WITH THE FUTURE IN MIND

An Illustrated History of Social Security in Germany
German Social History in Pictures and Documents

The travelling exhibition “With the Future in Mind – An Illustrated History of Social Security in Germany” was displayed for the first time in 1987 on the occasion of the 750th anniversary of the city of Berlin. Since then it has been shown more than 40 times in Germany, Japan and the Netherlands.

Striking pictures and documents illuminate the arduous path from the adoption of the first social legislation to today’s social state.

Lifelike groups of figures created by the sculptor Josef Lang illustrate the deplorable living and working conditions that were common over 100 years ago. Individual themes such as “Child Labour” and “Immigration” highlight social problems.

Today we have an efficient social security system encompassing many areas of our lives.

This system did not appear overnight. Rather, it is the outcome of a lengthy evolutionary process. The hardship suffered by human beings in the event of illness, the dearth of occupational safety provisions and the lack of security in old age as a consequence of rapid industrialisation, degrading housing conditions and the uprooting of entire generations in a swiftly changing world demonstrate the need for state action in the past.

The following pages provide an introduction to the themes of the exhibition with brief references to important events and developments.

Welcome to the exhibition!
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From the Middle Ages to the Revolution of 1848

Beggar at the convent gate
Woodcut, 15th century
Care for the Poor in the Middle Ages

People live in families, in village, monastic or court communities: groups that offer them a little security in illness and in old age. The group is responsible for the welfare of its members.

The poor in this feudal society include peasants and dependent workers, widows and orphans, the sick and the disabled, the illegitimate and the feeble-minded, beggars, itinerants and convicts. The poorest are aided through the charity of the Church. Monasteries shoulder the task of caring for the poor and establish hospitals for the sick and the elderly.

Poor sanitation – especially in the cities – famine, infectious diseases and virulent epidemics such as smallpox, leprosy, syphilis and above all the plague (Black Death) claim millions of victims.

The great epidemics also destroy the social and moral fabric. People seek salvation in the flagellant movement, the Inquisition and the witch craze.
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The Reformation and the Disintegration of the Empire

Martin Luther (1483–1546) ushers in the Reformation with his Ninety-five Theses against the sale of indulgences (1517). Profound religious and political upheavals result.

Many territorial princes and imperial cities embrace the new Protestant faith and thus stand in opposition to Emperor Charles V and the Catholic Church. The religious unity of the empire disintegrates and ecclesiastical authority declines.

In Protestant areas, monasteries are dissolved; the assets of the Church are confiscated and become the property of the state. Part of this confiscated wealth is used to support the poor and the establishment of schools. The state now also intervenes to regulate welfare services for the poor. Almshouses and poor-relief funds emerge.

Prosperous citizens establish foundations to alleviate misery and need. The non-local poor are sent away, however. Welfare services remain a voluntary matter for the given territorial sovereign. The absolutistic state is powerless to stem the rising tide of mass poverty.
Absolutism

Religious strife intensifies at the beginning of the 17th century, culminating in the outbreak of the Thirty Years’ War in 1618. Not until 1648 is the war brought to an end by the Peace of Westphalia.

The consequences of the war are disastrous. The country is devastated, and many cities lie in ruins. War, famine and epidemics have decimated the population by more than one third. Mass poverty gives rise to begging, poaching and gang crime.

Absolutism, the 17th-century system of rule, is incapable of changing the wretched social situation. The mercantilist economic system with state manufactories leads to the impoverishment of the independent craftsmen.

There are no binding rules for the protection of health. The cities regulate their medical systems themselves; state medical regulations do not follow until many decades later.

Under the influence of the Enlightenment in the 18th century, the idea gradually takes hold that the state is obligated to look after the health of its citizens.
The French Revolution

In the 18th century, the Age of Enlightenment, the desire for liberation from the bonds of feudal society grows ever stronger.

The call for “liberty, equality, fraternity” rings in the victory of the French Revolution of the Third Estate: merchants, craftsmen, peasants, civil servants, agricultural workers and day labourers. They represent roughly 98 percent of the population. The National Assembly proclaims the “Rights of Man and of the Citizen”: “Men are born and remain free and equal in rights ... These rights are liberty, property, security and resistance to oppression ... Liberty consists in being able to do everything which injures no one else…”

The ideas of the Revolution and the teachings of Adam Smith (1723–1790) – individual free enterprise without government constraints will lead to prosperity – take on increasing importance. They lay the foundations for economic and political liberalism, the prevailing political movement of the 19th century in Europe.
Reforms in Prussia

The military defeats of Austria and Prussia by Napoleon lead to the territorial reorganization of Europe. The “Holy Roman Empire of the German Nation” ceases to exist.

A period of internal reform begins in Prussia. In 1807, Prussian Minister Karl Freiherr vom Stein abolishes serfdom. Land reform and abolition of the guild regulations in favour of freedom of trade are to further the economic rise of Prussia starting in 1810.

With the emancipation of the peasants, landlords are no longer obligated to ensure their livelihoods. Peasants who receive land as their property must compensate the former landlords; many fall deeply into debt. Smallholders who are unable to eke out a living from their farms give up and move to the cities.

There they join the growing army of day labourers, journeymen and master craftsmen who have been thrown out of work by competition from factories and state manufactories. All lack any form of social security.

Regulations for servants enter into force in Prussia in 1810. Domestic servants must now keep a servants’ register. They must obey their masters and be available around the clock. Pregnancy constitutes grounds for dismissal. If they become ill, care is provided only if they contracted the illness while working.

Engraving, Johann Voltz, 1823.

Proposals for state regulation of health policy cannot be realised in the absolutistic state. In the year 1800, Franz Anton Mai (1742–1814) submits a “Draft for a Law on Important Matters for the Medical Police”. Examples of such matters: responsibility for the medical system, for healthy housing, food and clothing, for pregnant women and newborns, for public nursing care and for measures to prevent livestock diseases.

Copper engraving, Anton Karcher, around 1760.
In the wars of liberation, Europe frees itself in 1815 from Napoleonic rule. The individual states re-establish their former absolutistic systems of government.

But the call for liberty, equality and national unity can no longer be stifled. In 1817, students at the Wartburg call for the unification of the Fatherland. The gathering of more than 30,000 burghers, craftsmen, students and farmers at the Hambach Festival in 1832 marks a high point of the nationalist movement.

In 1848, the calls of the bourgeoisie for national unity, political participation and a guarantee of human rights culminate in a popular uprising: a revolution with street fighting in Berlin and Vienna as well as in many other cities of Europe.

The National Assembly convenes in St. Paul’s Church in Frankfurt am Main to draw up a constitution for Germany. The Prussian king, however, rejects the new Reich constitution. The road to reform is blocked for the time being.
Coal is energy
It drives industrial development. Working under extremely difficult conditions, miners extract the prized raw material.
Miners’ descent into the mine. Woodcut, 19th century.

Industrial Revolution and the Workers’ Movement, 1848–1880
The invention of the steam engine is crucial for industrialization. The steam engine sets the pace in factories and in agriculture and makes possible the swift large-scale transport of goods and people by railway and steamship. 

People who find work in the new factories enter a new world. Machines dictate the rhythm of work. Day after day, for 12 to 14 hours a day, workers must continually perform the same repetitive tasks. They work in dark, overcrowded production halls and are constantly exposed to the noise of the machines. The industrial worker as machine man. Contemporary caricature.

The Industrial Revolution

Industrialization accelerates in the middle of the 19th century, profoundly changing life in Germany.

The invention of the steam engine revolutionizes production technologies. Mechanized spinning wheels and mechanized looms – set up in vast numbers in factories – cause a sharp rise in demand for cheap labour.

