



Exit from and non-take up of public services

A comparative analysis: France, Greece, Spain, Germany, Netherlands, Hungary

[EMERGENCE OF "NON-TAKE-UP" THEME IN GERMANY]

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1. The emergence of the topic of non-take-up in the German Welfare State: from scandalization to normalisation

Synopsis:

It is necessary to take many factors into account to describe the emergence and the discussion process of »social problems« in welfare states. Apart from the national state of research or the constitution and the development of the welfare state, it is also important to consider the respective political debates and instances connected therewith. Particularly with regard to the problem of non-take-up of social benefits, we deem this step of reconstructing the framework and the formation context crucial and highly productive, as the »detection« of this phenomenon as a »social problem« has taken place in different historical periods and discursive contexts within the various European welfare states – or has even not taken place so far.

Germany's current remodelling towards an »activating welfare state« can be emphasised as an drastic change. This is, among other things, the result of national and international discussions and debates which have emerged since the 1970s as a criticism of the welfare state. The thematisation of non-take-up of Social Assistance can be regarded as an inferior discourse thread of these socio-political discussions which was introduced in Germany at a relatively early time and can be understood as a criticism of the welfare-state security system, its implementation, and bureaucracy. Yet, the discussions, which proceeded in different ways within these past 30 years, were ignored or instrumentalised by social policy to a large extent, and were often put under pressure by the restoration policy which took its course in the 1970s. We are able to distinguish different phases of the thematisation: The political and scientific »discovery« of the issue within the context of »new poverty« and, with reference to Social Assistance, its integration into poverty research and treatment of the charity organisations, its reformulation within the context of the German reunification, and its increasing development towards establishing a specific field of research.

In Germany, it is particularly striking how, during the past decades, social policy has continually put more pressure on income-weak population groups, irrespective of all scientific insights. After all, the average non-take-up quota of 40-50% shows, most notably, that many persons eligible for Social Assistance do actively take care of their lives' reproduction off the welfare-state security systems. In order to better determine this disproportionateness, it is especially necessary to qualify the various actors and institutions of the non-take-up's thematisation in their concrete scientific procedures and within their political context. Only then can questions be answered that discuss why and how it was possible that research on NTU could be downplayed to such an extent in Germany resp. got increasingly lost in methodological questions, or why the problem was researched in Germany nearly exclusively with regard to Social Assistance.

If one assumes that political decisions can, to a certain degree, be regarded as answers to certain phenomena that are »discovered«, constituted and formulated within a society as social problems (a process that depends on many factors, and only partially allows to draw conclusions about the actual explosiveness of this problem), then the question about why and how a certain phenomenon is discussed in its national context appears to be of crucial importance for an international welfare state comparison. The reconstruction of a »social problem's« formation context is, thus, a fundamental step in order to understand why a question is discussed in a certain way, why it is embedded in certain discourses, why certain facets of a problem come to the fore, and why others remain completely unnoticed. In the context of which »crisis« is the problem being expressed? Which actors are involved? What causes can be identified? What other debates does it associate itself to? Etc.

Besides the formation context, there are also the historically grown structures of the respective welfare states that generate a »framework« for the discovery and formulation of a social problem. The European welfare states cannot be described as a homogenised welfare regime, but need to be looked at individually as, among other things, subject to and result of specific national negotiation processes. Even though – in the light of »globalisation« – they all seem to be confronted with similar crises, those crises are, nevertheless, discussed in their own specific ways which are due to the historically grown institutional and ideational framework generated by the respective welfare state; they also formulate their own specific answers to the »crisis« which then may lead into a reform.

Particularly with regard to the problem of non-take up, we consider this step of reconstructing the framework, as well as the formation context of the discussion, to be very important and high-producing, as the »detection« of this phenomenon as a »social problem« has taken place in different historical periods and discursive contexts in the different countries (or has even not taken place at all so far). In our opinion, the analysis of this circumstance generates an essential prerequisite for a comparative proceeding. Meaningful – comparative – research matters can only be formulated on the basis of the analysis of the formation and discussion context of social problems; otherwise one runs the risk of »losing« the intended comparison in a mere and largely arbitrary confrontation of numbers.

In the following, we are going to reconstruct the essential principals of the German welfare state (chapter 1.1.) in order to understand under which socio-economic and political conditions the subject of non-take-up (NTU) has emerged (chapter 1.2.), resp. how the articulation has taken place in the scientific and socio-political sphere over the last three decades. This reconstruction of the historically grown welfare state principals can also be seen as a first, but necessary step to open up the field for a comparative approach (cf. Kaufmann 2003).

The question of non-take-up is treated in Germany – at least in an explicit way – nearly exclusively with regard to Social Assistance (Sozialhilfe) which had been established in

1961 in order to grant everyone living in Germany an acceptable minimum standard of living, independent of the reasons of the respective individual need. As this benefit (or, better: this system of benefits) shows a tremendous complexity, we consider it necessary to present its principal characteristics, its functioning, and the ideas it is based on in detail (chapter 1.2.1).

After that, we are going to present the emergence of the German-language research literature on the topic of non-take-up of assistance benefits (NTU) as well as its links to the »new poverty« discussion and to the social policy discourses (chapter 1.2.2).

Compared to most other European countries, the problem has been identified and dealt with rather early in Germany, i.e. in the 1970s and, occasionally, even before. However, this research was focused exclusively on Social Assistance, and a systematic NTU research concerning other sectors of welfare state benefits doesn't exist in Germany, apart from some occasional, mostly »indirect« references to the subject, i.e. in connection with the analysis of income-dependent take-up and the distribution effects of social benefits or public services etc. In chapter 1.3. we are going to present some examples or »traces« of these kinds of NTU-discourse with regard to other public benefits and services as well as the latest reforms which have been put through in 2004 and their consequences for NTU.

1.1. The German Welfare State: It's principal characteristics and their importance to the question of non-take-up

Though we don't want to enter too deeply into history in the following, we nevertheless emphasize that the construction principles of the German welfare state can only be understood historically. The roots of the German welfare state go back to Bismarck's system of social security (first health insurance: 1883), and it is interesting to see that, in spite of the important political changes having taken place in Germany since the end of the 19th century, the basic principles of construction of the German welfare state have been subject to a considerable inertia – even in the face of the reunification of the two German states and, resulting thereof, the confrontation of the »west tradition« with a completely different system of social protection. Social protection for the citizens has surely been extended since – especially between World War II and the 1970s –, and there has been a considerable number of reforms, new forms of allowances and new populations of claimants, but the origins of the German welfare state have shown to be the decisive structuring factor in this development.

Comparative researchers, as Esping-Andersen (cf. Esping-Andersen 1982), for instance, have often described the German welfare state as a kind of archetype of the »conservative« or »corporate« model of the welfare state. This classification is, in first line, connected to the relatively active and important role of the »providence state« (compared to the liberal welfare state), which goes along with a strong affirmation of the

distribution principles of the capitalist economic system (relatively low degree of de-commodification) and relatively few redistributive elements (as opposed to the social-democratic welfare state). Additionally, there is the important role attributed to the family as fundamental and »subsidiarity« institution of social solidarity (compared to government intervention). But even if Esping-Andersen's classification can be - and has been - criticized in some respects (for example, his all too rationalist idea of governmental action or his indecision concerning the theoretical status of his three models or »regimes«, cf. e.g. Offe 1993), his work is of central importance for a comparative research of welfare states and offers a good starting point for an analysis of their characteristic features: It's the look over the frontiers that helps to better understand what is familiar and »natural« to us.

1.1.1. The three pillars of the German system of social protection: Insurance, assistance and public support

The German system of social protection is based on three pillars: Insurance (*Versicherung*), assistance (*Fürsorge*) and public support (*Versorgung*).

A. Insurance (*Versicherung*)

With the Bismarck legislation of the 1880s, Germany has been one of the first nations to establish a (however, at that time, rather rudimentary) social security system. From the beginning, the »insurance« pillar played the dominant role within the German system of social protection (today, more than 60% of welfare benefits (*Sozialleistungen*) in Germany result from the social security system).

Due to the fact that the amount of social security contributions (unemployment insurance, pension insurance, accident insurance, health insurance and, since a couple of years, long-term care insurance (*Pflegeversicherung*))¹ and benefits depends on the income of the insured, this system conserves and reproduces in a large measure the distribution of the incomes realized on the labour market. Paid employment thus plays a major role in the construction of German social security, representing the nearly exclusive entrance ticket for any kind of insurance-based social protection (even if meanwhile there exists a certain number of elements breaking this rule, for instance the contribution-free health insurance for the family of an insured).

The central principle here is the principle of equivalence (*Äquivalenzprinzip*) between the contributions and the expected benefits, which is deeply rooted in the German system of values concerning the German idea of social justice and the legitimacy of the possibility to profit from public benefits. This meritocratic system is highly legitimated in Germany, as opposed to benefits accorded to the genuinely needy (especially the *Sozialhilfe* – Social Assistance) without counter-performance.

¹ Opposite to France, family allowances are not part of social security.

B. Assistance (*Fürsorge*)

The »assistance« pillar of the German social protection system has its roots in the assistance to the needy (paid on a local level and not legally sanctioned) which has been the second component of German social policy from its beginnings and, though contrasting sharply with the principles of social security, is nevertheless the necessary complement of the latter (aiming especially at those who, for lack of a paid employment, have no entrance ticket for social security).

Today, the »assistance« pillar comprises mainly the *Sozialhilfe* (Social Assistance), an assembly of benefits dating from 1963 which, *per definitionem*, is the »last straw« of German social protection. Social Assistance is a means-tested benefit, but without considering the reasons for the need of the claimant. As this benefit somehow breaks with the principle of equivalence (see above), this could be considered as one of the main reasons for the fact that especially Social Assistance is concerned by the phenomenon of non-take-up. Even if the recourse to *Social Assistance*, in opposite to the ancient assistance to the poor based uniquely on charity, represents a right of all inhabitants of Germany whose means do not exceed a certain threshold, this benefit never was considered as having the same legitimacy as the benefits from social security. It seems as if it was somehow in contradiction to the German concept of social justice (of those entitled, their surrounding and, also, of the administration). This can be regarded as a key element for the analysis of non-take-up of social benefits.

Since January 2002, there is another »social income support« (*Soziale Grundsicherung*), which is very similar to Social Assistance but reserved to older and disabled people, explicitly aiming to reduce »shameful poverty« among these groups (cf. Chapter 2.2.3.).

C. Public support (*Versorgung*)

This third pillar of the German social protection system is unknown in many countries which make a difference between »insurance« and »assistance«, but do not know a social protection as the German »*Versorgung*« (public support), i.e. legal benefits without counter-performance in form of contributions, concerning specific categories of the population, as, for instance, civil servants, war victims etc., and following a logic of public moral debt for services rendered to the collective.

1.1.2. »Subsidiarity« as key principle of the German welfare state

The principle of subsidiarity as a principle for the organisation of society has emanated from catholic social philosophy. On a very general level, subsidiarity means the priority of the smallest unit regarding the responsibility for a task. As a central principle of the German welfare state, subsidiarity is legally sanctioned (by the German constitution), and its application shows several dimensions:

A. The importance of private charity associations (*Freie Träger*)

Being a legally sanctioned principle, subsidiarity postulates that public administrations must not offer their services but for lack of an offer of a private organism. When referring to the German model of the welfare state, it is important to take into account the particular interdependency between public administration and private charity associations as actors of social policy. Concerning the development, financing and realisation of measures in the different fields of social policy, the relations of the latter to the actors of public administration are less characterized by hierarchic structures or a client-contractor relationship than by interdependencies, division of work and a certain kind of »partnership« (*Partnerschaft bei der Erledigung öffentlicher Aufgaben*).

As opposed to the social security system, wherein the responsible ministries are opposed by the representatives of employers and unions, the social services sector's influence on politics is mainly exercised by non-profit organizations represented by powerful confederations.

The most important *Freie Träger* are ecclesiastical organizations (the catholic *Caritas* and the protestant *Diakonie*). They are veritable social »cartels«, offering a multitude of functions and independent institutions. These two important social federations, reflecting the schism of the Christian credo and the incomplete separation of State and Church in Germany, each employ more than 400,000 persons, followed by their secular competitor, the *Arbeiterwohlfahrt*, offering 100,000 jobs. Though there exist many other associations and initiatives, these figures help to explain the predominance of these »moral enterprises«, equally well-anchored in the socio-political field and in the collective conscience.

B. Subsidiarity as key principle of German »assistance« policies

According to the principle of subsidiarity, Social Assistance always has to be regarded as a secondary resource which only is to be considered, if all other types of resources regarded as primary (personal income and wealth of the individual concerned, the social claims he has acquired as an insured in other sectors of social protection, the legal commitment of his closest of kin to support him) have been exhausted. The German public welfare law thus gives absolute priority to family ties and primary solidarity over state responsibility, a fact which finds its expression in a extremely hard bureaucratic procedure concerning the access to Social Assistance and considerable strains weighing on those applying for assistance, who often are obliged to involve their relatives in the administrative procedure. The latter then learn by the social administration that their relative is a recipient of Social Assistance and, due to their legal commitment for support, they are required to exactly reveal their financial situation in order to allow the Social Assistance Office to proceed to a reimbursement of the expenses incurred. Many authors consider this procedure to be one of the main reasons for the increased rate of non-take-up of Social Assistance, because those entitled to benefits want to avoid their families being informed as well as their children or parents being taken into responsibility.

1.1.3. The German federal system and social policy

Social policy, as all other German sectors of public action, is reigned by the principle of a repartition of tasks (concerning legislation and regulation) between the different public levels: Federal Government (*Bund*), Federal States (*Länder*) and municipalities. Social policy is generally part of the tasks of the Federal Government, including legislation concerning Social Assistance. However, it's up to the *Länder* and the municipalities to fix the amount of Social Assistance benefits they are financing and granting, because the municipalities are considered to be the administrative units closest to the clients and, thus, to have the best possibilities to evaluate the situation of the claimant (tradition of local assistance to the needy, principle of individualization). Concerning the granting of Social Assistance, the municipalities have considerable discretionary power, but, in view of their difficult financial situation, tend to handle it in a restrictive way (control of the clients, suspicion of abuse, etc.). – a fact which might also serve as an explanation for the increased rate of non-take-up of Social Assistance in Germany.

