, another reform took place. This reform was dominated by debates on the integration of refugees, with the slogan "Stop immigration into the welfare state" (in German: *Stopp der Zuwanderung in den Sozialstaat*). The draft for a new social assistance law was finally passed in the parliament in April 2019. The previous tradition of the subsidiarity principle, the conditionality of receipt on the willingness to work for people who can work as well as controls on social abuse and the integration into health insurance were continued. One of the key features of the *Sozialhilfe Neu* is that the reference rate for benefits is a maximum rate that may not be exceeded by the federal states. Property is counted from an amount of 5.500 euros and, in the case of couples with minor children, benefits are reduced by degressively graduated maximum rates. However, this last change was overturned by the Constitutional Court (in German: *Verfassungsgerichtshof*), as was the linking of benefit receipt to certain German language skills (cf. Tálos/Obinger 2020, p. 98-100).

In summary, it can be argued that the Austrian welfare state has also changed in recent decades and increasingly pursues goals of activation. In this respect, some workfare elements can also be identified in Austria, although it should be noted that these were already evident before the introduction of *Sozialhilfe Neu*.

5 Discussion & Conclusion

The aim of this paper was to compare social assistance reforms in Germany and Austria and to analyze the impact of Workfare on these two welfare state systems, as well as to identify national differences in the implementation. Both countries can be defined as conservative welfare state regimes and in both countries social security strongly depends on a former employment relationship, thus labor market policies play an important role. Also, both countries had very similar institutions in respect to social security in the case of unemployment.

However, differences emerged, both in terms of the debates concerning the reforms, but also in their actual implementation. While the unemployment assistance *Arbeitslosenhilfe* was abolished in Germany, its pendant, the *Notstandshilfe*, still exists in Austria, and thus there is another social safety net in the case of unemployment. Whereas there have been several attempts to integrate the *Notstandshilfe* into the *Sozialhilfe Neu* since the early 2000s, these attempts have failed so far. In Germany, the transformation of the *Arbeitslosenhilfe* and the *Sozialhilfe* has significantly increased the

pressure on unemployed people in need of help, as they are forced to integrate into the labor market more quickly, otherwise they risk slipping into the much worse and more restrictive *Arbeitslosengeld II*, with its lower benefits and stricter reasonableness criteria and sanctions.

Although social assistance programs have been reformed and amended several times in Austria, these reforms have not been as comprehensive as in Germany. The shift toward activating labor market policies in Germany was rather gradual at the beginning and started years before the *Hartz IV reform*. However, it reached its absolute peak with the comprehensive changes and deteriorations brought about by the *Hartz IV reform*. In Austria, such a radical change cannot be observed so far, even though a shift toward activating labor market policies is discernible. However, this change happened insidiously. It can be assumed that activating labor market policies and thus the pressure on unemployed people will become even greater in Austria too: As already mentioned in the introduction of this paper, the implementation of a degressive unemployment benefit was publicly discussed in spring 2021. In addition, the ÖVP/FPÖ government had recently launched attempts in 2017/2018 to integrate *Notstandshilfe* into the *Sozialhilfe Neu*. The consequences would presumably be the same as in Germany due to the *Hartz IV reform*: Increased pressure on the unemployed and, as a result, the deterioration of working conditions and working poor. However, these attempts again failed, as the government – like the ÖVP/FPÖ government of 2002 – was terminated prematurely due to an incriminating video and the reform was therefore not implemented.

Differences can also be identified in terms of the debates regarding the reforms. The original reason for reforms in Germany was the prolonged period of mass unemployment after the end of Fordism. Over time, instruments of active labor market policy were transformed into instruments of activating labor market policy, also new instruments were introduced. The *Hartz IV reform* was characterized by a continuing social debate about the abuse of the welfare state and the emphasis on personal responsibility and prosperity through performance. In Austria, one of the key objectives of the reform of the *Bedarfsorientierte Mindestsicherung* was the nationwide standardization of benefits, a problem routed in federalism. Likewise, poverty policy goals were also emphasized at the beginning. Towards the end of the reforms, the debate in Austria also developed into a debate on social abuse, and the principles of personal responsibility and independence through gainful employment increasingly prevailed in Austria as well.