The development of the railroads and the expansion of the rail network play an important role in industrialization. The railroads deliver ore, timber and coal to the emerging steel mills and engineering works. Mining operations are enlarged, and coal production increases markedly.

The oversupply of labour grows as people flock to the burgeoning industrial centres in search of a livelihood. They work for starvation wages and endure wretched living conditions. Tuberculosis is the new scourge of humanity.

Nevertheless, thanks to medical progress and improvements in sanitation, the population grows from 25 million in 1822 to 45 million in 1880 and reaches 65 million by 1910.
Working Conditions

The workday is hard and long – lasting up to 17 hours. People work six days a week. Scheduled breaks are unheard-of; the machines dictate the rhythm of work. There are virtually no occupational safety and health measures; occupational accidents are an everyday occurrence.

The consequences of inability to work are always suffered by the worker. He has no rights and is dependent on his employer. His wife and children must also work because his wages are usually too low to support a family. Deficiency diseases result. Education falls by the wayside.

The situation of homeworkers is even more deplorable. They are completely dependent on the entrepreneurs and are only paid if their finished products are purchased.

Dire need, exploitation and starvation wages lead to a desperate uprising of the Silesian weavers in 1844 that is forcibly put down by the military.

The disastrous situation of the workers becomes a dominant issue of the 19th century.
Calls for Resolution of the Labour Issue

The plight of the workers and the misery of their families galvanize socially-minded citizens and entrepreneurs into action.

In 1837, the Second Chamber of Baden is the scene of the first parliamentary debate on the social issue. Middle-class politicians call for state intervention to address the pressing social problems.

Entrepreneurs such as Friedrich Harkort and Alfred Krupp endeavour to improve the workers’ situation. The churches take steps to alleviate the dire need of the people.

In March 1848, workers demand that the Prussian king establish a ministry for workers comprised only of employers and workers. The demand for a ministry for workers is also raised in the National Assembly that meets in St. Paul’s Church in 1848 to draw up a constitution. This ministry is to protect workers and ensure them a share in the profits. None of these demands are translated into action, however.
Social Policy in Prussia

Attempts by the Prussian government to limit child labour are thwarted by entrepreneurs and workers alike. Children are cheap labour, and workers rely on their children to help support the family.

In 1839, when the damage to young people’s health becomes evident in the course of medical examinations for military service, Prussia enacts the “Regulation on the Employment of Young Workers in Factories”. This regulation prohibits factory work for children under the age of nine and allows young people under the age of 16 to work no more than ten hours per day.

In 1845, the Prussian code regulating the conduct of commercial and business activities stipulates that employment contracts may be freely negotiated between employers and workers. Employers’ associations are prohibited, as are strikes by workers.

Craftsmen form guilds to monitor the training of apprentices and establish benevolent funds for widows and orphans. Trade councils – in which workers are not represented – regulate working hours and mediate labour conflicts.

Child labour is widespread in mines as well. Children can enter tunnels with very low ceilings to extract coal and ore. For up to 14 hours a day, children crouch in the side tunnels to open and close the ventilation doors for the coal carts passing through.

Drawing, around 1844.
The Health Care System

The Industrial Revolution brings new health hazards.

Impoverishment as a result of starvation wages, child labour, deplorable sanitation, lack of awareness of the importance of hygiene, and inhumane living conditions lead to the spread of diseases and the outbreak of epidemics. Smallpox, typhoid fever, tuberculosis and influenza are the new scourges; even deadlier are the major cholera epidemics.

Public health education begins. The first institute of hygiene is founded in 1879; physical education and sports become very popular.

The issue of how the state should promote the health of the individual and what degree of compulsion is permissible becomes the subject of public discussion. Rudolf Virchow (1821-1902) calls for state funding for the maintenance of health and proposes the establishment of a ministry of health in 1842.

“General hospitals” emerge in the cities. They are utilized primarily by poorer patients, for treatment serves the purpose of teaching and research and is free of charge.

In the 19th century, the poorhouses of the past are replaced by hospitals for the curably ill, the “general hospitals”. They are utilized primarily by poorer patients because treatment (which serves the purpose of teaching and research) is free of charge. There is no legal entitlement to treatment in a hospital.

Bethany Deaconess Hospital in Berlin-Kreuzberg.

Robert Koch
The physician and bacteriologist (1843–1910) successively discovers the anthrax pathogen, the typhoid fever pathogen, the tubercle bacillus and the cholera bacillus. He proves for the first time that infections are caused by living organisms.

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Bethany Deaconess Hospital in Berlin-Kreuzberg.
The Birth of the Workers’ Movement

Calls for resolution of the social issue, the labour issue, become louder.

In “The Communist Manifesto” published in 1848, Marx and Engels analyze the history of the world as a history of class struggles. Their influence on the German workers’ movement is minor, however.

At the first German workers’ congress in Berlin in 1848, the “General German Workers’ Brotherhood” is founded to champion social reforms. The state bans workers’ brotherhoods in 1854.

In 1863 Ferdinand Lassalle founds the “General German Workers’ Association” (ADAV), which calls for universal, equal and secret suffrage as well as political representation of workers. Bismarck offers Lassalle suffrage in order to divide the liberal party.

Wilhelm Liebknecht and August Bebel found the “Social Democratic Workers’ Party” (SDAP) in 1869. They seek democratization and parliamentary majorities. In 1875, the ADAV and the SDAP merge to form the “Socialist Workers’ Party of Germany”.

Only gradually does an awareness develop on the part of workers that there is greater strength in numbers. In 1848 Stefan Born founds the “General German Workers’ Brotherhood”. It calls for a democratic parliamentary state, collective agreements between employees and employers, employment offices to handle job placement, and the establishment of sickness, nursing care and burial funds.


“The locked-out workers... if they came to him this way, he might be willing to talk.” With the repeal of the code regulating the conduct of commercial and business activity in 1869, the last legal obstacle to the founding of trade unions is eliminated: All bans on the organisation of tradesmen or workers to obtain better working conditions are repealed, in particular those imposed by means of shutdowns or the dismissal of workers.

Contemporary caricature.
Bismarck’s Social Legislation, 1880–1889
1871: The Founding of the Empire

After the military victory over France, the German Empire (Deutsches Reich) is founded in 1871 under a new constitution. A hereditary monarchy with its capital in Berlin, the empire encompasses 25 individual states under the leadership of Prussia.

Otto von Bismarck becomes Reich Chancellor and concurrently remains prime minister of Prussia, the largest constituent state. Political power in the empire is concentrated in his hands. The “Kulturkampf” waged by Bismarck – a “battle for modern civilization” between the state and the Catholic Church – ends in a compromise that leads to the establishment of civil marriage and the emergence of politically organized Catholicism in the form of the Centre Party.

Bismarck’s domestic policy is aimed at eliminating troublesome minorities: Poles, Alsatians, Catholics, social democrats and left-wing liberals are successively declared “enemies of the Reich”. With this system of rule based on “negative integration”, Bismarck prevents the democratization of state and society.
1878:
The Anti-Socialist Law

Two unsuccessful attempts to assassinate Emperor William I are exploited by Bismarck in 1878 to suppress the workers’ movement. On 21 October 1878, the “Law against the Criminal Endeavours of Social Democracy” (Anti-Socialist Law) is proclaimed. Initially limited to a period of two and a half years, it is extended until 1890.

This law prohibits “associations which further social democratic, socialist or communist aims and thus threaten to overthrow the existing state and social order ...” It is directed against the Socialist Workers’ Party and the trade unions. More than 1,500 people are thrown into prison, 900 are expelled and thousands are forced to emigrate. A free press is suppressed.