1.2. The »Discovery« and Thematisation of the question of non-take-up with regard to Social Assistance

1.2.1. Presentation of the main characteristics of German Social Assistance (*Sozialhilfe*)

As we have already seen, Social Assistance is one of the three pillars of social protection in Germany, as there are *Versicherung* (insurance), *Versorgung* (public support) and *Fürsorge* (assistance). It provides a cluster of different benefits with an universal character and relating to risks not being covered by the social security system.

The Social Assistance is codified in the Social Assistance Act (*Bundessozialhilfegesetz*; BSGH) which, in 1963, has replaced the former legislation concerning public assistance and has introduced a legal entitlement to Social Assistance. The legislator's idea was to provide a »last straw« in case of a temporary need, because at that time the problem of poverty was supposed to be solved by the economic upturn to come. Differing from the French RMI, for instance, the German »minimum« has not been established facing a crisis, but distinctly before, which might explain a certain number of current problems: For example, it was not taken into account that the Social Assistance would become one of the central sources for the financing of durable mass unemployment – a fact that causes major problems to the communities, as they are responsible for the funding of the Social Assistance.

A. The principle of individualisation and the principle of subsidiarity

German Social Assistance is characterized by exceedingly complex legal proceedings and application rules. As for the definition of the eligibility for benefits, there is a distinction between merely optional measures, offering a considerable autonomy of decision to bureaucratic actors (especially with regard to the »help to work« measures -cf. below), so-called »desirable« measures, still subject to more or less arbitrary decisions of the respective administrative decision-makers, and, finally, compulsory measures which alone deserve to be labelled as true »legal benefits«. The non-compulsory measures differ considerably from one federal state to another and even from one municipality to the next, and the resulting inequalities seem hardly to be compatible with the French idea of a »republique une et indivisible«. The extremely variable legal-administrative status of the Social Assistance measures seems to retranslate one of its key principles, that is the idea of an individualization of the benefits. This principle of individualisation (*Individualisierungsprinzip*) has already served as a guideline for Social Assistance within the ancient »system of Eberfeld« in the 19th century and still represents one of the basic principles of Social Assistance. It says that the nature, form and amount of benefits are to be adapted to the specific features of the particular case, including the person of the claimant, the nature of his needs and the local situation. Within the system of Social Assistance, this principle is realized, one the one hand, by an increase of financial benefits for certain categories of claimants, as for example pregnant women or those whose professional activities don't provide a sufficient income, and, on the other hand, by so-called one-time benefits (*einmalige Leistungen*), i.e. benefits granted separately and irregularly in case of »exceptional need« (see below).

The founders of this system of policy of assistance dreamed the utopian dream of a »personalized« and »citizen-friendly« social policy. They intended to create a non-bureaucratic, flexible and non-anonymous model to fight poverty, allowing as far as possible to take into account the particular conditions of life and specific problems of the »clients«. However, from a sociological point of view, it seems necessary to stress that this legally often very indistinct status of the forms of Social Assistance does not only go along with a certain anomie concerning the everyday practice of social administration services, but also with a sort of fundamental precarious situation of the claimants confronted with a very opaque system, a fact that might be considered as a further explanation for the elevated rate of non-take-up of Social Assistance.

The second basic principle characterizing Social Assistance is subsidiarity. According to the principle of subsidiarity (see also chapter 1.2.), Social Assistance always is to be considered as a secondary resource which may only be applied for if all other types of resources considered as being primary have been exhausted: The respective allowances do not only depend on the resources of the claimant (income and personal wealth), but also his social claims resulting from other sectors of social protection, as, for instance, insurances, alimentary obligations of civil right by his next of kin etc. are taken into account. Especially the latter turns out to be an important obstacle for the take-up of Social Assistance, because many claimants want to avoid to become a financial burden on their next of kin and fear a deterioration of family relations caused by the bureaucratic evaluation of their family's financial situation.

Furthermore, the principle of subsidiarity in the Social Assistance sector results in a predominant role of private charity organizations with regard to the construction and organization of welfare institutions and/or measures.

B. The two basic forms of Social Assistance: HLU and HbL

There are two basic forms of Social Assistance: assistance for subsistence (*Hilfe zum Lebensunterhalt*; HLU) and assistance in special situations (*Hilfe in besonderen Lebenslagen*; HbL). In current language, the term »Sozialhilfe« is often used as a synonym for HLU, and most of the analyses concerning non-take-up refer to HLU.

Assistance for subsistence (HLU)

HLU constitutes the principal instrument of fight against poverty in Germany. According to the law, its amount has to reflect a »socio-cultural minimum« (which for example also includes the possibility of participation in cultural life etc.) As, *per definitionem*, poverty is regarded as having been overcome by HLU (»defeated poverty«, see also the glossary, chapter 6), the amount of HLU somehow represents the implicit threshold of poverty in Germany. This is why in Germany the question of non-take-up is often tied to the question of poverty: As a fact, the non-take-up of Social Assistance (HLU) is, *per definitionem*, equivalent to poverty.

HLU is a resource-dependent monthly allowance. Its amount is calculated with regard to a community with common needs (*Bedarfsgemeinschaft*), corresponding to a household with a common budget. The total amount is composed of a certain standard rate benefit (*Regelsatz*) for the head of the household (between 279 and 294 Euro according to the respective federal state) plus additional, age-related amounts for the other members of the household. The basic amount is not homogenous, as its fixation comes under the competence of the federal states; however, variations are modest. It has been repeatedly reduced since the 1980s, what seems to be somehow paradox, taken into account that HLU is to be considered as a »socio-cultural minimum«: Theoretically, such a minimum can only be reduced in case of a decrease of the cost of living, which had not taken place. This financial allowance is accompanied by a number of possible increases:

- for specific groups of the population, as e.g. pregnant women, aged persons, single parents, etc.
- rent payments
- social security contributions
- one-time benefits for special needs (*einmalige Leistungen*)

One-time benefits are granted in cases of »exceptional needs« as they are fixed and defined in the Social Assistance Act: They may refer to a refrigerator as well as to warm clothing, renovation works, or any instruments or tools allowing the claimant to improve his income and to foster his professional reinsertion. The administrative scope of discretion here is considerably wide, and one could even say that the persuasiveness of the claimant and his talent of negotiation often are decisive factors to obtain these one-time benefits. Furthermore, as some authors have shown (e.g. Bujard/Lange 1978), the financial situation of a municipality often is decisive for the administration's generosity.

Assistance in special situations (HbL)

HbL is not focussed on a person in general financial need, but on particular situations of need and/or specific categories of population, as e.g. handicapped, deaf, persons without adequate health insurance, pregnant women, released offenders, etc. Income levels are higher than in case of HLU; there even are some benefits which are not income-bound, as e.g. assistance for aged persons.

C. Help for work (*Hilfe zur Arbeit*)

Help for Work is a regulation within the framework of Social Assistance. Due to this regulation, each claimant capable of working is compelled to look out for an employment and/or to accept one being offered to him. Usually, these »offers« consist of two kinds of activities: Either a regular employment (salary, social security) provided for or offered by the local authorities, or »supplementary« or »public utility« work which is quasi unpaid and without any social security.

For a long time, *Hilfe zur Arbeit* has been applied very sparsely. Nowadays, this impediment of Social Assistance is playing an increasingly important part for two reasons:

In 1996, the regulation underwent a significant change: Before, the reduction or suspension of Social Assistance allowances had been optional if the claimant failed to accept employment offered to him. Since the 1996 change, allowances are to be reduced if the claimant refuses a job offer for the first time, and to be suspended if he does so repeatedly – the »zero tolerance principle« in the social domain.

With regard to communal funds being quite strained by the unemployed not receiving unemployment benefits any more and finally grasping for the »last straw« of Social Assistance, the communities prove to be increasingly inventive concerning the possibilities of applying Help for Work. Today, there exist multiple communal models of getting Social Assistance claimants to work: Communal employment societies, bonus payments for private organisations employing Social Assistance claimants, co-operation with private employment agencies etc.. The official goal of Help to Work, a durable re-integration of claimants capable to work into the employment market, is rarely achieved – estimations vary between 10 and 55%, but there aren't any exact numbers available. This reveals that there ought to exist other principal community interests: Even if the (ex-)claimant cannot be re-integrated into the employment market for a long time, he is, after having been regularly employed (including social security) for a minimum of one year, taken over by unemployment insurance (i. e. by other funds) and doesn't cause expenses for the communal funds any more. The wish to reduce pressure on communal funds could be a possible reason for the increased communal efforts in this field. Regarding the claimants of Social Assistance, it can be stated that Help for Work is, above all, a symbolic instrument to discipline the claimants and to impede the »abuse« of social allowances.

1.2.2. Social Assistance and the question of NTU

The observation that the issue of NTU has mainly been focused on Social Assistance in Germany, leads to the question why and how, with regard to Social Assistance, this issue has become obvious so early and has been taken up repeatedly during the past decades; it is also of interest how the strong linking of NTU research and the issue of poverty came about in Germany. For a better understanding, it appears necessary to outline the evolution of research and reporting on poverty in the Federal Republic of Germany (Chapter A) in order to show the principal lines of development as well as the principal actors in the field of the thematisation of poverty and NTU and, thus, to better understand how these topics are interlinked. The (re-)emergence, continuation and the ways of articulation of the topic of NTU have been differing a lot over the last three decades. We can roughly determine three phases of thematization of NTU in Germany. Firstly, the emergence of the topic in the context of (re-)discovery of poverty in the 1970s (Chapter B), secondly, the articulation of NTU within poverty reports and its relation to new poverty research approaches in the 1980s (Chapter C), and thirdly, NTU in the context of research and reporting on poverty in reunited Germany (Chapter D).

A. The lack of a poverty research tradition and the question of NTU

It is noticeable that in Anglo-Saxon countries, unlike Germany, a large-scale scientific discourse concerning poverty has emerged at an early stage, thus establishing a long tradition in research. Though the problem of poverty in German-language countries has already been dealt with in the 1930s, for example in the distinctive study »Die Arbeitslosen von Marienthal« (The unemployed of Marienthal) by Marie Jahoda, Paul Lazarsfeld and Hans Zeisel (Jahoda et. al. 1975), neither this classic of research on poverty, nor the early efforts of some charity organizations have led to a real tradition of respective research in Germany.

In Germany, especially the impoverishment of industrial workers going along with industrialization has been the motivating force behind the establishment of a social security system corresponding to Bismarck's concept of social policy. With the early constitution of the German welfare state, poverty issues were soon regarded to be a task of the government. Consequently, it is not surprising that the responsible bodies of social policy trusted for a long time in their own enquiries and data. For Leibfried and Voges, this is one of the main reasons for the lacking German tradition of a related research with independent enquiries and data sources: »While American as well as British sociology has evolved from a non-governmental survey tradition and is therefore completely (USA) or partially (England) geared pragmatically to the problems in question as well as to value defaults, surveys in Germany had developed much earlier and more exhaustive into a governmental monopoly...« (Leibfried/Voges 1992: 9-17). Balösius points out that studies on poverty after World War II were in first line published in the periodicals for social work, social education and non-governmental charity, which proves that these enquiries were »not part of the so-called established sociology«. (Balösius E. 1995)

In addition, the social climate of prosperity after World War II contributed to ban poverty nearly completely from public awareness. In view of reconstruction and the »economic

miracle«, poverty in Germany was seen as a marginal phenomenon and, with an unemployment rate of less than 1%, as a problem of the past. The traditional »*soziale Frage*« (social question) was regarded as solved with the establishment of Social Assistance in 1961, and the »*soziale Marktwirtschaft*« (social market economy) seemed to settle the conflict between capital and work – a settlement that, in a certain way, has obstructed the view on the problem of poverty which, in reality, never had completely disappeared, but which was concerning in first line non-employed groups: single mothers, widows, numerous families and the handicapped.

A person receiving social benefits can, according to official definitions, no longer be classified as poor (this has been discussed as »fought-back poverty« in Germany; cf. Glossary). Consequently, the classification as »poor« had to be applied to persons that, although being entitled to Social Assistance due to their net income, do not take up their claims and therefore live beneath the so called socio-cultural subsistence level. This concept of poverty seemed to be advantageous at first sight as it moved within the range of politically and socially acknowledged definitions and was therefore not met with substantial opposition; but it stayed rooted in a purely monetary perception of poverty. But the prospect of quantifiability – even though it could not yet be translated into action – possibly was the only way to draw public attention to »the poor«, and the thematisation of NTU has, in a certain way, resulted from the attempt to quantify the number of poor in Germany in order to oppose this figure to the official ideology of overcome poverty.

The lack of tradition in research as mentioned by Leibfried and the missing instruments of research to seize data on poverty in Germany resulted in the situation that early (non-governmental) progressive publications on the topic of poverty, intending to point out the shadow zones in times of economic prosperity, could be qualified as »scandalizing« and insufficiently founded. Against this background, the research on NTU, which included the promise to finally provide quantitative results and, thus, to allow poverty to be seized, defined and »counted«, could be seen as a »weapon« in this thematisation campaign started by progressive authors. »The poor« were not longer perceived as individual fates of street kids and the homeless, but as a clearly defined group with a – at least theoretically – calculable size.

This hypothesis shall be verified by means of the following overview of German publications concerning the topic of NTU in the context of research and reports on poverty. We roughly will discern here three different phases: First, the phase of emergence of the topic of NTU in the context of the (re-)discovery of poverty; a second phase, when the discourse on poverty became part of public consciousness and especially the communities and charity associations published an increasing number of poverty reports in order to confront the government with the problem of poverty and to emphasize the need of action; and, finally, a third phase which started with the reunification of the two German states and went along with an increased awareness of the problem of poverty.