Workfare elements can be identified in both countries, as benefits are linked to (re)integration into the labor market and penalties are provided in case of refusal to work in both countries. However, it should be mentioned at this point that both welfare states already contained workfare elements before the reforms of social assistance programs. The nature of the two welfare states also suggests that integration into the labor market has always played a role, as gainful employment plays a major role in social security in both countries. Nevertheless, a paradigm shift in social policy in the terms of Peter Hall can be identified since both countries have changed both the goals and the instruments. The transformation of the welfare state from KWNS to SWPR can also be observed, as both countries seem to have abandoned the goal of full employment and are responding to unemployment more on the supply side by more incentives through stricter eligibility and reasonableness criteria. While after World War II both countries attempted to address the causes of unemployment through retraining and continuing vocational training measures, this goal seems to be increasingly losing its importance. Rather, today it seems as if unemployed people want to be fought.

The extent to which the *Hartz IV reform* and the reform of the *Sozialhilfe* in Austria have contributed to preventing unemployment and poverty through integration into the labor market remains controversial. Rather, the example of Germany suggests that the flexibilization of the labor market, which has been strongly promoted by the *Hartz IV reform*, has rather encouraged precarious

employment and thus institutionalized poverty. In this respect, it would be interesting to analyze how long previous social assistance recipients remain in employment and whether this results in sustainable employment.

6 Literature

- Atzmüller, Roland (2009): Die Entwicklung der Arbeitsmarktpolitik in Österreich. Dimensionen von Workfare in der österreichischen Sozialpolitik, Kurswechsel, Heft 4/2009, pp. 24-34
- Block, Fred / Somers, Margaret (2003): In the Shadow of Speenhamland: Social Policy and the Old Poor Law, *Politics & Society*, 31(2), pp. 283-323
- Block, Fred / Somers, Margaret (2005): From Poverty to Perversity: Ideas, Markets, and Institutions over 200 Years of Welfare Debate, *American Sociological Review*, 70(2), pp. 260-287
- Bogedan, Claudia / Bothfeld, Silke / Sesselmeier, Werner (2012): Arbeitsmarktpolitik in der sozialen Marktwirtschaft – Vom Arbeitsförderungsgesetz zum Sozialgesetzbuch II und III. Eine Einleitung. In: Bothfeld, Silke / Sesselmeier, Werner / Bogedan, Claudia (Hrsg.): Arbeitsmarktpolitik in der sozialen Marktwirtschaft. Vom Arbeitsförderungsgesetz zum Sozialgesetzbuch II und III, 2. Aktualisierte und erweiterte Auflage, Wiesbaden: Springer VS, pp. 13-24
- Bonoli, Giuliano (2010): The Political Economy of Active Labor-Market Policy, *Politics & Society*, 38(4), p. 435-457
- Brütt, Christian (2011): Workfare als Mindestsicherung. Von der Sozialhilfe zu Hartz IV. Deutsche Sozialpolitik 1962 bis 2005, Bielefeld: transcript Verlag
- Butterwegge, Christoph (2018a): Krise und Zukunft des Sozialstaates, 6. aktualisierte Auflage, Wiesbaden: VS Verlag für Sozialwissenschaften
- Butterwegge, Christoph (2018b): Hartz IV und die Folgen. Auf dem Weg in eine andere Republik, 3. aktualisierte Auflage, Weinheim: Beltz Juventa
- Daguerre, Anne (2004): Importing Workfare: Policy Transfer of Social and Labour Market Policies from the USA to Britain under New Labour, *Social Policy & Administration*, 38(1), pp. 41-56
- Dimmel, Nikolaus / Pratscher, Kurt (2014): Bedarfsorientierte Mindestsicherung (BMS) – eine Zwischenbilanz. In: Dimmel, Nikolaus / Schenk, Martin / Stelzer-Orthofer, Christine (Hrsg.): Handbuch Armut in Österreich, zweite, vollständig überarbeitete und erweiterte Auflage, Innsbruck: Studienverlag, pp. 944-976
- Dingeldey, Irene (2007): Between Workfare and Enablement – The Different Paths to Transformation of the Welfare State: A Comparative Analysis of Activating Labour Market Policies, *European Journal of Political Research*, 46, pp. 823-851
- Esping-Andersen, Gøsta (1990): *The Three Worlds of Welfare Capitalism*, Cambridge: Polity Press
- Fink, Marcel / Leibetseder, Bettina (2019): Die Österreichische Mindestsicherungsreform 2010: Von der Armuts- zur Arbeitsmarktpolitik, *OZP – Austrian Journal of Political Science* 48(1), pp. 19-36
- Fink, Marcel (2019): Arbeitsmarkt und Arbeitsmarktpolitik unter Schwarz-Blau. In: Tálos, Emmerich (Hg.): *Die Schwarz-Blaue Wende in Österreich. Eine Bilanz*, Wien: LIT Verlag, pp. 209-230
- Hall, Peter A. (1993): Policy Paradigms, Social Learning, and the State. The Case of Economic Policymaking in Britain, *Comparative Politics* 25(3), pp. 275-296