While the Socialist Workers’ Party – the forerunner of the SPD – is hampered by these repressive measures and driven underground, it is not eliminated. Bismarck cannot encroach upon the right to be elected to the Reichstag. Social democrats are elected to the Reichstag.
1881:
The Imperial Decree

Bismarck pursues a two-pronged approach to resolve the pressing social issues: With the Anti-Socialist Law, on the one hand, he seeks to suppress the political organization of the workers; with the creation of a social insurance scheme, on the other hand, he seeks to reconcile the workers with the state.

Following the success of the left-wing liberal and social democratic opposition in the Reichstag election of 27 October 1881, the Reich Chancellor responds with the Imperial Decree of 17 November 1881.

It states that state social policy shall be guided by the following philosophy: “... that the healing of injury to society not be sought solely through repression of social democratic excesses but instead in equal measure through positive furtherance of the welfare of workers.”

The Reichstag is now responsible for drafting legislative proposals for health insurance, accident insurance, and invalidity and old-age insurance.
1883: Health Insurance

On 31 March 1883, the Reichstag passes the “Law on Health Insurance for Workers”.

A compulsory insurance scheme is established under which membership in a registered health insurance fund subject to state supervision is mandatory for the insured workers. The scheme is funded by contributions, two thirds of which are paid by employees and one third by employers.

The law establishes a legal entitlement of the insured to free treatment by a doctor as well as to free pharmaceuticals, eyeglasses and similar aids. Support is limited to a period of 13 weeks, however, calculated from the beginning of the illness. The health insurance funds may extend benefits for a period of up to one year. In the event of inability to work, sickness benefits are paid in the amount of 50 percent of wages. Hospital treatment remains a discretionary benefit, however.
1884:
**Accident Insurance**

Until the adoption of the new accident insurance legislation, an employee only has a right to compensation in the event of an occupational accident if he can prove fault on the part of the employer. Given the unsafe working conditions and the high number of occupational accidents that are not compensated, this is an intolerable situation.

After prolonged debate and two unsuccessful legislative proposals, the Reichstag adopts a third legislative proposal for an Accident Insurance Law on 6 July 1884.

The liability of the employer under private law is replaced by an accident insurance scheme governed by public law. This scheme is funded solely by contributions paid by the employer. Employers’ liability insurance funds are responsible for implementing the new accident insurance scheme. Prevention of occupational accidents also falls within their purview.
1889:
Pension Insurance

On 24 May 1889, after intense public discussion, the Reichstag adopts the “Law on Invalidity and Old-Age Insurance”. Under this law, insurance is compulsory for wage-earners and ordinary salaried employees age 16 and over.

Insured individuals receive a modest old-age pension at the age of 70. In the event of disability prior to this age, an invalidity pension is paid if the person’s earning capacity is reduced by two thirds. There is initially no provision for widows’ and orphans’ pensions.

Carriers of the scheme are the regional insurance institutions. It is funded by contributions of employees and employers, each of whom pays half. A Reich supplement of 50 Reichsmarks per year is paid in addition to each pension. Bismarck’s vision of the “common man with a modest state pension” has materialized.
Response to the Social Legislation

Response to the social legislation initiated by Bismarck is predominantly negative, both in parliament and in society.

Reservations particularly concern the introduction of the old-age pension, which meets with the determined opposition of not only the centre and the left-wing liberals but also the socialists. Above all the Reich supplement is criticized by the centre and the left-wing liberals as “state socialism”.

The social democrats persecuted under the Anti-Socialist Law officially repudiate the social legislation; within the party, however, there is heated discussion of the value of the social insurance scheme for workers.

Employers and insurance companies reject the draft legislation, fearing it will result in loss of profits. Support for the Reich Chancellor comes from professors, the “academic socialists” and individual conservatives who contend that the State has a patriarchal obligation to provide for its subjects.
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William II and World War I, 1889–1918
Imperial Germany

1888 – the “Year of Three Emperors”: William I and his successor Frederick III die in the same year. William II becomes emperor. His reign is marked by swift and profound political change.

The Anti-Socialist Law is allowed to expire. This and differences between the emperor and Bismarck over social issues lead to Bismarck’s resignation in 1890.

William II seeks to lure workers away from social democracy with worker protection legislation and successfully orchestrates the adoption of the “Worker Protection Act” in 1891. Work is prohibited on Sundays, and the workday is limited to a maximum of eleven hours. When the “Penitentiary Bill” that would have made strike calls a criminal offence fails to pass the Reichstag, the government changes its approach. It tries to win over workers with important new social provisions.

Despite these liberal endeavours and gradual improvements in everyday life, the majority of the workforce in imperial Germany remain socially and legally disadvantaged.
Social Policy against Social Democracy

Even after 1890, the social democrats and the government remain unwilling to work to resolve their differences. Social democracy is nevertheless able to develop and spread within the empire, albeit under police observation.

Following an initial intensification of the conflict, the government changes course, focusing instead on the further elaboration of social legislation and support for Christian trade unions. Its aim is to politically isolate social democracy and the free (socialist) trade unions. The driving force behind its endeavours is the State Secretary in the Reich Office of the Interior, Count Arthur von Posadowsky-Wehner.

Within a few years after its legalization, the SPD abandons the revolutionary ideology taken from the works of Karl Marx and evolves into a reform party. In the 1912 Reichstag elections, one third of the electorate votes for the social democrats. Now, for the first time, they are the strongest parliamentary group in the Reichstag.
Health Policy

The establishment of the three pillars of social insurance and the adoption of worker protection legislation are important initial steps towards resolution of the social issue. A comprehensive system of social protection does not yet exist, however.

The health situation improves. Progress in the fields of medicine and hygiene, the institution of the social insurance scheme and the rising number of doctors have an impact. Sewerage systems and waterworks are constructed. Vaccinations against smallpox become available. Cholera and the plague are subjected to stringent epidemiological regulations. Tuberculosis and infant mortality rates decline. Infectious diseases are successfully treated and controlled.

Other important developments include the enactment of detailed Reich legislation on a wide variety of subjects such as foodstuffs, vaccines, general epidemics and livestock epidemics. Health education, increasingly a task of the public sector, reinforces improvements in the health situation. The population increases from 45 million in 1880 to 65 million in 1910.
The Reich Insurance Code of 1911

In 1911, legislation governing health, accident, invalidity and old-age insurance is consolidated into a single major statutory instrument, the Reich Insurance Code. Benefits for the insured are also improved under this new Code.

From now on, agricultural workers, cottage workers, travelling tradesmen and domestic workers are also covered under the health insurance scheme.

Provision for surviving dependents is incorporated into the invalidity and old-age insurance scheme: In the future, widows and orphans are eligible for a pension as well. In 1916, the age limit for receipt of an old-age pension under the invalidity and old-age insurance scheme for wage earners is lowered from 70 to 65.

With the adoption of the Salaried Employees’ Insurance Act in 1911, a separate pension insurance scheme is created for salaried employees. Benefits and contributions under this new insurance scheme are higher than under the invalidity and old-age insurance scheme for wage earners. This is the last major piece of insurance legislation enacted for employees.

In 1911 a law regulating home work is enacted. The state labour inspectorate now monitors the working conditions for home work, and remuneration is contractually guaranteed. Child labour in cottage industries has already been prohibited for children under 12 since 1903. Homeworkers making lace. Despite the ban, child labour is commonplace, 1906.
Trade Unions Gain Influence

After the expiration of the Anti-Socialist Law in 1890, the socialist, Christian and liberal trade unions develop into mass movements. In 1913 they have approximately 13 million members.

During World War I (1914–1918), the trade unions are conceded a certain degree of influence on policy. They are increasingly involved in war economy measures, provision of advice for social institutions, and even police services.