B. The emergence of the topic of NTU in the context of (re-)discovery of poverty

It was Heiner Geißler, an oppositional conservative (CDU) politician and, at that time, minister of social affairs of Rhineland-Palatinate who, in 1976, discovered as one of the first the problem of non-take-up of Social Assistance.² His book on the »new social question«, in which he assesses the number of persons in Germany living below the threshold of Social Assistance at 6 million, is the most read publication in Germany dealing with the topic of NTU, which, on the one hand, is owing to the reputation of the author and, on the other, to the fact that this book was one of the first to point out that Germany had entered a new economic period where »prosperity for all« (Ludwig Erhardt) could not be guaranteed any more. It is certainly not by hazard that this topic was forwarded by a renowned politician who, at that time, was a member of the oppositional party; the study has also to be read as a criticism of government politics denounced by the opposition as »generating poverty« (cf. Geißler 1976).

Leibfried was one of the first scientist who saw himself as an immediate reaction to Geißler's study (Leibfried 1976: 377). At first, he explicated that Geißler did not bring up the »new social question« in the sense of the »old social question«, i.e. from the perspective of a welfare-stately consequent, universalising monetary safeguarding of the individual reproduction. In fact, Geißler's »new social question« rather serves as a special appeal for a reinforced search for »rationalization reserves in the social system«. Yet, first of all, Geißler discusses the reduction of costs of the social administration, measures for improving the structures in the healthcare system, savings by means of de-individualisation of social benefits, and privatisation as possible rationalisation measures. According to Leibfried, this only means a weakening of those institutions that relate to the active working population. By confronting the »predominance of the organised« (male workers, unions) with the »unorganised« (pensioners, single mothers) and thereupon calling for an individualisation of the welfare-stately service offering, Geißler – according to Leibfried – only aims at a class-internal redistribution policy which entails de-solidarising effects, and which will not change the filtering processes that are inherent to the Social Assistance system. Leibfried comprehends filtering as a selectivity of social acting which conflicts with the updating of an actually given eligibility. In his further theoretical survey, he particularly emphasises the filters of »individualisation« and »passive institutionalisation« of Social Assistance as the fundamental mechanisms of non-take-up. Starting thereupon, he attains universalistic and less bureaucratic and proposed solutions. This debate shows, how the problem of non-take-up is to be understood as a general criticism of the welfare state, which, again, will also always result in consequences that vary according to the political discussion.

Despite the criticism of Geißler's study –not only expressed on part of Leibfried -, it has to be conceded that it has stimulated the political and, with a slight delay, the scientific discussion on poverty as well. Even though Geißler's work has never been acknowledged as »serious research« by German social sciences because of methodological deficiencies,³ it can nevertheless be considered as the »vanguard« of a reuptake of research on

² Related to the »public welfare« (»Armenfürsorge«) – which was released by the Social Assistance in 1961 – Erhard Knechtel was analysing the non-take-up rate for low-income large families (Knechtel 1960); in 1970 Otto Blume has analysed the problem of non-take-up related to old people (Blume 1970).

³ For further criticism of Geißler's study, cf. Himmelmann 1976.

poverty in Germany and as point of departure for the research on NTU. However, these research activities started just a couple of years later, and it took some time before it was generally accepted that the economic problems resulting from the oil crisis had confronted Germany with the (well known) problem of mass unemployment accompanied by a new problem of poverty: Since its introduction in 1961, Social Assistance had developed from being a »last straw« in situations of temporary economic plight to a central institution taking care of the growing number of long-term unemployed. The public expenses for Social Assistance have grown explosively during the 1970s.

The topic of NTU has been taken up by Bujard/Lange of the *Institut für Sozialforschung und Gesellschaftspolitik* (ISG – Institute for Social Research and Social Policy) within the framework of a study financed by the *Volkswagenwerk* and published in 1978 by the German Ministry of Labour and Social Affairs (*Bundesministerium für Arbeit und Soziales*). Their study, based on a quantitative as well as a qualitative methodology, deals with the situation of aged people with low income and intends to reveal the discrepancy between material need and actual take-up of social services as well as the reasons for non-take-up by means of interviews with persons aged 65 and older, expert interviews, interviews with welfare office administrative assistants and an analysis of welfare office files (Bujard/Lange 1978a).

In another work of Bujard/Lange, published in the same year on »poverty in old age«, the authors come back to the problem again (Bujard/Lange 1978b). As a fundamental cause for the non-take-up of Social Assistance with older people, they establish, here again, the experience of a social value context which defines poverty existence as individual failures or insufficiencies and opposes it to socially obliging values as, for instance, performance and diligence (ibid: 114). According to Bujard/Lange, all subjective statements normally correspond with objective facts, yet, these are realised by the affected persons only to a small degree. Such »objective facts« do not only comprise take-up barriers due to applicable law (examination of income- and wealth-status, maintenance obligation of children, possible recourse claims of the Social Assistance Office), but also the practice of granting of Social Assistance which the authors analyse by means of numerous expert interviews and file analyses. This structural dimension is the main focus of the works of Grunow/Hegner (cf. Kaufmann 1979), and is discussed as »citizen-friendliness« by them. Within the framework of the research network »Citizen-friendly Formation of the Social Environment«⁴, the two authors analyse different dimensions of administrative acting in the process of provision of Social Assistance which appear obstructive in the fulfilment of citizen-friendliness. But they also analyse other organisational obstacles of all kind, as well as »problems of a citizen-friendly administrative acting in the conscience of clerks and social workers« (ibid: 358). Grunow/Hegner deem the lack of citizen-friendliness, among other things, an important dimension for the substantiation of non-take-up of Social Assistance.

Due to its involvement in a widely designed research network, which analyses the issue of citizen-friendliness with regard to a diversity of locally rendered benefits and services, the work of Grunow/Hegner can be regarded as one of the few approaches – known to us

⁴ This research network also included the Institute for Social Research and Social Policy in Cologne, which has been some kind of constant with regard to the NTU research within the past decades.

– that go beyond the narrow perspective of NTU analysis and, therefore, offer a methodological starting point for a more widely designed approach to the issue of NTU. According to our knowledge, this approach is no longer recurred to in the broader field of NTU research.

Another study, thematically wider conceived but also dealing explicitly as well as indirectly with the topic of non-take-up, emerged from a governmental initiative: The report of the so-called *Transfer-Enquête-Kommission* was published in 1981. This commission, appointed by the Federal Government in 1976 and taking up work one year later, was composed of scientific experts, for example representatives of the *Internationales Institut für Empirische Sozialökonomie* (INFES – International Institute for Empirical Socio-economics) and the *Deutsches Institut für Wissenschaftsforschung* (DIW – German Institute for Scientific Research). The commission was charged to describe the totality of transfer effects between the sectors *administration* and *private households* and to investigate the related effects, including real transfer effects, on the available income of the households. The question thus concerned the efficiency of governmental transfer payments as well as distribution problems. One objective of the study was to present suggestions for a better balancing of governmental transfer payments on the one hand and taxes and contributions on the other. The study points out that the phenomenon of non-take-up occurred less often than »it is normally pretended in the public discussion« (Transfer-Enquête-Kommission 1981: 17).

Thus, the *Transfer-Enquête-Kommission* joins the ranks of those who, with regard to the public discourse released by Geißler's study, ask for prudence when dealing with facts and tend to relativise the figures presented by Geißler, as for example authors as Klanberg, qualifying the problem as a »product of Marxist rhetoric of impoverishment«⁵, or Kortmann (e.g. Kortmann 1978), who, in view of the explosive nature of the problem, pleads for a cautious handling of the data (according to his estimation, about 0,7% of all households lived on an income below the Social Assistance level in 1969). However, Kortmann and Klanberg's method-critical arguments did also refer to the study of Bujard/Lange, whom they accused of ideological partiality in a similar way (cf. Klanberg/Kortmann 1978).

As a reaction to and criticism of the 1979 interim report of the Transfer-Enquête-Kommission (Transfer-Enquête-Kommission 1979), Klanberg and Kortmann started to examine the problem of the calculation of non-take-up themselves. Thereupon, Kortmann conducted his own calculations for the years 1969 and 1973 on the basis of the EVS data (Income and Expenditure Study), by using calculation models especially designed for this purpose (Klanberg 1979). Kortmann and Klanberg are both members of the Socio-Political Research Group in Frankfurt (SPES) which strives for the development of a micro-analytical indicator- and simulation-system, and which repeatedly engages in the methodological discussions on the quantitative registration of poverty (cf. Kortmann 1976).

⁵ This criticism, however, remains quite unspecific. As Geißler himself speaks of the »predominance of the organised« and, thereby, strongly criticises the unions and Marxist approaches, Klanberg's criticism must rather be related to Bujard/Lange, who repeatedly use Marxist terms (cf. Klanberg 1979).

Another early study work focusing on the NTU topic is the study by Hartman, published in 1981, financed by the Ministry for Youth, Family and Health (*Bundesministerium für Jugend, Familie und Gesundheit*) and realized again by the *Institut für Sozialforschung und Gesellschaftspolitik*⁶. This study intended to add hitherto unpublished, certified empirical data regarding the extent of the »*Dunkelziffer der Armut*« (estimated number of unreported cases of poverty) and the reasons for the non-take-up of Social Assistance to the newly emerged, controversial discussion on poverty (Hartmann 1981).

This study is one of the first representative surveys especially designed to examine the question of non-take-up (25,000 households). It determines a shadow-rate of 1:1, which, according to the author, must still be regarded as too low. However, the 1978 drafted survey was published during a time when politics were shaken by a crisis of public finances. Just when it was planned to balance the national budget at the expense of the recipients of Social Assistance, this study substantiated that at least half of all eligible persons did not receive any support. On one hand, this reorganisation strategy – and also the respective pressure put on politicians and scientists – has to be regarded as a reason for the government's tendency to downplay the non-take-up of Social Assistance until today. On the other hand, it may also be the cause for the research community's (non-)exercise of influence, insofar as – and this is Roth's reproach – it tends to assume an administrative perspective in its questions due to economical and political consideration (cf. Roth 1997: 46-48).

It is interesting that another »research impulse« started on an European level in the 1970s. After Ireland and Great Britain had joined the EU in 1973, the five-year EU-program »Model Program and Studies to Combat Poverty« (Poverty 1) was launched in 1975. In addition to action projects and comparing trans-national poverty research, this program comprised the drawing-up of »national poverty reports« as they were already existing in Great Britain. Even if the German and Dutch governments initially denied the existence of a serious poverty problem, they finally delivered first (EU-financed) reports within the framework of the program. However, the German study, directed by Richard Hauser and titled »*Armut, Niedrigeinkommen und Unterversorgung in der Bundesrepublik Deutschland*« (Poverty, Low Income, and Undersupply in the Federal Republic of Germany, Hauser et al. 1981), was published only in 1981 (after arduous struggles between the researchers and the Federal Government) and not authorized as being the official poverty report of the German Federal Government. The first »official« report on poverty and wealth was published but twenty years later, after the German reunification. (Bundesministerium für Arbeit und Sozialordnung 2001).

The early research about NTU is, among other things, characterized by an intense reflection pertaining to the causes of NTU which, in the case of Bujard/Lange and Hartmann, also appears in the methodological profile of their publications, especially the numerous interviews with administration representatives and persons not taking up their claim to Social Assistance.⁷ In the following, we want to present a short survey on the reasons or »barriers« resulting in non-take-up, as indicated in these publications. It has

⁶ The *Institut für Sozialforschung und Gesellschaftspolitik* thus has repeatedly carried out studies pertaining to this topic and is substantially involved in recent works on NTU, cf. also Engels 2002.

⁷ Hauser et al. (1981) did not research the causes of NTU themselves, but referred to the publications of Bujard/Lange and Grunow/Hegener, as well as to Leibfried's theoretical reflections.

to be noted in this context that the authors often distinguish between »objective barriers« and »subjective barriers«, a distinction that, in our opinion, appears to be problematic because this dichotomy tends to neglect the generative relation between these two types of barriers: Frequently, the construction principles of Social Assistance are involved in the production of standards, values and attitudes of those entitled to benefits.⁸

The causes for NTU mentioned in the quoted publications are as follows:

- lack of information (especially pertaining to aged persons as pointed out by Bujard/Lange 1978)
 - fear of stigmatisation and discrimination in case of recourse to Social Assistance: Hartmann emphasises that stigmatisation results from an ensemble of factors which can't be attributed to a certain actor, but is produced by the entire social environment (family, friends, neighbours, welfare officers and, last not least, media influences). He also points out that especially those renouncing their claim to Social Assistance are the most prejudiced against those claiming it. They denounce the latter as being »idlers«, »loafers« etc. (cf. also Hartmann 1981: 140).
 - reluctance to apply for Social Assistance in view of the family of the claimant (cf. also the paragraph on Social Assistance), fear of a deterioration of family relationship because of the obligation of the claimant's next of kin to reveal their financial situation (by the way, recourse liability is often less far-reaching than the claimants suppose – this also is a problem of lack of information, cf. Bujard/Lange 1978).
 - fear of being compelled by the Social Assistance administration to exhaust personal savings (often provided by aged persons for their funeral, cf. also Bujard/Lange 1978) – here, too, the lack of information about the concrete regimes (varying according to the Federal States) plays an important role.
 - a general disapproval of Social Assistance – often due to an extensive conformity with the values of the competitive society (self-help values)
 - the principle of equivalence as central principle of the German system of social protection (cf. also chapter 1), which has contributed to form certain standards and values within the population (cf. also Bujard/Lange 1978)
 - the passiveness of the Social Assistance administration and the lack of active social work (due to the lack of personal and financial means, cf. also Leibfried 1976)
 - a restrictive application of the scope of administrative discretion to the detriment of the claimants (this especially regards the amount of Social Assistance and the benefits in case of personal need and may result in non-take-up, cf. also Hartmann)
- a policy of austerity and dissuasion on part of the municipalities because of their difficult financial situation.
- according to the Transfer-Enquête-Kommission, the main reason for non-take-up of Social Assistance results from the ruling recourse regulations, which are based on the legislation on maintenance. For this reason, the commission in first line thinks modifications of the civil maintenance law as being appropriate to remedy the problem of non-take-up.