- Jessop, Bob (1999): The Changing Governance of Welfare: Recent Trends in its Primary Functions, Scale, and Modes of Coordination, *Social Policy & Administration* 33(4), pp. 348-359
- Jessop, Bob (2002): *The Future of the Capitalist State*, Cambridge: Polity Press
- Kuhnle, Stein / Sander, Anne (2010): The Emergence of the Western Welfare State. In: Castles, Francis G. / Leibfried, Stephan / Lewis, Jane / Obinger, Herbert / Pierson, Christopher (ed.): *The Oxford Handbook of the Welfare State*, Oxford: Oxford University Press, pp. 61-80
- Lessenich, Stephan (2013): *Die Neuerfindung des Sozialen. Der Sozialstaat im flexiblen Kapitalismus*, 3., unveränderte Auflage, Bielefeld: transcript Verlag
- Mohr, Kathrin (2012): Von 'Welfare to Workfare'? Der radikale Wandel der deutschen Arbeitsmarktpolitik. In: Bothfeld, Silke / Sesselmeier, Werner / Bogedan, Claudia (Hrsg.): *Arbeitsmarktpolitik in der sozialen Marktwirtschaft. Vom Arbeitsförderungsgesetz zum Sozialgesetzbuch II und III*, 2. Aktualisierte und erweiterte Auflage, Wiesbaden: Springer VS, pp. 58-69
- Mückenberger, Ulrich (1985): Die Krise des Normalarbeitsverhältnisses. Hat das Arbeitsrecht noch Zukunft? *Zeitschrift für Sozialreform* 31(7), pp. 415-475
- Oschmiansky, Frank / Ebach, Mareike (2012): Vom AFG 1969 zur Instrumentenreform 2009: Der Wandel des arbeitsmarktpolitischen Instrumentariums. In: Bothfeld, Silke / Sesselmeier, Werner / Bogedan, Claudia (Hrsg.): *Arbeitsmarktpolitik in der sozialen Marktwirtschaft. Vom Arbeitsförderungsgesetz zum Sozialgesetzbuch II und III*, 2. Aktualisierte und erweiterte Auflage, Wiesbaden: Springer VS, pp. 91-105
- Peck, Jamie (2001): *Workfare States*, New York: The Guilford Press
- Peck, Jamie (2003): The Rise of the Workfare State, *Kurswechsel*, 3, pp. 75-87
- Pierson, Paul (1994): *Dismantling the Welfare State? Reagan, Thatcher, and the Politics of Retrenchment*, New York: Cambridge University Press
- Sozialleistungen.at (2021): Finanzierung des Sozialstaats, online: <https://www.sozialleistungen.at/c/SL8096522/Finanzierung-des-Sozialstaats> (18.09.2021)
- Tálos, Emmerich / Fink, Marcel (2001): *Der österreichische Wohlfahrtsstaat: Entwicklung und Herausforderungen*, online: <http://www.demokratiezentrum.org/fileadmin/media/pdf/wohlfahrtsstaat.pdf> (15.09.2021)
- Tálos, Emmerich / Obinger, Herbert (2020): *Sozialstaat Österreich (1945-2020). Entwicklung – Maßnahmen – internationale Verortung*, Innsbruck: Studienverlag