Working groups of employers’ and employees’ associations are formed in many branches of trade and industry. The trade unions thus also assume political and social responsibility.

Under the Auxiliary Service Law of 5 December 1916, the trade unions are accorded the right to have a say in company matters. They are now equal negotiating partners of the employers. In companies with a workforce of more than 50, elected workers’ committees are established. This marks the beginning of codetermination within companies.

The trade unions fight for higher wages, a reduction in working hours to 8 hours per day, improvement of working conditions and the establishment of workers’ committees. In 1905 the miners dare to stage the first major strike. 220,000 of the 280,000 miners go on strike. While the strike is discontinued after four weeks without results, subsequent amendments to the Mining Act provide for a reduction in working hours and the establishment of workers’ committees in companies. Strikers flee from approaching police, 1905.
“Preliminary conference of experts”
“Chairman: Debate is closed. All in favour of an agreement to end the war raise their hands! The proposal is unanimously adopted.”

In the West, Germany tries to encircle the French troops from the north by marching through Belgium. Its advance comes to a halt at the Marne River in northern France, however. Operations become static: Manoeuvre warfare is replaced by trench warfare. The end for thousands of young men on both sides, September 1914.

**World War I and the End of the Empire**

July 1914: The Austrian heir to the throne and his wife are murdered by Serbian assassins in Sarajevo. The war-ready European nation-states plunge into a conflict that escalates into a world war.

Enthusiasm for the war leads even the SPD in the Reichstag to vote in favour of the first war bonds.

On the eastern front, the German army defeats Russia, which collapses after the communist revolution in 1917. Lack of preparation for a prolonged war and trench warfare on the western front soon cause poverty and dire need on the home front.

In April 1917, the USA enters the war. This seals Germany's fate: Despite the great efforts of the war economy, defeat in the West cannot be averted.

Emperor William II abdicates. The German Republic is proclaimed in Berlin. Germany capitulates on 11 November 1918.
The Constitution of the German Reich after its adoption with the signatures of the Reich President and the members of the Reich government, August 1919.
The Weimar National Assembly is elected on 19 January 1919 in free, equal, secret and direct elections. The Majority Social Democrats remain the leading political force, ahead of the Centre Party. Friedrich Ebert becomes Reich President and Philipp Scheidemann becomes Reich Chancellor (both SPD).

Friedrich Ebert (SPD) at his desk in the palace in Weimar in 1919 after his election to the office of Reich President (1919–1925).

The Weimar National Assembly

Following the abdication of the emperor, Reich Chancellor Max von Baden confers the office of chancellor upon the social democrat Friedrich Ebert on 9 November 1918. The “Council of People’s Delegates” forms the government. From a window of the Reichstag, the social democrat Philipp Scheidemann proclaims the German Republic. Mutinies in parts of the armed forces and nearly revolutionary conditions exacerbate the situation; only with great difficulty is the government able to maintain control.

A new National Assembly is elected in January 1919. It adopts a new constitution in Weimar in which human rights and universal, free, equal and secret suffrage for men and women are enshrined for the first time.

The soldiers streaming back from the war must once again find jobs. Only some are successful. Unemployment is high. Many of the unemployed try to somehow eke out a living. Street vendor with rolls, 1919.

The new labour law provisions enacted by the Council of People’s Delegates remain in force even after the adoption of the constitution: introduction of the eight-hour workday, binding effect of collective agreements, state mediation of wage disputes, establishment of workers’ committees in companies, and provisions for the protection of homeworkers.
The Precarious Republic

The Weimar Republic is endangered from the very beginning: Separatists threaten the unity of the Reich. Monarchists seek to re-establish the empire. Reactionaries demand a dictatorial system of government; leftists want to see the revolution through to the end.

Under the Treaty of Versailles (1919), Germany is forced to cede territories and pay reparations. These burdens and hyperinflation in 1923 exacerbate the political and social situation. Entrepreneurs and tradesmen go bankrupt; salaried employees and wage earners with fixed incomes suffer great hardship.

An agreement concluded between business and labour leaders (Stinnes-Legien) recognizes the trade unions as negotiating partners; in return, the unions relinquish their demands for socialization. The Act on Works Councils and the Code of Collective Agreements regulate the rights of employers and employees. Both sides must pay contributions to fund benefits for the unemployed.

Attacks by opposition forces, including street fighting, weaken the Weimar coalition government. After the Reichstag election in May 1924, twelve parties are represented in the Reichstag. There are no stable political majorities. Supporters of the German National People’s Party (DNVP) in Berlin, 1924.

The high reparations payments to the victorious powers lead to hyperinflation, causing social hardship for many people. By the end of 1923, 4.2 trillion marks are needed to buy one U.S. dollar. A currency reform introduces a new currency, the “Rentenmark”, and sets the exchange rate of the Rentenmark to the old “Papiermark” (the paper currency issued during the period of hyperinflation) at 1:1 trillion. Banknotes rendered worthless by inflation are used to fire a stove, 1923.
Social Policy in the “Golden Twenties”

1923, a year of crisis, is followed by a brief period of economic recovery. Intellectual and cultural life is profoundly influenced by Modernism, prompting changes in behaviour and the general outlook on life. These years are “golden” above all for the upper classes in the big cities.

For many people, however, unemployment, poverty, inflation and scarce housing are defining features of everyday life.

In 1927, the Job Placement and Unemployment Insurance Act enters into force and a Reich authority is established. Through the payment of contributions, an employee acquires an entitlement to insurance benefits in the event of unemployment. Employees and employers each pay half of the contributions.

The onset of the economic crisis in 1929 and rising unemployment lead to successive cuts in benefits and increases in contributions under the new unemployment insurance scheme. In 1930 the last parliamentarily elected Reich government collapses because agreement cannot be reached on the size of the contributions.
Health Insurance and Social Housing

In 1918, the Council of People’s Delegates significantly broadens the scope of the statutory health insurance scheme: The income limit for compulsory insurance is simply doubled. Doctors protest because they will have fewer private patients in the future. When the government restricts the patients’ free choice of doctors as well, the doctors go on strike. The outcome: In the future, the health insurance funds no longer conclude contracts with individual doctors but with their professional organizations instead.

The health insurance scheme is caught up in the maelstrom of the world economic crisis. Sickness benefits are reduced; a medical treatment voucher fee and a co-payment to cover part of the cost of pharmaceuticals are introduced.

Starting in 1918, steps are taken to alleviate the inadequate housing situation. These include the enactment of legislation on heritable building rights, tenants’ rights, and settlement and homestead matters. Out of the self-help organizations of the building societies and the building and loan associations evolves the social housing scheme.

A special real estate tax on existing housing funds a strong surge in the construction of new flats between 1926 and 1931 (338,000 flats in 1929, for example). 40 percent of the flats are built by non-profit housing corporations.

Horseshoe-shaped housing estate in Berlin-Britz, built by Bruno Taut between 1925 and 1931. View shortly after completion, 1931.

The government is unsuccessful in its efforts to nationalise the health care system. In 1919, however, it doubles the compulsory insurance income limit to 5,000 Reichsmarks in order to include more insured individuals in the statutory health insurance scheme. This limits the extent of private treatment by doctors and gives rise to conflicts. In 1931 doctors successfully enforce their demand that the health insurance funds henceforth conclude contracts only with the doctors’ professional organizations, not with individual doctors.

Preventive medical examination at a large children’s home operated by the city of Berlin, 1930.
The World Economic Crisis and the End of the Weimar Republic

The New York Stock Exchange crash on “Black Friday” (25 October 1929) unleashes a world economic crisis. The impact on the German economy, too, is catastrophic.