These early, often very committed publications, as well as the upcoming social-liberal reform politics, can be regarded as the basic events for an increasing public interest in questions concerning poverty. However, only the emergence of structural unemployment at the end of the 1970s required an increasing need of explanation on the part of the German government, thus contributing to the consolidation of a concept of poverty that was more related to the labour market. From this moment, churches, charity associations and unions (especially the DGB) were integrated in an extended discourse pertaining to poverty problems.

C. Reporting on poverty, new definitions of poverty, and NTU

After the change in politics in 1982 (the so-called *Wende*), the new conservative government commenced to talk relatively directly about existing poverty, as much as responsibility for this »new« poverty could be easily attributed to the former government. Thus, the opposition took up the issue of »poverty«, resulting in motions

⁸ One could say that it's especially Leibfried who studied the structural causes of NTU, whilst Hartmann put an emphasis on the subjective causes. Bujard/Lange, on the contrary, relate both types of causes.

aiming at the instigation of reporting on social issues and poverty on a federal level by the Social Democrats (SPD), the Green Party, as well as of several Federal State governments (cf. Bremen in the middle of the 1990s in the *Bundesrat*) being repeatedly rejected. Whilst other European countries had been producing national reports on poverty since the 1960s or 1970s, the first German reports are dating from the 1980s and have at first been produced by the municipalities on a regional and communal, and by welfare organisations on a national level. Bremen (1987), Munich (1987) as well as Hamburg (1993) have formed the vanguard of communal reporting on poverty and social issues. Four reports produced by welfare organisations and unions have to be emphasized in the main: 1. »...wessen wir uns schämen müssen in einem reichen Land« (... what we have to be ashamed of in a rich country), produced by the *Paritätische Wohlfahrtsverband* (1989), 2. »Arme unter uns« (Poverty Amongst Us) by the *Deutsche Caritasverband* (Hauser/Semrau 1993), 3. »Armut und Ungleichheit in Deutschland« (Poverty and Inequality in Germany), by the *DGB* and the *Paritätische Wohlfahrtsverband* (Hanesch et. al. 1994, extended and continued in 2000), and 4. »Menschen im Schatten – Lebenslagen in den neuen Bundesländern« (Living in the Shadow – Circumstances of the New Federal States), by Diakonisches Werk der Evangelischen Kirche in Deutschland e.V. and Deutscher Caritasverband e.V. (Hübinger/Neumann 1998).

The first communal reports on poverty and social issues were predominantly aiming at pressing the need for national reports with the Federal Government. As well as pointing out the deficits of the Federal Government, the communal reporting on poverty was aiming at mobilizing all local (public, non-profit and private) actors in fighting poverty. Concerning the use of the term »poverty«, an interesting change ought to be stated. While the earlier works on NTU cited above place poverty beneath the level of Social Assistance, the communal reports on poverty use the same dependence on Social Assistance as an indicator of poverty or interpret the growing number of recipients of Social Assistance as increasing impoverishment. The phenomenon of non-take-up of Social Assistance is, hence, usually neglected. This could be due to the form of the data material: The files of the communal administration allow for a relatively easy determination of the quota of recipients of Social Assistance. Besides, the communities are mainly interested in stressing this form of poverty, which causes a high amount of financial pressure onto them, in order to claim a share of other public units (Federal Government, social security etc.). Focusing on NTU would, for the communities, result in mentioning one's own deficits in the administrative action as such (dispiriting behaviour of administrative assistants at the »counter«, restrictive discretionary decisions). Besides, as NTU signifies potentially high communal expenses, it could be presumed, that, taking the increasingly difficult financial situation of the communities into consideration, the motivation to draw attention to and to deal with this problem couldn't have been all too great.

The statistic on Social Assistance of the Federal Office of Statistics (*Statistisches Bundesamt*) is equally deficient, as it doesn't supply sufficient data, neither considering the reasons for take-up or non-take-up of Social Assistance, nor for a closer definition of the group of assistance recipients. Finally, the so-called »Socio-economic Panel« (SOEP) of 1982 established a data base allowing, from the perspective of the social scientist, for closely sufficient indicators concerning the research on non-take-up of Social Assistance

within the framework of extended concepts of poverty. Thus, SOEP data formed the base of the welfare organisations' reports on poverty mentioned above. As opposed to the communal reports on poverty, these reports mention the issue of NTU, even if mainly in order to confirm existing results.

With regard to the obvious improvement of the supply of data by SOEP, it seems to be, at least at first sight, astonishing that there have been almost no new surveys on NTU during the 1980s – even as the early publications at the end of the 1970s and the beginning of the 1980s usually complain the lack of data. NTU had come to be a subordinated issue of the 1980s research. In fact, although this topic is often mentioned in publications dedicated to the issue of poverty, this usually takes place marginally, in the form of subtitles, and almost always referring to earlier publications. This considerable diminishing of scientific interest in NTU could be related to two issues. On the one hand, facing a meanwhile broader social discourse on poverty, the thematisation of NTU wasn't crucial any more in order to achieve public and political attention on the issue of poverty. On the other hand, new concepts of poverty continually discussed since the 1980s and implying not only monetary aspects but also disadvantages concerning chances of education, social integration, infrastructure etc. (*Ressourcenansatz, Lebenslagenansatz*), have been scrutinizing definitions of poverty relying solely on the (non-)take-up of Social Assistance.

D. Research on NTU and reporting on poverty in reunited Germany

The re-engagement in the issue of NTU since the middle of the 1990s ought to be seen in the context of the reunion of the two German states which has – shortly after the great promises of »flourishing landscapes« (ex-chancellor Kohl) – led to a quite strained social situation with a high unemployment rate and a stagnating economical development in Eastern Germany. Usually, the term of »poverty by transformation« (*Transformationsarmut*) is used in scientific publications to describe the problem of poverty appearing after the reunion of the two German states. This designates a novel phenomenon of poverty stemming from the implementation of a whole social and economical system and the according structural and individual difficulties with this change which had, in this form, not been known before. So it became necessary to ask, how the »new« citizens would react to this implementation of the Western German Social Assistance scheme, but also, how the realisation of this security system would proceed on part of the new communal administrations. At this point, it became also obvious that mere monetary-oriented concepts of poverty were insufficient – thus, the poverty concepts oriented towards cultural science already elaborated in the 1980s came into higher regard (cf. Leibfried 1995 *and* Hübinger/Neumann 1998).

The Treaty of Unity between the Federal Republic of Germany and the German Democratic Republic instigated the introduction of the Social Assistance Act (*Bundessozialhilfegesetz; BSGH*) in the Eastern German Federal States in January 1991 in a modified version⁹. Concerning the phenomenon of NTU, this obviously posed new

⁹ Standard rate benefits as well as supplementary benefits were on a lower level than in the West and have only gradually been adjusted– in the Eastern Federal States, they are still somewhat less than in the Western ones. Additional payments for higher expenses of gainfully employed persons or elderly recipients of *Social Assistance* were not granted in the East.

questions: Will this new kind of assistance be »accepted« in the Eastern Federal States? Which groups are potentially in need of Social Assistance and how do they differ from the rightful claimants in the West? The 1998 study of Neumann/Hertz deals, among other things, with questions of this kind and states crucial »initial difficulties« concerning the application of the Social Assistance Act resulting in a significantly higher rate of NTU as compared to the West in 1991. While the rate of Western NTU in 1995 remained constant, as compared with the SOEP data of 1991, it decreased in Eastern Germany. Neumann/Hertz perceive this as an »approach« of the amount of »hidden poverty« within four years (cf. Neumann/Hertz 1998).

Even if the recent German research on NTU is still linked to the issue of poverty, it is marked by quite a different context. Research on poverty has become an increasingly differentiated field¹⁰ within which research on NTU is just one aspect amongst others; NTU isn't THE decisive criterion defining poverty in Germany any more. Many studies dating from 1990/2000 accordingly render the impression that research on NTU has, in a way, severed itself from a broader discourse on poverty and nowadays is strongly focused on pure methodological and statistical questions concerning the calculation of the NTU rate. Besides Neumann/Hertz, Riphahn (2000), Kayser/Frick (2000) and Engels (2002) (to mention only those who have conducted their own calculations) are further examples of this kind of study. As opposed to earlier studies on NTU questioning the concept of poverty and looking for reasons, these most recent studies focus on descriptive statistics in order to determine the populations concerned and, hereby, to draw preliminary conclusions with regard to the indicators of NTU.

Some examples from the Neumann/Hertz study:

- Migrants show a rate of non-take-up almost doubling the German one.
- Female heads of the household aren't more subject to non-take-up than their male counterparts (on this issue, there can be found different results, e.g. Riphahn states an increased rate of non-take-up with female heads of the household, youths, and on a low educational standard).
- The indicator of professional activity doesn't permit clear conclusions; the persons gainfully employed and the ones who are not, tend towards the same rate of non-take-up, with exception of the unemployed who are more subject to non-take-up than others.
- The rates of non-take-up in Eastern and Western Germany tend to close in on each other (after being higher in Eastern Germany in the first years after the reunion).
- Single parents, families with children and people living alone show an increased rate of non-take-up (compared, for instance, to childless couples).
- The rate of non-take-up is higher in big cities.

Kayser/Frick and Riphahn try to approach the reasons for non-take-up by means of a cost-benefit analysis, aided by an empirical hypothesis testing. These two studies confirm the hypothesis that non-take-up varies according to the expected amount of Social Assistance (lower amounts frequently result in non-take-up or – to put it otherwise – higher amounts lead to higher acceptance of the »costs« of take-up). Even though these two studies are aware of the limits of this procedure, their authors don't seem to deem additional surveys in the form of standardized or qualitative interviews necessary. Thus, the influence of socio-economic and generational transformations tends to be equally

¹⁰ For example, research on gender-related poverty, poverty of migrants, youth poverty etc., the latest research on poverty is even characterised by the introduction of new concepts like social exclusion, precarity etc.

neglected as the administrative change in relation to the specific historical reasons of NTU. A principal problem of the cost-benefit analysis can thus be seen in the fact that the complex relation between different reasons presumed to be conscious (for instance, the expected amount or duration of support) and »unconscious« reasons (like fear of being stigmatised, norms and values) is left to the actors' rational deliberations. This leads to multiple »structural« and »subjective« reasons being exclusively attributed to the actor concerned and, in a way, transforming each and every kind of non-take-up into a flaw.

The study by Behrendt (2002) is the only German effort comprising a comparative perspective. The author refers to the data of the income survey of the 1995 *Luxembourg Income Study* in order to achieve an international comparison between Germany, Sweden and the UK. She starts out with the statement that, from one country to another, an almost equal amount of public expenses for welfare benefits can pair up with different levels of poverty, and draws the conclusion that the efficiency of fighting poverty varies according to the characteristic features of the respective systems of Social Assistance. For Germany and Sweden, she states that the main reason of poverty could be seen in the barriers impeding the recourse to social benefits, whereas in the UK, above all, it is the low amount of social benefits that can be regarded as responsible for poverty. A more elaborate analysis of these »barriers« isn't comprised in the study.

With regard to the economic and social ruptures during the 1990s, it seems quite astonishing that the majority of the most recent studies on NTU doesn't seem to accord all too much importance to the search for reasons and solutions, instead, the studies are rather answering these questions with referrals to earlier studies. Even though most of these studies accuse the inefficiency of the German welfare state, with reference to the interpretation of the results of their calculations, they frequently limit themselves to simply stating the phenomenon of non-take-up and its description without, for instance, identifying the principles of construction of the Social Assistance system as possible causes for NTU. Could this show a tendency towards the »normalization« of a certain and seemingly unavoidable poverty rate? Be this as it may, by focusing on questions of method and calculation, the social issue of poverty seems to be withdrawn to a lower level.

As one of the few exceptions, Rainer Roth's 1997 published study »Über den Lohn am Ende des Monats« (What's left of the Wages at the End of the Month) needs to be mentioned here (Roth 1997). Nearly unnoticed by the relevant NTU research, this study does exactly not try to reduce the problem of NTU to methodological questions and does also not avoid the explosive connection of poverty resp. the poverty level, employment resp. the wage level and social policy. At the same time, Roth also tries to contribute to the clarification of the causes and reasons of NTU with his study of 211 blue- and white-collar households.

One of the most important newer studies on NTU is the work by Engels. Engels, situated at the *Institut für Sozialforschung und Gesellschaftspolitik* (ISG), proposes a standardisation of the data sources and of the models of NTU calculation in order to achieve a better instrument for the tracing of the phenomenon. Engels' study – which is based on the new panel data resource NIEP (as described in Chapter 2) – took place

within the framework of the first National Report on Wealth and Poverty (*Reichtums- und Armutsbericht*) published in 2001 (Bundesministerium für Arbeit und Sozialordnung 2001). The composition of this report, which is a result of a resolution of the German parliament on May 4, 1999, responds to the long-term claims of communities, unions, and welfare organisations. Especially for this Report on Wealth and Poverty, a study on NTU of Social Assistance had been ordered and been inserted into the report; additionally, socio-political need for action had been stated: »The government states the fight against shameful poverty in old age to be an important and urgent socio-political issue. Thus, the pension reform will include a basic Social Assistance non-related to need of benefits in order to successfully fight shameful poverty in old age...« (ibid.).