The Reich government, which has no parliamentary majority, wants to declare insolvency and thus bring about a cancellation of the reparations payments for World War I – regardless of the beginning mass unemployment.

Unemployment quadruples within the space of four years to over six million in 1932. Only 12 million people, by contrast, are gainfully employed. The result is severe hardship for the unemployed and their families.

The inability of the Reich government to cope with the crisis proves beneficial to the opponents of the parliamentary system, the communists and above all the National Socialists, who attract ever greater numbers of voters. On 30 January 1933, Reich President Paul von Hindenburg appoints Adolf Hitler Reich Chancellor. The National Socialists assume power, and the Weimar constitutional order is dismantled.
National Socialism and World War II, 1933–1945
Assumption of Power and Gleichschaltung

Following the National Socialists’ assumption of power on 30 January 1933, the Reichstag fire on 27 February 1933 affords them a pretext for issuing the “Decree on the Protection of the People and the State against Communist Acts of Violence Endangering the State”. The Decree establishes a permanent state of emergency and suspends elementary basic rights. Opponents of the regime are arrested.

In March 1933, at Hitler’s behest, the Reichstag adopts the Enabling Act. Only the SPD parliamentary group votes against the Act; the communist depu- ties have already been arrested.

The Act enables the National Socialists to systematically bring state and society into line (Gleichschaltung) and clears the way for the Hitler dictatorship. Trade unions and the SPD are banned; the middle-class parties are disbanded. This is the end of the first German democracy.

The Gleichschaltung of the constituent states marks the beginning of the forced implication of municipalities, civil servants, the judiciary and organizations in the National Socialist system.
Work through Rearmament

To win the workers over to its cause, the government declares the 1st of May – the traditional May Day holiday and day of action of the workers’ movement – to be “National Labour Day” featuring mass marches, parades and party rallies.

From the very beginning, the battle against unemployment is geared to the rearmament of the armed forces (Wehrmacht). The measures proclaimed with great propagandistic fanfare are only possible through the creation of jobs in the armaments industry. Unemployed individuals are deployed on emergency work projects carried out by the voluntary Labour Service; starting in 1935, young people are enrolled in the Reich Labour Service and the compulsory military service. Time books are used to check up on workers.

Declining unemployment leads in 1936 to a relaxation of the wage freeze that has been in effect since 1933. Full employment is achieved in 1938. Due to the labour shortage, the possibility of labour conscription is introduced on 1 July 1938.

All economic and political endeavours are increasingly oriented towards rearmament and preparation for war. The percentage of the Reich budget earmarked for military expenditure rises from 4 percent in 1932 to more than 50 percent in 1938. Indebtedness soars. After the war, this extreme indebtedness will lead to the collapse of the Reichsmark and to a currency reform.

Assembly hall of a tank factory, 1942.

Autobahn construction had already begun during the era of the Weimar Republic. The National Socialists very quickly recognize the strategic military significance of fast and efficient transport links and embark on a large-scale expansion of the autobahn network.

Section of the Reich autobahn between Berlin and Stettin, 1934.
Social Policy in the Era of National Socialism

On 2 May 1933, the offices of the trade unions are stormed; union officials are arrested and the unions are dissolved. They are replaced by the German Labour Front, the compulsory state labour organization, which takes over the assets and facilities of the German Trade Union Federation.

The Law Regulating National Labour of January 1934 eliminates the right to organize and the right to strike and restructures the works constitution in line with the “leadership principle”. The administrative autonomy of the social insurance schemes is abolished. In September 1936, the child benefit is introduced; starting in December 1937, Germans who are not subject to compulsory insurance are given the right to voluntarily join the pension insurance scheme. From 1941 onward, the health insurance funds assume the costs of treatment until health has been completely restored.

Company social policy is the responsibility of the German Labour Front: Under the slogan “Beauty of Work” it certifies workplaces, builds company housing, sports facilities and canteens, and improves measures for the protection of mothers.
Persecution, Death and World War II

The exclusion of the Jews begins in 1933 with the boycott: “Don’t buy from Jews.” Jewish civil servants and judges are dismissed, and the work of Jewish doctors and lawyers is hampered. Books by Jews and other “undesirable” writers are burned. Innumerable laws, including the Nuremberg Laws of 1935, systematically deprive Jewish citizens of their rights.

In 1938 Jews are excluded from economic life. Mass deportations to ghettos and camps soon follow.

At the 1942 “Wannsee Conference”, the National Socialists resolve to exterminate Europe’s Jews. More than five million people lose their lives.

Not only millions of Jews but also hundreds of thousands of Sinti and Roma, homosexuals, beggars, and persons who are mentally or physically disabled, incurably ill or afflicted with hereditary diseases fall victim to the National Socialists’ racist mania.

With the invasion of Poland on 1 September 1939, Hitler starts World War II, which claims the lives of 50 million people.
Resistance and Capitulation

The Resistance to the National Socialist dictatorship is no unified movement. It initially consists primarily of social democrats, communists, individual representatives of the churches, and a few members of the military.

Spying and relentless persecution as well as widespread support for the regime prevent the emergence of a strong and unified resistance movement.

As the war progresses, the resistance of conservatives and the military grows. From their ranks come most of the conspirators who launch an attempt on 20 July 1944 to eliminate Hitler and thus end the war. The assassination attempt fails. Germany is forced to travel the road chosen by the National Socialists to the bitter end: to decisive military defeat and capitulation in May 1945.

Many people pay for their resistance to the National Socialist regime with their lives.
Period of Occupation, 1945–1949

End of the war in May 1945: The Soviet military administers the eastern sector of Berlin and the Soviet occupation zone.
Consequences of War and the Plight of the Refugees

At the beginning of 1945, Germany is ruined: militarily, politically and economically. The Wehrmacht capitulates unconditionally on 8 May 1945.

The victorious powers – the USA, Great Britain, the Soviet Union and France – divide Germany and its capital Berlin into four zones of occupation. The territories east of the Oder and Neisse rivers are placed under Polish administration.

At the 1945 Potsdam Conference, the representatives of the victorious powers – Truman, Stalin and Churchill – formulate four central aims of occupation policy: denazification, demilitarization, de-industrialization and democratization.

More than twelve million people from the German territories in Eastern and South-eastern Europe are expelled or forcibly resettled. Their integration into society poses a formidable task for devastated Germany.

Not until ten years after the end of the war do the last German prisoners of war return home from Russia.
Everyday Life and the Recovery Program

Germany is a devastated country occupied by the victorious powers.

Millions of people have been uprooted, evacuated or bombed out of their homes, expelled or forced to flee, dismissed from military service or liberated from concentration camps and prisons.

The primary concern of most people is the fight for their own survival, the battle against hunger and material need. Nearly half of all dwellings have been damaged or destroyed by warfare. In addition, accommodations must be found for millions of refugees and expellees. “Rubble women” clear the ruins in the demolished cities. New dwellings are built from old bricks.

The economy has collapsed. In view of the devastation wrought by the war and the dire economic situation in Europe, U.S. Secretary of State Marshall develops a European Recovery Program in 1947. The three Western occupation zones are included in the Program; Russia rejects the “Marshall Plan” for the Soviet occupation zone.
The Cold War

The economic and political systems envisioned by the victorious powers soon prove to be irreconcilable.

Starting in 1947, Germany becomes the theatre for the political confrontation between East and West, especially between the USA and the Soviet Union. The Cold War dominates politics for more than four decades.

This confrontation, which is played out in many stages, ultimately leads to the division of Germany. The three Western powers (USA, Great Britain and France) establish a democratic system in their occupation zones. The Soviet Union transforms its zone into a communist satellite.