The introduction of this new minimum income for elderly persons and for persons incapable of working (assistance in relation to existing resources) aims explicitly at facilitating the access to a minimum income for these categories of persons. This resembles closely the Social Assistance, but the obligations of maintenance of close family members are non-existent. At first sight, this could be seen as an answer to the claims of the research on non-take-up, but a closer look shows that the new minimum income concedes much more perfectly with the neo-liberal logic of separating those capable of working from the incapable ones in order to augment the pressure on the former. All in all, we find it quite difficult to link this political novelty to the recent research on NTU – even more so as recent studies on NTU state that elderly people today are much less subject to NTU than before (or than other groups, as e.g. single parents or gainfully employed persons drawing wages beneath the threshold of Social Assistance) – yet, they are the ones the new benefits are aimed at in order to facilitate their access.

As opposed to the first National Report on Wealth and Poverty, the communal reports on poverty have, from the 1990s until today, mostly been formulated similar to their precedents from the 1980s, i. e. in these reports no independent calculations of NTU are to be found; mostly, this issue isn't even mentioned. These reports continue stressing the definition of a regional rate of recipients of Social Assistance as common tendency of impoverishment.¹¹ This could be related to the crucially different conditions of production of these reports as compared to their communal precedents: They haven't been produced by the administration of the federal states themselves but, as a rule, external research institutes have been charged with the production of the reports on poverty. For these reports, also no independent surveys on NTU have been conducted, but only existing studies are being referred to.¹²

This survey on the development of the topic of NTU during the last decades demonstrates that German research on and discourse concerning NTU has been used for quite different (socio-) political and scientific-political goals. This also concedes with a change in the relation between research on NTU and the issue of poverty during the

¹¹ Cf., Der Senator für Jugend und Soziales der FHB. 1996. Dritter Sozialbericht für die Hansestadt Bremen. Bremen; Ministerin für Arbeit, soziales und Stadtentwicklung, Kultur und Sport des Landes Nordrhein-Westfalen. 1998. Sozialbericht 1998 für das Land Westfalen. Cologne; Staatsverwaltung für Gesundheit, Soziales und Verbraucherschutz. 2002. Armut und soziale Ungleichheit in Berlin. Berlin.

¹² Bericht der Staatsregierung zur sozialen Lage in Bayern, Munich, 1999; Armut und Reichtum in Sachsen-Anhalt, ordered by the Ministerium für Gesundheit und Soziales des Landes Sachsen-Anhalt, Berlin 2002; Wissenschaftliche Dokumentation zur sozialen Lage der Bevölkerung in Thüringen, ordered by the Thüringer Ministerium für Soziales, Familie und Gesundheit, 1998.

several decades. The thematisation of NTU during the 1960s and 1970s can surely be evaluated as a progress, given the fact that this resulted in a significant raise of public and political awareness of the issue that poverty in Germany had been far from being »extinguished«. This went hand in hand with a quite closely defined and solely monetary concept of poverty which was incapable to account for the manifold and many-layered situations of poverty. More recent studies on NTU tend to be oriented towards methodology and techniques, they point out flaws pertaining to data and demand improved instruments for the survey on poverty. In short, all research on NTU – with but little exceptions like Bujard/Lange – could be summarized with a statement by Leibfried, who contends this to be a tendency in the German research on poverty: Namely that the examination of NTU is merely research on Social Assistance which finally gets stuck in a »battle of numbers«. Approaches with a stronger sociological orientation dealing, for instance, with relations between the thematisation of NTU and momentarily flourishing debates with regard to »abuse« and »social parasitism«, are yet to be realized.

1.3. The (Non-)Thematization of non-take-up with regard to other social benefits and services

It has been repeatedly mentioned that NTU in Germany has been systematically researched only with regard to Social Assistance. There is no such debate concerning other fields of other welfare-state benefits. This is certainly due to the pragmatic approaches which are mostly used there. Remaining on the actors' level, one runs the risk of merely confronting the actors' competences and living conditions with the institutional structures. As a consequence, on the one hand, this does not make allowance for the moment of disciplinary action and the incorporated structure (habitus); on the other hand, there is a tendency to reify the institutions in their historic emergence resp. to implicitly adopt the administrative perspective. However, in order to analyse the inefficiency or the exemption mechanisms of welfare-state institutions on the actors' level, it is very important, to our opinion, to link the instrument in its legal and institutional constitution to a critical, organisation-sociological perspective. This would also comprise the opportunity to attain a general theory of non-take-up.¹³

The studies on NTU in other fields of welfare-state benefits do also try to analyse the problem by pragmatic approaches, and are only seldom aimed at connecting to the problems of other fields; also, nearly no attempt can be observed to develop a joint, superordinate theoretical frame. Issues, as for instance the access to social services, the relation of private and public service in the health sector, the take-up of wage compensations for parents etc., are therefore mostly analysed empirically with regard to a specific, actor-oriented formulation of the problem.

¹³ There are basic approaches in Germany on part of the administration sociology in Bielefeld (cf. Grunow 1980) as well as in the newer debates on inclusion and exclusion in the welfare state (cf. Vobruda 2000).

Consequently, all these studies cannot be regarded as a homogenous and coherent discourse on non-take-up. This meant that our research also had to be very explorative in the beginning. In the following, we are going to introduce the characteristics of the respective types of benefits in brief and will then exemplarily sketch some of the studies and analyses which we deem relevant for this field.

1.3.1. Benefits in case of Unemployment – Agenda 2010, Hartz IV and the question of NTU

In January 2005, the 4th bill of the Hartz-Commission, which is part of the reform package »Agenda 2010«, came into force in Germany. Besides the »healthcare reform«, Hartz IV can be regarded as the principal item of the Agenda 2010. While unemployment benefit and unemployment assistance had been vital benefits to help relieve the distress of unemployed, now with Hartz IV, unemployment support and Social Assistance (unemployment benefit II) have been amalgamated. This does not only have fundamental consequences for those depending on Social Assistance and unemployment assistance, but also for those entitled to unemployment benefit after losing their jobs. In the following, we are going to present the original benefits, i.e. unemployment benefits and unemployment support, and also the essential changes after Hartz IV, which, again, raise new questions with regard to NTU.

A. Unemployment benefit and unemployment assistance before Hartz IV

Unemployment benefit is still paid by the National Employment Office (*Bundesanstalt für Arbeit/Arbeitsamt*) in case of unemployment of an insured. Financed via social contributions paid on equal parts by the employer and the employed, the amount of the individual contributions varies in function of the gross salary. The benefits amount to 60% of the last net monthly salary and may rise to 67% if the unemployed is in charge of one or more children. An unemployed person is only entitled to unemployment benefit if he was in insured employment for at least 12 months in the three years preceding his unemployment.

Before the Hartz IV reform was put through, the time of insured employment preceding the unemployment and the age of the claimant were taken into account for calculating the duration of benefits. The minimum duration of benefits, based on a period of insured employment of 12 months within the three years preceding the unemployment, amounts to 156 days of payment of unemployment benefit. The maximum duration of benefit payment was 312 days for unemployed persons younger than 45, for those aged 57 and older, the duration could be extended up to 32 months.

Unemployment assistance (*Arbeitslosenhilfe*) was also qualified as an earnings-substitution benefit (*Lohnersatzzahlung*) and was paid by the National Employment Office. However, contrarily to the unemployment benefit, unemployment assistance was not financed via contributions from employers and employees, but integrally provided by the Federal Government. As for the respective calculation and granting conditions, unemployment assistance was a hybrid benefit, subject to the principles of both

insurance and assistance: on the one hand, the respective amount depended on the last salary of the unemployed, on the other hand, it was only paid in case of need and was subject to the principle of subsidiarity. As a rule, unemployment assistance amounted to 53% of the last net salary, and to 57% if the unemployed was in charge of at least one child (own child or child of partner). But, in view of the multitude of factors which may contribute to the reduction of the amount of unemployment assistance payments, many unemployed received benefits below the threshold of the minimum resources guaranteed by Social Assistance. In this case, recipients of unemployment assistance had to register for Social Assistance in order to draw complementary benefits up to the guaranteed amount of minimum resources.

If an unemployed had exhausted his eligibility for unemployment benefit, he generally had the possibility to claim unemployment assistance. In this case, the allowance period was not limited. However, unemployment assistance was also granted to those unemployed persons that did not qualify for unemployment benefit due to insufficient contributions, but, nevertheless, had contributed for at least 150 days during the last 12 months. In this case, the payment of unemployment assistance was limited to 312 days.

Studies which have analysed this scheme, show that in a lot of cases these two benefits in case of unemployment, i.e. unemployment benefit and unemployment assistance, were not sufficient enough to guarantee the minimum resources, and that, at the same time, a lot of unemployed did receive neither the one nor the other because they didn't meet the conditions for claiming (e.g. Adamy/Steffen 1998; Schmidt 1986). This is explaining why since 1970 the number of unemployed receiving Social Assistance has constantly and considerably increased.¹⁴

B. Benefits in case of unemployment and NTU

During a first analysis of scientific publications on unemployment, we found very few indications concerning the phenomenon of NTU. There are some publications treating the problem of so-called »hidden unemployment« which means the difference between the officially registered unemployed and the actual number of unemployed or the real »pool of manpower« (e.g. Egle et. al. 1976). But these studies say very little about the unemployed persons' possible reasons for not registering with the employment office. The only proposition is the so-called »resignation hypothesis«, which means that in times of a declining economic situation, the unemployed tend to be dispirited and to retire completely from the labour market. This could be read as the non-take-up of the consultation and placement offer of the employment office to which all registered unemployed are entitled, even if they don't receive unemployment benefits – it seems as if the unemployed don't expect any kind of help from the employment office. But until now we didn't find any studies about this.

The only work we found concerning the (non-)take-up of the employment office's consultation offer is about women wanting to return to labour market after the birth of a child. A study from 1969 shows that very few women know about the fact that the

¹⁴ In 1989, 17% of the registered unemployed were forced to claim Social Assistance (cf. Adamy/Steffen 1998: 94).

employment office is responsible for this kind of problems, and even if they know it, they don't expect real help (Institut für Demoskopie Allensbach 1969).

C. Unemployment benefit, unemployment benefit II and social support (Sozialgeld) after Hartz IV

The heart of the new »law of modern services at the labour market« (based on the proposals of the Hartz commission) is – in line with the European guidelines of employment policies – a policy of activation. Reintegration to the labour market is seen as the original task and responsibility of the unemployed persons, and, at the same time, it is put into the centre of the efforts of the employment offices (now called »job centres«) and of the new so-called »PersonalServiceAgencies« which are a kind of (public or private) enterprise for temporary work on a local level. Their task is to employ unemployed people and to »lend« them for a certain time to private enterprises.

Under the keywords »encouragement« and »demand«, the German Social Security Code II (*Sozialgesetzbuch II*) now calls for the so-called »activation of the self help powers«. Consequently, »activating« benefits are regarded as prior to transfer benefits which, again, are designated as »passivating« benefits in the grounds, and are therefore presented rather as a part of the problem than as a solution of the existential distress. The granting of »existence securing« benefits to employable persons is coupled with the »trade-off« of the nearly unrestricted assignment of the person's labour. Since, in order to receive public support, a person is not only obliged to disclose all wealth- and personal circumstances, but, according to the considerably aggravated »regulation of reasonableness« of Hartz IV, also has to accept any kind of work in order not to run the risk of reductions or complete cancellations.

The new »social income support« (unemployment benefit II or social support) has, as anchored in the German Social Security Code II, become the future existence security of currently 4.4 million people in Germany. This number comprises all former claimants of Social Assistance and unemployment assistance, their partners and children living in the household unit, as well as all those that are no longer entitled to unemployment benefits after a period of 12 resp. 18 months. Anyone unemployable person will be entitled to claim a »reformed« Social Assistance (*assistance for subsistence – HLU*) on top of the »social income support«.

Before the commencement of Hartz IV, unemployment benefits were granted - in dependence of the duration of the employment - up to a period of 36 months. The new law restricts this period to 12 months for unemployed of 53 years of age or younger, and to a maximum of 18 months for unemployed persons that are older. Thereafter, unemployment benefit II or social support will only be granted after a re-examination. Yet, *de facto*, the former unemployment assistance has been cancelled without substitution, and the amount of the unemployment benefit II does no longer depend on the former income, but has been laid down needs-dependent as a Social Assistance level, modified according to East-/West-income.

From now on, all employment seeking and needy persons are 'administrated' in job centres designed and established for just this purpose (the Federal Employment Office remains the responsible body). While before, Employment Office and Social Assistance Office were dealing with partly different, partly intersecting clientele, now, in the job centres all employment seeking and needy persons shall receive an effective and, at the same time, activating support and consultancy, which is supposed to be »cut to their individual needs«. If it is impossible to find an employment in the first labour market, it is intended to create other employment facilities which are of public interest. This form of employment does not constitute a labour condition in the sense of labour law, but only a relationship in terms of social law. Therefore, the workers will receive no wage, but remain recipients of social support. They are merely paid a little additional compensation on top of their unemployment benefit II.

The type of support is now, apart from age etc., mainly determined by the criterion of »employability«. If a client turns out to be »unemployable«, »social support« will come into force after a needs-related examination. Yet, if »employability« has been established, the unemployment benefit II procedure is launched. Here, the general change from »welfare« to »workfare« can clearly be shown. While a fundamental »neediness« used to be a decisive criterion for the receipt of Social Assistance, this is now increasingly replaced by the criterion of »employability«.

A rough overview on the essential principles of benefit

Employability

»Employable« is anyone able to work for a minimum of three hours per day under the usual conditions of the general labour market.

»Unemployable« is anyone unable to work for a minimum of 3 hours per day at the time being or for a foreseeable period of time (approx. 6 months), due to illness or disablement.

»Needy« is anyone unable to fully come up for his livelihood – and that of his relatives within the household unit – with his own means and power. As soon as the question of employability has been answered by an job-centre-related public health officer, a further needs-related examination and an examination of the eligibility decide about the granting of either unemployment benefit II (employable) or social support (unemployable, needy persons).

Eligibility

Eligible for unemployment benefit II are all »employable needy persons« aged between 15 and 65 and living in Germany.

Eligible for social support are all unemployable relatives living in a household unit with a claimant of unemployment benefit II, and children up to the age of 15 living with at least one employable parent in a household unit. Children, aged 15 and older, not taking part in educational training or vocational preparation, are eligible for unemployment benefit II.

Standard rates of unemployment benefit II and social support

The rate of unemployment benefit II amounts to 345 Euro in the Western parts of Germany, and 331 Euro in the Eastern parts of Germany. If there is a second employable, full age partner, the unemployment benefit II is reduced to 311 Euro each in the Western parts of Germany, and 298 Euro each in the Eastern parts of Germany. All other employable members of the household unit will receive 276 Euro in the Western, and 265 Euro in the Eastern parts of Germany.

Social support can only be granted to unemployable members of a household unit. The amounts are determined parallel to those of unemployment benefit II, except for the following exemption: Until the 14th birthday of a child, its claim to social support amounts to 207 Euro in the Western, and 199 Euro in the Eastern parts of Germany.

The child supplement is an additional benefit according to the BkiGG. Child allowance and child supplement amount to 294 Euro. This amount is supposed to cover, together with the part of the housing benefit that accounts for the child(ren), a child's average unemployment benefit II and social support need. Unemployment benefit II, social support, and child supplement are income- and wealth-depending benefits.

Accountable income

>From the income, taxes, social contributions and advertising expenses, contributions to public and private insurances – if compulsory or adequate –, contributions to the »Riester pension« up to the minimum co-

payment, as well as an employee allowance are deducted.

Wealth

The allowance of wealth corresponds in many areas with the former regulations for unemployment assistance. Besides the age-related basic allowance, also wealth, that is supported as old-age provision, is considered to be discrete and protected. Additionally, there is a allowance for one-time needs in the amount of 750 Euro for every needy person of a household unit.

Housing costs

There is a coverage of costs up to an amount which is, at the time being, defined as adequate for housing costs by local Social Assistance authorities within the scope of the BSHG. If the housing costs are too high, they have to be granted as long as it is not possible or reasonable to lower the costs by moving to another accommodation, hiring out etc.

Regulation of reasonableness

The regulation of reasonableness is formulated so broad that nearly any work can be regarded as reasonable, as long as it is not immoral. If needy people are unable to find work, it is intended to create non-profit and additional employment facilities. The work there will be paid with an »adequate« additional compensation (§ 16 SGB II). Anyone employable and under the age of 25 shall be placed in an employment, educational training, or in casual employment immediately after the application for benefits.

D. The latest reforms of the benefits in case of unemployment and the question of NTU

Even if from an administrative point of view the amalgamation of unemployment assistance and Social Assistance means less bureaucracy and an easier procedure for the unemployed, at the same time this underlines the fact that the unemployment assistance is not an insurance benefit and puts it closer to the (means-tested) »assistance pillar« of the welfare state. Given the fact that in Germany insurance benefits enjoy a much higher legitimacy than assistance benefits, one can imagine that this could have considerable consequences for the (non-)take-up of unemployment assistance.

In this context, the rules concerning the »reasonableness« (*Zumutbarkeit*) of a work offered to an unemployed (which until now had guaranteed a minimum of protection for the profession/qualification of the unemployed) have considerably changed. From now on, unemployed, yet employable persons are obliged to sign a contract with a »PersonalServiceAgency« and are expected to accept nearly every work they are offered if they don't want to run the risk to have their employment benefits reduced. For some unemployed this could be a reason to completely waive the »job centre's« efforts of placement, and even to disclaim their right to receive unemployment benefit II.

Yet, it is to be expected that all former recipients of unemployment benefits, which now are only eligible for unemployment benefit II, will frighten away from the new procedures of needs-related examination. Thus, many of the procedures of needs-related examination and principles already know from Social Assistance are now also adopted for the new calculations: The »clients« now have to disclose their personal circumstances in an even more extensive form than it used to be for the application of Social Assistance. The application is carried out in a 15-page form, which is quite difficult to access and understand. Many claimants fear that they are forced to exhaust their savings, have to burden relatives, or will be requested to change their accommodation.

1.3.2. Old age benefits

A. Main features of the German pension insurance

In Germany, with some exceptions, all white- and blue-collar employees pay compulsory contributions to the state pension fund. Like health insurance and unemployment insurance, pension insurance is financed through social contributions paid on equal parts by the employer and the employee. Contributions currently amount to 19.1% of the gross salary, which means that individual contributions vary in dependence of the individual income. But there is a maximum amount (in 2002: 3.750 Euro) on which contributions are calculated, even if one earns more.

Pension insurance covers not only old age but also the reduction in earning capacity (*Erwerbsminderung*) as well as the insured person's death (widows or widowers pension, orphans pension, child-raising pension).

The eligibility for old-age pension is tied to the attainment of a set age and the payment of contributions for a minimum period (the so-called qualifying period). The Pensions Reform Act from 1992 allows a more gradual transition from working life into retirement by drawing a partial pension and working less hours.

There are some elements in the pension insurance which are foreign to the insurance principle, e. g. mothers and fathers are automatically insured during the initial child-raising period for up to three years (contributions are paid by the Federal State), carers of people in need of care are automatically insured without paying contributions and certain forms of »substitute periods« (*Ersatzzeiten*) are taken into account if special circumstances prevent a person from paying contributions (military service, education, child-raising...).

Demographic change, an increase in life-expectancy, and high unemployment have lead to rising contributions during the past decades. This is why with the Pensions Reform Acts of 1992 and 2001, various measures have been taken to avoid further increases of the ancillary wage costs. The main changes are the following:

The rise of early retirement age thresholds (formerly for women, long service pensions and old-age pensions after unemployment) from 60 and 63 to the standard retirement age of 65. Early retirement and delayed retirement are still possible but with deductions resp. increases of the monthly pensions.

The strengthening of private provision by lowering standard pension levels from around 70% to 68% until 2030. A supplementary private pension plan is subsidised by the state (»*Riester-Rente*«).

B. Long-term care insurance

Statutory health insurance automatically also comprises long-term care insurance. Any insurant is legally entitled to assistance should he ever be in need of long-term care, i.e. the requirement of frequent or substantial help with normal day-to-day activities on a

long-term basis (that is, for an estimated duration of six months or longer). This includes not only older persons but also young disabled persons requiring nursing care.

Long-term care benefits are granted on the basis of an individual care requirement level (one of three levels) and depending on whether the claimant needs care at home or institutional care. Concerning home care benefits, one can choose between non-cash benefits (care provided by an agency under contract) and cash benefits (to enable and/or ensure e.g. the help of relatives). In the case of institutional care, long-term care insurance pays expenses for basic care, social services and treatment according to the level of care required (1.023 Euro / 1.279 Euro / 1.432 Euro per month, cf. Bundesministerium für Arbeit und Sozialordnung 2002).

C. The new social income support (Soziale Grundsicherung) for older and disabled people

The new Social Income Support Act (*Grundsicherungsgesetz*) came into effect on January 1, 2003. The granted benefits are very similar to the ones of Social Assistance (cf. chapter 2.5.), but they are restricted to people aged 65 and older, or people aged 18 and younger/older? with a reduced earning capacity. So, the new social income support is also a means-tested benefit aiming to guarantee an existence at the subsistence level of the recipients, but there are some decisive differences:

- The benefits are not universalised but focused on special target groups.
- The benefits are less individualised (grant of a lump sum instead of considering individual need).
- Maintenance claims against family members and others are considerably less taken into account.
- The new Social Income Support officially and explicitly aims to fight against »shamed poverty« (cf. below) of old people.

D. Old age benefits and the question of NTU

Given that old age pensions are to a high degree following the principle of equivalence between contributions and pensions, their legitimacy in the German population is very big. This is why in general non-take-up of old age pensions will be negligible. There are no studies at all on this question. There may be a probable change in the future regarding the take-up of early pensions because of the deductions of monthly pensions in this case. Bäcker et al. estimate that 40% of those claiming early pensions because of their state of health or because of the unfavourable situation on the labour market before the enactment of the Pensions Reform Act will in the future postpone their application for old-age pension to the age of 65 (cf. Bäcker et al. 2000: 315).

There were no studies on the (non-)take-up of long-term care benefits.¹⁵

What, in contrary, is very central to the question of NTU, is the introduction of the new Social Income Support for older people, because it explicitly aims at the reduction of

¹⁵ For basic approaches thereto, cf. Blume (1970).

»shamed« or »hidden« poverty¹⁶ (also cf. the glossary), i.e. the reduction of NTU of Social Assistance with older people. For the first time in Germany, a political instrument has been expressly constituted for fighting against NTU. However, it is kind of surprising that this instrument for fighting against NTU is focused on a group (older and disabled persons) which, according to all current studies about NTU, is no longer the most important or problematic group among the »non-take-uppers« as it used to be in the 1970s. This leads us to the presumption that there are – at least in addition – other important reasons for the introduction of this benefit. In fact, it executes a separation between those recipients of Social Assistance who, at least theoretically, are able to work, and those who are not, and therefore it offers the possibility to increase pressure on the former. But as this benefit has only been introduced very recently, there are, until now, no studies about its effects (only about problems in the concrete administrative procedure).

1.3.3. Health

A. Main characteristics of the German health system

The main responsibility of the Germany healthcare system is carried by the statutory healthcare insurance scheme (*gesetzliche Krankenversicherung*) and the private healthcare insurance scheme (*private Krankenversicherung*) and is therefore nearly exclusively structured by the »logic of assurance«. Approximately 90% of the German population belong to the statutory healthcare insurances, 9,1% are covered by private healthcare insurances, 2,3% are covered by other security schemes (e.g. members of the armed forces, conscientious objectors conscripted to do community work, recipients of Social Assistance) and 0.1% are living without any healthcare coverage.

The most important objective of the German healthcare system is to provide all groups of the population with appropriate healthcare insurance cover for reasonable rates of contribution. All persons insured by statutory healthcare insurances in Germany receive the benefits due to them as required and in accordance with the provisions of Part V of the German Social Act (*SGB V*). Although the risk of requiring medical attention is a universal one affecting all members of society, statutory healthcare insurance is limited to those in paid employment (not-employed family members are under the parental insurance coverage) and even then only covers those falling between the low-pay threshold at the »bottom« and the obligatory insurance ceiling at the »top« (*Versicherungspflichtgrenze*), including recipients of wage compensation (*Empfänger von Lohnersatzleistungen*), e.g. unemployed persons, pensioners. Above this ceiling, voluntary insurance is possible and private healthcare insurances can be claimed. The vast majority of self-employed persons and civil servants in Germany are privately insured. In the case of employed persons covered by the statutory healthcare insurance, the employer and employee each pay half of the contribution, and those persons who are insured voluntarily pay their own contribution in full.

¹⁶ Kunkel H.-Ch. 2003. Das Grundsicherungsgesetz (GSiG). In *ZFSH/SGB 06/2003*: 232.

All insured persons have the right to claim the full range of healthcare benefits, i.e. there are no means-testing procedures controlling the eligibility of the claimants. But there is a high variety in the supply of medical care and medical organisations which is mostly carried from private actors in the healthcare system.

Another important characteristic of the German healthcare system is the fundamental division between out-patient and in-patient care. The main principal reason for this division is that the self-employed general practitioners can frequently provide out-patient care in a more cost-effective manner than is possible for in-patient facilities (hospitals).

B. The German healthcare system and the question of NTU

The question of non-take-up of social benefits related to the healthcare system in Germany was first analysed by the *Transfer-Enquête-Kommission* (1981: 74-75), which was instructed by the government in 1976. This commission consisted mainly of scientific experts, representatives of the *Internationales Institut für Empirische Sozialökonomie* (INFES) and the *Deutsches Institut für Wirtschaftsforschung* (DIW). The main task of this commission was to evaluate all transfer-effects between the public and the private sector related to different household incomes. Beside, for example, the Social Assistance and the *housing benefit*, the commission has also calculated the distribution effects of the transfers in the healthcare sector. This calculation bases on information of the individual expenses, of the actual take-up of healthcare benefits – a survey made in 1974, 1975 and 1975 (*Gesundheitsdaten der Bevölkerung*) –, and the data of the *Mikrozensus*. Putting monetary and real-transfers (*Realtransfers*) together, the commission has pointed out that the rate of these transfers is over-proportional within the middle incomes (white collars, employees and skilled workers, but especially civil servants). Without analysing the specific reasons of non-take-up behaviour, the commission concludes that lower take-up rates of healthcare benefits can be explained with access barriers (especially for lower classes), as well as with a good physical condition of the population.

Another important research about the non-take-up of healthcare benefits was conducted by Lothar Klaes in 1985. The study is an extended version of the project *Schichtspezifische Versorgungsprobleme im Gesundheitswesen* (Class-specific Supply Problems in the Healthcare Sector, Bundesministerium für Arbeit und Sozialordnung 1981), initiated by the Federal Department of Employment and Social Order (*Bundesministerium für Arbeit und Sozialordnung*), and was supported by the *Institut für Sozialforschung und Gesellschaftspolitik* (ISG). The main objective of this case study was to analyse the class-specific causes of the non-take-up of healthcare benefits. Therefore, Klaes had conducted 122 interviews with people in a district of Cologne. 68 of the 122 interviewees of the lower classes declared that they frequently did not claim medical support from a physician or hospital although having health problems or aches and pain. Klaes named the following reasons for that class-specific behaviour: Low confidence in the physician, lack of time, in-company repressions and fear of being admitted to a hospital (cf. Klaes 1985).