In 1948, the currency reform in the Western zones – and a separate reform in the Eastern zone – causes a breach in the economic unity that still technically exists.

The Soviets impose a blockade of all land and water routes to and from Berlin in 1948 in an attempt to bring the city completely under their control. The Western Allies resist and keep Berlin (West) supplied for twelve months with an airlift.

The post-war years are a time of extreme hardship and abject poverty for many people, above all for the elderly and families with children. The social welfare system – the last safety net – is completely overwhelmed by the tremendous financial burden of caring for refugees and war-disabled persons.

A man searches for food in garbage cans, around 1946.
Social Insurance and Collective Bargaining

The occupying powers cannot agree on whether to retain the diversified social insurance system or replace it with a unitary insurance scheme.

Only in the city of Berlin – which is likewise divided into four zones – is a unitary insurance scheme introduced.

In the Western zones, the diversified social insurance system is retained. The administrative autonomy of the social insurance institutions, which had been abolished under the National Socialists, is reinstated. Autonomy in collective bargaining is established in April 1949, an important step towards a social market economy.

In the Soviet occupation zone, the Soviet military administration transforms the social insurance system into a unitary insurance scheme for health, pension and accident insurance. There is no autonomy in collective bargaining; wages and working conditions are geared to the targets set under the planned economy.

After an initial period of controlled assignment of manpower, the West returns to the system of job placement services and unemployment insurance. The East adopts a system of controlled manpower assignment within the framework of the planned economy.

While the systems in place prior to the National Socialist era are re instituted in the West in areas such as welfare, social services and education, these areas are restructured in the East in line with the Soviet models.


The West retains the statutory and private health insurance scheme as well as the system of medical care provision by freely practicing office-based doctors. In the East, only the unitary insurance scheme now exists; the health care system is reorganized into a state-run system featuring ambulatory clinics and polyclinics.

Doctors making their rounds at the Charité in Berlin, 1947.
Division of Germany and Austria into four occupation zones

- Berlin and Vienna under Four-Power control
- British occupation zone
- French occupation zone
- U.S. occupation zone
- Soviet occupation zone

Berlin

- Checkpoints
- Sector crossing points
Official ceremony marking the 40th anniversary of the founding of the GDR, Berlin (East), 7 October 1989.
The founding of the second German state – the “German Democratic Republic” – in 1949 seals the division of Germany. Discussion at the train station on Friedrichstrasse after the founding of the GDR, 7 October 1949.

The Founding of the German Democratic Republic

In the Soviet occupation zone, the German Democratic Republic (GDR) is founded on 7 October 1949 – without democratic legitimation.

At the helm of the new communist state – which is not recognized in the West for many years – are President Wilhelm Pieck and Premier Otto Grotewohl.

The first elections to the Volkskammer (the GDR parliament) are held on 15 October 1950 on the basis of a single list of National Front candidates. 99.7 percent of the votes are cast for this list. The electoral system allows no democratic alternatives. This electoral system – through which elections are manipulated – is retained until the end of the Socialist Unity Party (SED) dictatorship.

Even after the founding of the German Democratic Republic, the Soviet occupying power sets the pace and the course of political and social developments.
GDR 1949–1990
The building of socialism, stabilization and decline

The Socialist Unity Party (SED) continues to shape the political, economic, social and cultural framework established in 1945/46 in line with the concept of “socialism”. Fundamental issues are decided according to Soviet dictates.

Central planning and state control of production systems are instituted and expanded. The social insurance schemes are merged into a unitary insurance scheme; the health care system is placed under state control.

The construction of the Wall in 1961 temporarily consolidates the economy and society of the GDR. A “New Economic System of Planning and Control” introduced in 1963 is intended to enable the GDR to draw even with the Federal Republic economically. This endeavour is unsuccessful.

Increasingly higher state subsidies are necessary in order to maintain low prices for goods, services and benefits. To cover these costs, the GDR government borrows more and more heavily from Western nations and ultimately faces economic ruin.

In 1989, after 40 years, the people of the GDR put an end to the GDR socialist experiment in a peaceful revolution. Germany is reunified in October 1990. In June 1953, a strike by Berlin workers to protest the increase in productivity norms quickly develops into a widespread uprising. Soviet tanks must intervene to save the GDR leadership. Young men throw paving stones at approaching Soviet tanks, Berlin (East), 17 June 1953. In a peaceful revolution, the people of the GDR bring down the communist system and achieve the reunification of Germany. The Monday demonstrations in Leipzig – the demonstration on 16 October 1989 is depicted here – are an important step towards German unity.
Let’s go West
A soldier of the National People’s Army with his girlfriend after the end of the military parade in honour of the 40th anniversary of the founding of the GDR.
Berlin (East), 7 October 1989.
The Chancellor of the Social-Liberal coalition, Willy Brandt (1913–1992), embarks on a new policy towards the East (Ostpolitik) that is based on negotiations and détente rather than confrontation in Europe. On the occasion of the signing of the Treaty of Warsaw, Brandt kneels in honour of the victims of the National Socialist reign of terror.

Willy Brandt at the monument to the victims of the 1943 Warsaw Ghetto Uprising, 7 December 1970.
The millionth Volkswagen “Beetle”, the symbol of the German economic miracle, rolls off the production line in 1955.
Celebration at the VW plant in Wolfsburg, 5 August 1955

The Federal Republic of Germany – A Social State

This part of the exhibition – “Federal Republic of Germany” – portrays today’s social state. It bridges past and present, highlighting developments that figured crucially in the evolution of this social state in the years after 1949 and presenting its new and modern face.

This portrayal is accompanied by a timeline running from 1949 to today that chronicles other historic events – not all of them necessarily related to social policy.

Social policy has a long history in Germany. The previous parts of exhibition documented this history by era from the Middle Ages to the period of occupation and touched on developments in the GDR as well.

After years of turmoil, devastation and terrible suffering for millions of people, the founding of the Federal Republic of Germany in 1949 marks the “dawning of a new age”. A new democratic order emerges, and with it the social state. Securing this social state – also for future generations – is the challenge of our time.
The Founding of the Federal Republic of Germany

Following the 1948 currency reform, steps are swiftly taken to further economic and political cohesion in the three Western occupation zones.

Under the supervision of the Western Allies, the “Parliamentary Council” convenes in Bonn on 1 September 1948 to draft a new constitution: the “Basic Law” (Grundgesetz).

After nine months of deliberations, the President of the Parliamentary Council and later Federal Chancellor Konrad Adenauer promulgates the Basic Law on 23 May 1949. This marks the founding of the Federal Republic of Germany. Theodor Heuss becomes the first Federal President.

The Federal Republic is a free, democratic and social federal state. Power to enact social legislation is conferred upon the Federation.

On 14 August 1949, the first German Bundestag is elected in general, direct, free, equal and secret elections.

On 8 May 1949, the Parliamentary Council adopts the “Basic Law for the Federal Republic of Germany” by a vote of 53 to 12. The promulgation of the Basic Law on 23 May 1949 marks the founding of the Federal Republic of Germany. The Parliamentary Council is composed of 27 deputies from the SPD, 27 from the CDU/CSU, five from the FDP, and two each from the Centre Party, the German Party and the Communist Party (KPD); the five deputies from Berlin participate in the deliberations without being entitled to vote.

Front row, from left to right: Max Reimann (KPD), Walter Menzel (SPD), Carlo Schmid (SPD), Paul Löbe (SPD) and Theodor Heuss (FDP), who later becomes the first Federal President.

The President of the Parliamentary Council, Konrad Adenauer (1876–1967), is the first to sign the Basic Law for the Federal Republic of Germany.

Konrad Adenauer signs the Basic Law, 1949.
With the merger of the trade union associations in the three Western occupation zones, the German Trade Union Federation (DGB) is founded on 13 October 1949.

Founding meeting, 1949.

First television broadcast in 1952: The soccer game between FC St. Pauli and Hamborn 07.

The “Miracle of Berne”: In 1954, Germany defeats Hungary by a score of 3-2 to win the World Cup for the first time.


Overcoming the Consequences of War and Embarking on Reconstruction

The task now is to overcome the consequences of war and lay the foundations for the West German social state. The traditional social security systems are retained. While alternatives are discussed, no significant changes are made to the basic course.
Labour Law

Labour law regulates the rights of employers and employees in the performance of dependent work. It is primarily labour protection legislation but also serves to maintain order in working life. Through the enactment of laws, the State safeguards certain minimum standards such as maximum working hours, minimum holiday entitlement, continuation of pay in the event of illness, protection against discrimination in working life, periods of notice and protection against unfair dismissal.

Trade unions and employer associations negotiate pay and working conditions such as working hours or holiday entitlements in collective agreements.

Within the framework of the law on labour relations at the workplace, the works council enjoys numerous rights of information and consultation and rights of codetermination regarding very different aspects of work at company level, such as social welfare, personnel and economic matters.

In larger companies, codetermination ensures that the employee representatives on the supervisory board can influence corporate planning and decision-making.

In companies in the coal, iron and steel industries, the supervisory boards must consist of equal numbers of shareholder and employee representatives. Normally there are 11 members. The supervisory board proposes the 11th member, who has the casting vote in the event of a tie. (Coal, Iron and Steel Industry Codetermination Act of 1951).

Strike ballot in the mining industry, 1951.

In 1956 the trade unions call for a five-day work week. The 40-hour work week is gradually introduced.

"On Saturdays Daddy belongs to me!" Poster of the German Trade Union Federation, 1 May 1956.

Today 96 percent of the employees covered by collective agreements have five or more weeks of holiday time per year.

Occupational safety and accident prevention constitute an important basis for protecting people against health hazards at the workplace. They have a profound impact on the productivity of a company and the economy as a whole.

Aspects of occupational health and safety include workplace design, structuring of working hours and safe use of machinery as well as protection of employees against chemicals and pathogens, noise and other hazards.

The employer is responsible for health and safety at the workplace. He must ensure that work is made safe and that each employee receives proper instructions and is heard on all matters pertaining to health and safety at work. This obligation is imposed by occupational health and safety legislation enacted on the basis of European legal provisions. Special rules apply to persons in particular need of protection, such as children and young people.

The works councils have rights of co-determination and rights of information and consultation in the implementation of occupational health and safety measures at company level.

Special protection provisions apply to young employees. Child labour (under 15) is prohibited on principle. Apprentice welder, 2006.

Women are prohibited from working six weeks before and eight weeks after childbirth. Pregnant hairdresser with a trainee. Berlin, 2002.

To protect people from health hazards and damage to health, the use of particularly hazardous substances is prohibited. Adequate protective measures must be taken when working with hazardous substances. Laundry for work clothes at the nuclear power plant Isar II, 2005.

Health and Safety at Work

Special protection provisions apply to young employees. Child labour (under 15) is prohibited on principle. Apprentice welder, 2006.
Security in the Event of Occupational Accidents

One major piece of social security legislation dating back to Bismarck and the 1880s is the accident insurance scheme. It was introduced to afford workers social security in the event of an accident. Up until then, workers had to prove that the accident was the fault of the employer or a colleague at work in order to receive “compensation”. This liability of the employee was consequently replaced by the accident insurance scheme.

Employers alone pay the contributions to the accident insurance scheme, which today covers all employees, trainees, farmers, children in day-care facilities, schoolchildren, students, people helping at the scene of an accident, civil defence and emergency rescue workers, blood and organ donors, and volunteers in some voluntary activities. People who own a business or are self-employed can obtain insurance coverage on a voluntary basis.

In addition to comprehensive coverage of medical treatment, the accident insurance scheme pays pensions to insured individuals and their surviving dependents. Another central task of the scheme includes the prevention of occupational accidents, diseases and health hazards.

Despite accident prevention measures, occupational accidents do occur. All medical options must then be utilized to restore health, and accident victims must be protected against the economic consequences of their inability to work.

Worker at a blast furnace in the EKO Stahl steelworks in Eisenhüttenstadt, 2000.

Since 1971, children in kindergartens have also been covered under the accident insurance scheme.

Forest kindergarten in Lohr, 2006.

Thanks to strenuous occupational health and safety efforts, the number of accidents has been declining for years. Whereas in 1960 no fewer than 130 accidents were registered per 1000 full-time employees, the accident rate has dropped to below 30 today.

Accident prevention poster of the employers’ liability insurance funds, 2006.
In 1963 U.S. President Kennedy is enthusiastically welcomed as the symbol of freedom for Berlin (West).

John F. Kennedy (centre) at Checkpoint Charlie, 26 June 1963.

The publisher and editors of the magazine “Der Spiegel” are accused of publishing treasonous material and are arrested. Defence Minister F. J. Strauss has to resign.

Student demonstration in Frankfurt am Main, 30 December 1962.

The birth control pill leads to a sharp drop in the birth rate.

The first birth control pill, 1961.

Starting in 1964, the entertainer Peter Frankenfeld collects donations for disabled children through his television quiz show “Vergissmeinnicht” (“Forget-Me-Not”).

Frankenfeld with Juliette Greco, 1965.

Konrad Adenauer (right) and his successor in the office of Chancellor, Ludwig Erhard (links).

Schaumburg Palace, 17 October 1963.

Starting in 1960, children are born with serious birth defects. The tranquilizer thalidomide is determined to be the cause. The safety of pharmaceuticals becomes a political issue.


**Attainment of Prosperity and the First Adjustments**

Prosperity and economic growth are the cornerstones of social policy. There is increasing discussion of the limits of the social state, and voices caution against the emergence of a welfare state. Expansion of the scope of the social state continues, however. “Social investment” is a catchword of the era.
Security in Old Age

The pension insurance scheme is one of the three major pieces of social security legislation dating back to Bismarck and the 1880s. It is intended to ensure that people who have left working life can enjoy financial security during the third phase of their lives.

Employers and employees each pay half of the contributions to the pension insurance scheme. The amount of the pension depends on the earnings for which contributions have been paid over the course of the individual’s entire working life. Each year the pensions are adjusted in line with the development of wages.

The present pension system was introduced in 1957. Until the mid-1970s, benefits under the pension insurance scheme were steadily expanded. Today, however, the challenge is to keep the scheme affordable for the younger generations, for contributions are increasing in light of future changes in the proportion of contributors to pensioners. This increase must be checked, whereby one key factor cannot be influenced: People are living longer and longer – thanks to medical advances.

In 1957 old-age pensions were paid for 10 years; today the average is 17 years, and soon it will be 20 years. It is therefore important to supplement statutory old-age pensions with private, state-subsidized forms of provision for old age.


The contribution-based statutory pension remains the core of social security in old age. An average earner with 45 years of contribution payments presently receives 52.4 percent of the average earnings (of all insured persons) after deduction of social security contributions.

The Chancellor of the Social-Liberal coalition, Willy Brandt, kneels in honour of the victims of the National Socialist reign of terror.

Brandt at the monument to the victims of the Warsaw Ghetto Uprising, 7 December 1970.

On 21 July 1969, the American astronaut Neil Armstrong becomes the first human being to set foot on the moon.


Arab states use oil as a political weapon. The industrial countries become aware of their dependence.


To spur discussion of higher education reform, the Extra-Parliamentary Opposition (APO) disrupts a ceremony marking the change of rectors.