There are also some other studies concerning cancer screening, general prophylactic health behaviour, utilisation of sanatoriums and over-usage of medical attendance, dealing with the question of non-take-up, but more implicitly and in a more general approach (Dilling et al. 1984; Reye 1984; Hornung 1986). There are no specific analyses of the class-specific non-take-up behaviour in these studies as in the studies of the Transfer-Enquête-Kommission, Klaes and as in the current »Poverty- and Wealth-Report« of the Federal Government.

In the »Poverty- and Wealth-Report« of the Federal Government of 2001, most of the arguments concerning the class-specific healthcare behaviour are based on the latest federal health survey from 1997/98 (Bellach et al. 1998). This survey also gives evidence for a class-specific healthcare behaviour and a comparatively worse health constitution of people in lower classes. They registered a higher non-take-up rate of healthcare benefits (cancer screening and general prophylactic support, information and training courses) in that social group than in the middle and upper classes. The report summarizes that the probability of being in a bad state of health is twice as high in the lower classes.

1.3.4. Family policy

A. Main features of German family policy

For a long time, family policy played only a marginal role in the German welfare state. Institutional and ideological traditions, mainly concerning children, strongly emphasise the responsibility of the family opposite to the responsibility of the state; children are less considered to be »of public interest«, but rather as being a private family matter – and what is more: It is the prevailing idea that the family has to be protected from governmental infringement. In their (re-)beginnings after World War II, family policy was even suspected to be »totalitarian«¹⁷ (which certainly results partially from the experiences made during the Third Reich, see e.g. Singly/Schultheis 1991).

Moreover, the allowances for families being in charge of children are not part of social security, i.e. they are not financed by means of contributions, but either by the Federal Government, or by the Federal States (*Länder*) (exception: the free insurance of family members of an insurant is generally financed by means of contributions to statutory health insurance).

The lower total expenses of German family policy and their less redistributive character, as for example compared to France, are complemented by a high degree of political decentralization and administrative split-up. Instead of just *one* organism being responsible for *all* family concerns, benefits and services meant for families are administered by various institutions.

Any resident in Germany taking care of children is entitled to child allowance (*Kindergeld*), independent of his income. The current child allowance rate is 154 Euro per month for the first, the second and the third child, and 179 Euro for the fourth child and

¹⁷ Helmut Schelsky quoted in Kaufmann et al. 1980.

all further children. If the child allowance payments do not equal or exceed the non-taxable minimum subsistence level for a child, a tax-free allowance for children and a child-care allowance are deducted from the parents' taxable income.

All mothers or fathers who are not gainfully employed or work only part-time are entitled to apply for parental allowance (*Erziehungsgeld*). Parental allowance is a means-tested benefit and is paid for a maximum of two years. The current parental allowance rate is 307 Euro per month. During the first six months after a child's birth, parental allowance is granted if the family's yearly net income does not exceed 51.130 Euro (single parents: 38.350 Euro). The income limit is decreased to 16.470 Euro (single parents: 13.498 Euro) from the seventh month onward.

The parental leave (*Erziehungsurlaub*) allows parents (mothers or fathers) to interrupt their employment for up to 36 months after the birth of their child. They are guaranteed to be able to return to their position after this period of time. Parental leave is not restricted to *either* mother or father, but can be taken by both parents at the same time for parts of or the complete three-year-period. Each parent taking parental leave is allowed to work up to 30 hours a week.

Another important law is mainly directed to single parents: The Maintenance Advance Act (*Unterhaltsvorschussgesetz*) stipulates that the minimum level of child maintenance, as set forth in the regulations on standard rates of child maintenance, will be paid from the public fund if a child receives no maintenance from the other parent and/or no orphans' benefits.

B. German family policy and the question of NTU

As far as we know, the relevant literature does not consider the (non-)take-up of child allowance. But as even parents not claiming child allowance do benefit more or less »automatically« by way of the annual adjustment of their income tax, the rate of non-take-up is expected to be very low.

The take-up rate of parental allowance is at 95% of all eligible employees. In addition, there are some scientific works on sex-specific take-up of parental allowance; only 6% of all claimants are men (Bäcker et al. 2000). The same applies to the take-up of parental leave. In 1998/99, Vaskovics and Rost conducted a research on the take-up of parental leave by fathers (the study was financed and published by the German Federal Ministry of Family, Elder People, Women and Youth; Vaskovics/Rost 1999). It is based on a quantitative study with 1,000 fathers and a (non-representative) qualitative study with a small number of families. Vaskovics/Rost came to the result that, from 1991 to 1994, the take-up of parental leave by men ranged between 0,91% (1991) and 1,46% (1994). Although a small upward trend can be detected, these numbers clearly show that the right to parental leave is claimed nearly exclusively by mothers. The main reason for the (quasi) NTU of parental leave by men is – according to the interviewees – a financial reason (44%): In most families the father's income exceeds the income of the mother. In the few cases with reverse constellations, the take-up of parental leave by fathers is considerably higher. Other reasons for the (quasi) NTU of parental leave mentioned by

the fathers are: They are unable to interrupt their employment due to its specific nature (39%), they don't want to risk their career (13%), they cannot imagine to stay at home (13%) or they are afraid to »miss the boat« in their job (11%).

Another interesting domain concerning the question of non-take-up are the public services for families, especially child care. The traditions described above help to explain why in Germany day-care for children is considered only as a supplement to domestic charge and not as an adequate care for the whole day. This is why kindergartens (children aged from three to six) generally open for only a few hours a day (in the meantime, there are some exceptions in big towns, but it is still very difficult to get hold of a full-time place). Furthermore, this so-called pre-primary sector is not part of public education in Germany and about 60% of all kindergartens are held by the Churches.

There are very few day-nurseries for children aged three years and younger in Germany. Less than 3 % of an age group is able go to a nursery. In another study we were able to show that the (low) demand for and take-up of children day-care in Germany is a long-term result of specific norms and values as well as the consequence of a very low supply of day-care offers. This contributed to form an idea of »normality« which labels women as uncaring mothers if they claim day-care for their children (cf. Böhmler 1994)

But, as shown by Kaufmann in 1982 in his study on distributive effects of social services and the take-up of the kindergarten offer, this connection between offer and demand is not a direct, short-term one. In his research he observed that – in the short-term perspective – the main factor to explain the take-up of the kindergarten offer is the parents' social status, independent of the supply of kindergarten places in the respective part of the town. Families not placing their children in a kindergarten are generally characterized by a low social status and a high number of children. They also tend to live in town districts with a low socio-economic status (cf. Kaufmann et al. 1982: 330).

But, as the »Poverty and Wealth Report« of the Federal Government shows, class specific take-up of kindergartens has changed during the last years (cf. Bundesministerium für Arbeit und Sozialordnung 2001). The percentage of parents with higher education diploma or high professional status has considerably decreased in the last years, while the percentage of parents without any professional diploma has increased.

Studies like these (Kaufmann et al., »Poverty and Wealth Report« and others, see e.g. Wirth, chapter »social services«) examine the class specific take-up of social services and the effects of social services in terms of social policy and (re-)distribution. In general, they come to the result that middle classes are over-represented in the group of claimants of social services (e.g. Kaufmann 1980: 315). This also applies to social services for families (except for consultation offers which generally go together with a high problem pressure). The interest of these studies is mainly focused on the below-average take-up of public offers by lower classes as a sign of lower participation in »social privileges« and therefore an under-privilege of these groups in a wider sense.

1.3.5. Social housing (*sozialer Wohnungsbau*) and Housing benefit (*Wohngeld*)

During the 1950s, the German governmental housing policy was mainly focused on the social housing scheme (due to a housing shortage of 48,3%). In this period, a high share of reconstruction and house building took place within the scope of state-sponsored social housing programs by means of charitable housing companies. Then, in the 1960s and 1970s, these programs were increasingly focused on specific lacks of local housing situations. The establishment of the rent allowance (*Wohnbeihilfe*) since the 1960s was gradually developed to the today existing housing benefit scheme in order to support especially lower income households which were financially burdened by increasing rents on the housing market.

A. Social housing

Generally, all flats and houses which are state-sponsored within the social housing scheme can be constructed by charitable housing companies, enterprises and private house owners and investors. These institutions and investors can claim financial support in form of low-interest loans, expense allowances, sureties etc. Furthermore, there is a variety of tax breaks concerning the public house building support: Renunciation of land transfer tax and land tax, raised writing offs and remission of fees. For the year 2004, the Federal Government has passed a resolution according to which most of the subsidies for the attainment of housing ownership will be cut down.

Rents for all flats and apartments within the state-sponsored social housing scheme are controlled through standardized guidelines. Also the groups of tenants which are eligible for claiming council flats are limited through a specific income threshold. The income limit for the respective eligibility has been set comparatively high so that large parts of the middle class are also entitled to apply for council flats.

B. Social housing and the question of NTU

Due to the fact that owners of council flats are absolutely free to choose their tenants and also with regard to the – still existing – comparatively high income threshold, it can be assumed that owners of council flats will systematically select tenants with higher incomes in order to reduce financial risks. Instead of describing this phenomenon in categories of non-take-up or exit, one can describe this mechanism of selection or exclusion as a moment of »creaming the poor« (cf. Hauser et al. 1981: 253; Winter, et al. 1983: 65).

Beside this, the Transfer-Énquete-Kommission from 1979 has conducted separate calculations concerning the take-up rate of housing benefits (Transfer-Enquete-Kommission 1981: 64-65). Especially the take-up rate of the house building bonus (*Wohnungsbauprämien*) depends on the level of income. The highest rates of claims on house building bonus were established in the middle class (especially white-collar workers and civil servants).

C. Characteristics of German housing benefit

Housing benefit in Germany is a means-tested allowance that tenants as well as homeowners can receive from the state in order to help cover the cost of housing if their rent or mortgage payments exceed their financial means. Housing benefit is specified as rent support (*Mietzuschuss*) when it is granted to tenants, and as mortgage and home upkeep support (*Lastenzuschuss*) when granted to homeowners. There are several factors of eligibility that play a role in the determination of a person's eligibility for housing benefit: The number of family members in the household, the total family income, the amount of rent or mortgage payment.

The housing benefit office of a city or a district is in charge of the determination of eligibility. Housing benefit is usually granted for a period of 12 months. After that period the person or household who is still eligible has to reapply for housing benefit. Since April 1, 1991, people or households receiving Social Assistance payments or benefits according to the War Victims' Relief Scheme are exempted from the duty to submit an application.

D. Housing benefit and the question of NTU

Early studies related to the non-take-up of housing benefits have pointed out that housing benefits are much more accepted by the lower classes than Social Assistance. The reason for the non-take-up behaviour is to a lesser extent shame or stigmatisation, but rather a lack of information (cf. Kaufmann et al. 1980). Nevertheless, Bujard/Lange (1978) have ascertained a non-take-up rate of 50% for the year 1978. Estimations concerning the »shadow rate« as stated by the Federal Ministry of Civil Engineering and Urban Development (*Bundesministerium für Raumordnung, Bauwesen und Städtebau*) amounts to 30%.

1.3.6. Social Services

A. Characteristics of social services in Germany

The structure of the social service system in Germany is marked by the specific welfare corporatism in which the private charity associations (*Verbände der freien Wohlfahrtspflege*) legally perform a decision-making position. The relation between public institutions and charitable institutions (*staatliche und gemeinnützige Träger*) of social services is basically regulated by the principle of subsidiarity (*Subsidiaritätsprinzip* – the belief that »informal« care should, whenever possible, take precedence over state intervention; cf. chapter 1.2.). According to this principle, the public as well as the private charity associations are bound by law to cooperate, although the private social service supply has priority within this institutional cooperation.

In the past decades, the professional social services extended strongly in Germany. In the 1950s, 3%, of all employees paying social security contributions were working in the public service sector. This share did rise to 5% in the 1970s and did reach 7% in the 1990s (cf. Bäcker et al. 2000: 355). The extension and increasing differentiation of social

services is commonly explained by the decreasing capacity or potential of the private and family-related self-helps which can be seen in relation to general demographic, socio-economic, and political changes.

In order to distinguish professional social services from other forms of social security contributions, it needs to be pointed out that social services take effect whenever mere monetary support fails to solve peoples' problems and needs directly. Many social predicaments or individual needs can be alleviated only indirectly with the help of monetary transfers. Characterizing social services as »naturally« *helping, supporting and consultative* – in order to emphasize their immaterial status as a real-transfer (*Realtransfer*) – leads to a further distinction in relation to factual and product-related provisions of services. They are mainly carried out within the logic of the »uno-actu-principle«: Because they are immediately realized with persons, the dimension of production and consumptions coincide temporally and spatially (cf. Wirth 1982: 17). Therefore, the »client« and the person providing the service need to interact face to face in present. Furthermore, it is necessary that the client himself is actively integrated in the process of the service supply. Consequently, the result of such interaction depends on the offered service potential from the person providing the service as well as on the willingness and capability of cooperation from the »client«.

As another important characteristic of social services we must consider their status within the market. Most of the social services in Germany are still operating relatively independent of competitive market mechanisms. In fact, there are also some examples in the history of the social service scheme in Germany in which market regulation played an important role. But the latest reforms are showing that this principle of market-related self-regulation will extend in the next couple of years (»privatisation« or »*Ökonomisierung des Sozialen*«). Also, in times of radical socio-political changes it is hard to clarify to which degree the processes of opening up social services for market-mechanisms have actually been effected. Traditionally, most of the social services have been financed and regulated by the state. Therefore, the central guiding principle was to help those in need, independent of their individual solvency or ability to pay social support. In this principle, the underlying definition of the causes of needs is substantially connected to the society, whereas in the upcoming reforms this principle is increasingly going to be undermined and the causes of the needs are reduced to self-inflicted crises.

B. Social services and the question of NTU

As we can see in the characteristic above, most of the social services are essentially linked with other forms of social benefits. All empirical studies concerning the question of non-take-up of social service are already presented in the chapters on the different welfare state sectors. Beside these studies, we detected one theoretical work, published by Wolfgang Wirth in 1982, which is explicitly dealing with the phenomenon of class-specific take-up behaviour of social services.

After defining social services as person-related and essentially immaterial, Wirth is modelling the whole process of interaction between the »client« and the service-

providing person or institution. In order to determine the essential conditions of take-up, Wirth distinguishes the so-called »clients' career« into four phases:

Point of departure: In this phase, Wirth focuses on the *probability* of take-up in cases of specific demands or needs. On one hand, people of the lower classes are more susceptible to get into situations of needs, on the other hand, although these »objective« situations exist, people of lower classes less probably apply for help than people of the middle classes do.

Phase of decision: In this phase, Wirth analyses the concrete development of the individual decision process as a complex of factors of individual dispositions and »lay-referral-systems«. While persons of the middle classes often interact with this well-informed »lay-referral-system« which helps to proceed the first steps of claiming and raising awareness, persons of the lower classes mostly try to interact with family-members which still hold on to specific principles of »emotional support«.

Phase of application: This phase can be characterized as the transformation of a client's demand into actual take-up behaviour. In order to analyse this process, Wirth focuses on the specific administrative selection mechanisms which determine whether a claimant is accepted or not. People of the lower classes are mainly disadvantaged in this phase because of administrative prejudices and a way of thinking which works only in terms of efficiency.

Client-phase: In this phase, Wirth analyses the immaterial real transfers as a complex interrelation process and provides reasons why persons of the middle classes are over-represented in the take-up rate of social services, whereas persons of the lower classes often break off the procedure. One of his central arguments is that the most administrative or bureaucratic concepts of assistance are developed by members of the middle classes themselves; consequently, middle class claimants often fit into this specific communicational process while claimants of the lower class do not.

Summarizing, it can be stated that the possibility of take-up of public offers is affected especially by class-specific forms and abilities of verbal communication as well as the lack of material and immaterial resources (money, knowledge, time, social capital). Consequently, Wirth argues that the most needy people have systematically lower chances to realize their needs within the bureaucratized and professionalized system of social services.

1.3.7. Education

A. Fundamental principles of the German education system

The German system of public education is characterized by the so-called *Kulturhoheit* (cultural sovereignty) of the Federal States (*Länder*), i.e. public education is part of their responsibilities. Speaking of a German educational system in a general way, thus, is

rather problematic, considering the fact that there are differences in the structures of the educational systems, the diploma, and the curricula of the different *Länder*.

However, in spite of this »multi-centralized« organization of the German system of public education, the number of common points of the Federal States exceeds the differences by far. Apart from the federalism as mentioned above, some of the fundamental principles of the German educational system are as follows:

1. In Germany, school is obligatory for nine or ten years, and after this, part-time vocational training in specialised education establishments is obligatory for another three years (for those who do not continue to follow general education). In any case, school obligation ends with majority, i.e. at the age of 18.

2. After *Grundschule* (primary school – four to six years, depending on the *Land*), there exist three to four different types or pillars of school which coexist in parallel and, at the same time, serve to establish a clear hierarchic order concerning the social chances of the respective graduates: *Hauptschule* (lower secondary school), *Realschule* (intermediate school), *Gymnasium* (upper secondary school, grammar school) and, only in some Federal States and having a special status, the *Gesamtschule* (comprehensive school), established in the 1960s with the intention to integrate the three other types of school.

2. The big majority of German schools are part-time schools, i.e. classes are generally held in the morning and the pupils leave school about noon / 1 p.m. There may be classes in the afternoon for older pupils, but they are generally limited to two hours and to no more than two days a week. In general, there is no lunch provided for the pupils at school.

3. The principle of »subsidiarity«, which leaves certain public tasks to non-public institutions, is expressly not applied to schools and universities, but to an area which in Germany is traditionally not considered as being part of the public education system: The pre-primary sector (children aged from three to six). About 60% of the kindergartens are held by the churches and are opened only a few hours a day, which means that these institutions only represent a supplement to domestic charge. Since a couple of years, German law provides the »right« for all children aged from three to six to go to a kindergarten, but the capacity of the kindergartens is still not big enough to accept all children whose parents want to place them.

4. Vocational training is institutionally separated from public education. This sector is, in first line, characterized by the »dual system«, a combination of in-plant training and vocational training in educational establishments (*Berufsschule*). The responsibility for the in-plant-part of the vocational training lies in the hands of the Chambers of Handicraft and also the Chambers of Industry and Commerce. There are only few professional trainings which entirely take place in public or private schools.

B. The question of non-take-up of / exit from public education offers

The phenomenon of non-take-up or of exit from public educational offers has various facets. One of them concerns the question whether there is a private educational offer which opens the possibility to »exit from« the public offer and to choose alternative forms of education.

Private schools are of minor importance in Germany; the large majority of pupils (about 95%) follow the public system of education (Arbeitsgruppe Bildungsbericht am Max-Planck-Institut für Bildungsforschung 1994). The few existing private schools often are run by the churches, but due to the fact that there is no opposition between the government and the churches in matters of education, there is no competition between public and private education – the government even concedes the churches an influence within public schools (lessons in »religious education«).

The same goes for universities – the large majority of universities in Germany are public and free. But since the 1980s, given the difficult situation in German universities characterized by a growing number of students and increasing financial pressure, a rise in the foundation of private (paying) universities aiming to the production of an academic »elite« can increasingly be observed. In general, the reasons for choosing a private university are not ideological ones, but lie in the search for a high-quality university education (small number of students, strict selection in admission, high standards etc.). This decision for private offers instead of the public ones can clearly be seen as a kind of »exit« or defection from the public offer – an exit open only to those who can financially afford it.

Another facet of the NTU phenomenon in the field of public education concerns the refusal to attend school (»absenteeism«) – a problem, which has increasingly been receiving attention in the last years in the politically as well as in the scientific area (Anon. 2002b). For instance, sociologists at the university of Cologne conducted a study on denial of school among pupils in Cologne. They found out that between one third and half of the pupils skipped classes at least once during the past year, and that there was a group of about 10% of the pupils who were absent from school six or more times and for several days without giving any reasons. The age of the pupils, the type of school, the family situation and the parents' style of upbringing were, according to these studies, the main factors to explain this behaviour. In the case of pupils skipping classes regularly, there was in general an accumulation of problems, often including a »delinquent behaviour« (shoplifting, violence etc.; cf. Anon. 2002b: 3). Therefore, the skipping of classes is difficult to classify as »non-take-up« or defection – it is voluntary, it is a choice, but not the choice of a real alternative. It is the rejection of an offer (or better: an obligation) which, from the perspective of the pupils concerned, seems to lead nowhere in times of a considerable lack of places in vocational training and of high youth unemployment. The same reasons are responsible for the fact that a growing number of pupils is leaving school without any diploma. Especially the diploma of the *Hauptschule* has considerably lost value during the last decades and it is more and more difficult for leavers of this type of school to find a place in vocational training or a job after graduation – with or without diploma.

What is already appearing here in outlines is leading us to a broader comprehension of the phenomenon of non-take-up of public educational offers: The class specific take-up of educational institutions. This is a very broad field and there exists a rather extensive research in Germany concerning the question of class-specific education chances and social selection in school as well as at the entry to university education. We cannot get into this subject very deeply, but we would like to emphasize the lower take-up of university education offers by school-leavers from a working-class background, although disposing of the same diploma as school-leavers from other backgrounds. This can be regarded as a very interesting and complex form of non-take-up. The dividing lines between »no can« and »no want«, between internal and external entry barriers are definitely dissolved here and a more complex theoretical concept is needed in order to come to a better understanding of such educational strategies. The works of Pierre Bourdieu on the educational system as well as his »habitus«-concept as a »structured internalization of the external« (*»strukturierte Verinnerlichung des Äußeren«*; Egger et al. 1996) could be regarded as a guiding approach which, nevertheless, shall not be followed further at this point.

1.3.8. Justice

Generally, in Germany a distinction is made between assistance under the legal advice scheme and assistance with court costs. This distinction finds its expression in two specific services: advice aid (*Beratungshilfe*) and legal aid (*Prozesskostenhilfe*).

A. Characteristics of advice aid (*Beratungshilfe*) and legal aid (*Prozesskostenhilfe*)

Both, advice aid and legal aid were introduced in the 1980s in order to provide people with low incomes to receive assistance with the costs for legal advice and court proceedings. In general, they are granted when the claimant's personal and economic circumstances are such that he cannot provide for the necessary funds and has no other reasonable possibility of obtaining assistance (e.g. legal protection insurance, advice from a tenants' association or trade union). Furthermore, the eligibility for assistance also depends on other aspects: First, the intended exercise of rights must be neither wilful nor malicious. In order to receive legal aid, the intended prosecution or defence must also have a reasonable prospect of success. The court deciding on the application for assistance with court costs has to consider, on the basis of the applicant's representation of the facts and the available documentation, whether the legal viewpoint is correct or at least justifiable and it needs to be convinced that the presentation of a case will be feasible.

Legal advice is given by specific lawyers in private practice in 14 of the 16 Federal States. In order to get information which lawyer is offering this service, the claimant can consult the local district court (*Amtsgericht*). In the two city states (*Hansestädte*) of Hamburg and Bremen, legal advice is provided by salaried legal staff in city-funded agencies. The extent of the advice available varies between the Federal States. All of

them provide advice aid for civil, criminal and public law matters; some add employment and social welfare, and only Bavaria extends advice aid to tax law.

Assistance with court costs is granted for civil proceedings, cases involving voluntary jurisdiction and cases brought before industrial tribunals, administrative courts, social courts and tax courts. But there is no assistance with court costs available in criminal proceedings and for debtors in bankruptcy proceedings.

B. The question of NTU related to advice aid and legal aid

In scientific literature, the causes of NTU are often linked to matters of information lacks. From this point of view, the advice aid can be regarded as a preventive law, as it intends to lower or even foreclose this kind of access-barrier for low-income groups. There were only some isolated remarks –although not based on empirical studies – arguing that the respective law (§ 1 I BerHG) will probably not be compensating verbal-barriers, cost-barriers or the fear of entering unfamiliar places, all of which are observed to be typical for lower classes (cf. Kalthoener/Büttner 1988).

1.4. Final Comments

When trying to describe the current restructurings and changes of the European welfare states, one basic area of conflict is particularly outstanding. On the one hand, it is repeatedly pointed out that there is a lack of an EU-wide homogenous system of social security; yet, on the other hand, particularly under the pressure of »globalisation«, the individual welfare states do not seem to remodel their national security systems towards a homogenisation. They rather pursue a so-called »reorganisation of the welfare state« within the scope of their respective prevailing social models, with respectively different consequences for their social security systems.

From the perspective of the regulation theory, the current change process can be described as a transition from »Fordism«, based on Keynesian interventions, to »Post-Fordism«, characterised by a neo-liberal economic and social policy, whereas the latter cannot be regarded as a closed formation of a »new« welfare-state compromise (cf. Steinert/Pilgram 2003). One of the main research issues within the frame of this approach is, how the different national states guarantee the reproduction of labour within their historically grown social and economic structures. What strategies of insurance and assistance, public support and activation, labour-market oriented integration and information resp. self-description of the society is taken recourse to in order to establish or consolidate oneself as a compatible economic area (EU and/or EU-members)?

Usually globalisation is regarded as a for European societies standardised compulsory moment, yet, it has often been pointed out that, one the one hand, societies fall back upon different strategies in order to overcome critical processes, and that, on the other

hand, the different countries' frameworks, which are often interpreted as »inherent necessities«, are interpreted in respectively different ways and/or differ in their intensity and manifestation. Insofar, it would be wrong to assume a general and identical »cutback« of the welfare state; it must rather be regarded as an uncompleted shift of emphasis within the - for all welfare states applicable, yet precarious - dialectic of de-commodification and (re-)commodification (cf. Dräger 2004).

None the less, instructed by European guidelines and programs, as, for instance, the employment political guidelines, the Lisbon-strategy, but also European research programs etc., there can be observed an intensified exchange of socio-political ideas adopting a hegemonic status. »Workfare«, »employability«, »flexibility«, and »activation« are terms that by now can be counted among the core inventory of employment- and socio-political reforms in Europe. Even if these concepts are acted out differently, still their Europe-wide spreading leads to a coexistence of divergences and convergences that need to be determined more closely on the background of a European social model.

The socio-political change from »welfare« to »workfare« which has been diagnosed in Germany in this context, has its starting point particularly in the reforms of the employment market in the 1990s. Since then, there has been a continuous implementation of the term of the »activating welfare state« which commonly means that »unconditional claims« to »passive benefits« are withdrawn and replaced by »conditional claims« to a granting of benefits based on the recipient's willingness for »activation« and »flexibility« (cf. Brütt 2001). The workfare approach thus alleges that recipients of Social Assistance do not work despite being able to, because they are imprisoned in their supported life in a cognitive and affective form (ideology of the poverty trap).

The findings of the NTU research are conflicting with the fundamental legitimation of the policy of »activation«. After all, one of its fundamental implicit cognitions is the deconstruction of the social policy's »passivity semantics«. The security system is to a lesser extent passivity-forming than contended by many critics, in fact, due to its institutions and its techniques of social disciplinary action, it was able to constitute an attitude with its eligible that rather obstructs than encourages the take-up of social benefits. Already before demanded by the current ideology of »self help«, large parts of the eligible population are *actively* participating in the managing of their life without wanting - or being able - to take up welfare-state benefits. Such interpretations are suggested, on the one hand, by studies since the mid-seventies that were able to determine a huge »shadow-rate of poverty« resp. »hidden poverty« in Germany, but also, on the other hand, by many of the current studies that help understanding and explaining the phenomenon of the »working poor«.

It is very unfortunate that these cognitions of the NTU research, which might by all means have far-reaching consequences for the current considerations on the »reorganisation of the welfare state«, have remained nearly unnoticed in the German political arena, as, among other things, Hartz IV shows.

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