Auditorium of the University of Hamburg, 9 November 1967.

The computer revolutionizes the working world within just a few decades.


In 1972 the “Club of Rome” warns that the Earth is imperilled by unchecked economic growth. Environmental movements call for preservation of the natural foundations of life.


Changing Times and New Approaches

The grand coalition formed by Christian Democrats and Social Democrats focuses on economic planning and alters important fields of policy. The following Social-Liberal coalition kindles an atmosphere of optimism, ambitious plans and expectations of progress. The 1974 economic crisis puts an end to further social reforms.
Security in Cases Requiring Long-term Care

The introduction of long-term care insurance in 1995 closed the last gap in the system of social security. Persons insured under the statutory health insurance scheme are now insured under the statutory long-term care insurance scheme; persons with private health insurance coverage must take out a private long-term care insurance policy.

In cases requiring long-term care, the scheme provides benefits for home care and benefits for institutional care. The scope of the benefits depends on the level of need for care. Caregivers providing home care are insured under the pension insurance scheme.

Contributions to the statutory long-term care insurance scheme are paid half by employers and half by employees (except in Saxony). Persons who are childless pay a supplement of 0.25 contribution points. Thus child-raising is taken into account under the contribution rules. For this branch of social security, too, the following is true: Thanks to medical advances, people are living longer and longer. As a result, however, more and more people will probably also need long-term care in the future.

In the case of home care, people have a right to choose between a long-term care allowance for self-organized care (cash benefit) or provision of care by a home care service (benefit in kind).


There are three levels of need for long-term care: considerable need of care, severe need of care and extreme need of care. The care level is determined by the medical service of the health insurance funds.

Examination by an employee of the medical service of the health insurance funds to determine the level of need for long-term care.

The family is the main provider of long-term care. Most people who live at home and need help with day-to-day activities are cared for by relatives. Nursing care courses help caregivers cope more satisfactorily.

Nursing care course offered by a health insurance fund, 2006.
Since the collapse of communism in Eastern Europe (1989) and the rapid rise of the nations in Asia, production conditions for businesses have changed worldwide. Companies must meet the challenges posed by these changes.


Good vocational education and training is an important prerequisite for a successful start to working life. This is true for trainees as well as students. Even so-called “men’s jobs” are highly interesting for women.


Since 1 January 2005, a single set of benefits – basic security benefits for job-seekers – has been available for all persons who are capable of earning but in need of assistance. They receive unemployment benefit II and assistance with housing costs.


Labour Market

In our economy, most people of working age earn their living through gainful employment. Supply and demand converge on the labour market. People want to be employed and companies want to employ them.

The government labour market policy supports the balance of supply and demand on the training and labour market and affords social security to people who are unemployed.

This social security is a two-tier system: The first tier is a contribution-based insurance scheme for the promotion of employment (unemployment insurance), which is administered by the Federal Employment Agency. The second tier consists of tax-funded basic security benefits for job-seekers, which are based on the neediness of persons who are capable of earning but require assistance for themselves and for the members of their household. Depending on the nature of the specific benefit, basic security benefits for job-seekers are provided by the Federal Employment Agency or by the municipal and district authorities.
Education

In the past, education was more humanistic and universal in nature. Today, content and demands are changing. Education is key to meeting the international challenge of performance-based comparison of education systems and hence productivity-driven competition among economies and labour markets.

Alongside higher education – en route to cutting-edge research – vocational education and training are of equal importance.

The indispensable foundation is a high-quality, well-rounded school education, and it must be accessible to all children. International comparisons have shown that this foundation is not yet satisfactory in Germany. School education is followed up either by vocational education and training within the “dual system” – on-the-job training in companies combined with instruction in part-time vocational schools – or by courses of study at universities and universities of applied sciences. The creative tension between international developments and national and cultural differences in education systems should remain visible, however.

120,000 students were enrolled at higher education institutions in the Federal Republic during the 1954/55 winter semester. Today the number has risen to approximately 2 million. Thanks to federal financial assistance (BAföG), even young people from poorer families have a chance to study at a higher education institution. Humboldt University, Berlin, 2005.

The crafts and trades are the largest providers of non-academic training for men in Germany. In the case of women, vocational training is concentrated largely in industry and commerce. Intercompany training centre for the Brandenburg construction industry, 2001.

Preschool-age children are curious and eager to learn. Child with a preschool booklet, 2005.
In 1975 the United Nations proclaims the “International Women’s Year” and helps the women’s movement gain greater recognition.
**UN World Conference on Women. Mexico City, 1975.**

In 1979 a parliament for the nine Member States of the European Community is directly elected.
**European Parliament. Strasbourg, 1979.**

New environmental protection movements call for worldwide protection of the environment.
**Dying forests in Germany since the 1970s.**

The soaring price of oil plunges the global economy into a serious crisis. The seven largest industrial nations search for solutions.

“The Tin Drum”, a German film directed by Volker Schlöndorff (adapted from the novel by Günter Grass) is awarded an Oscar in 1980.
**The actor David Bennent as Oskar Matzerath, 1979.**

Striking workers in Poland win concessions from the government: the right to found trade unions and the right to strike.
**Lech Walesa, leader of the strikers in 1980 and President of Poland from 1990 to 1995.**

Financing the Social State and New Challenges

In 1975 the **social state** reaches its limits. The oil price shocks and structural change slow economic growth and put an end to full employment. The **“limits of growth”** dominate public discourse. Economy measures and cost containment become priority aims of social policy.
FEDERAL REPUBLIC OF GERMANY, 1949 TO THE PRESENT

Assistance for the Disabled

Anyone who is disabled or at risk of becoming disabled is entitled to rehabilitation benefits. The cause of the (potential) disability is thereby irrelevant. People may need assistance as a result of a traffic accident or an accident at work or because illness or physical deterioration forces them to give up their previous occupation. People who have been disabled since birth need assistance as well.

Such assistance must not focus on care and provision alone. Disabled persons must also be enabled to participate in the life of society. This includes eliminating barriers to equal opportunities.

People who are disabled or at risk of becoming disabled should be able to manage their affairs independently and on their own responsibility. All benefits to promote their participation in working life and in the life of society have been consolidated in Book IX of the Social Code. These encompass medical rehabilitation benefits as well as occupational and social integration assistance.
After a constructive vote of no confidence against Federal Chancellor Helmut Schmidt (SPD), the German Bundestag elects Helmut Kohl (CDU) as the new head of government. Taking the oath of office. Bonn, 1 October 1982.

Mikhail Gorbachev, General Secretary of the Communist Party of the Soviet Union, initiates political change in the East bloc. Foreign Minister E. Shevardnadze, General Secretary M. Gorbachev.

1989: The “Iron Curtain” falls after 40 years. Hungary first opens the fence at its border with Austria. Foreign ministers Gyula Horn (Hungary) and Alois Mock (Austria) cut the “Iron Curtain”, 1989.

A fire at the nuclear reactor in Chernobyl releases more radioactivity than the atomic bomb that was dropped on Hiroshima in 1945. Discontinuation of the use of nuclear power becomes an important issue. Chernobyl, 1986.

“My enemy image, my lovely enemy image!” “Glasnost” (openness) and “perestroika” (restructuring) put an end to the communist bloc. Caricature by Horst Heitzinger from the illustrated magazine “Bunte”, 1988.

In 1985 Boris Becker becomes the first German and the youngest player to win the Wimbledon tennis tournament. Boris Becker at the All-England Championship in Wimbledon, 1985.

Greater Scope for Market Forces and the Restructuring of the Social State

The coalition of Christian Democrats and Free Democrats changes economic and social policy to allow “greater scope for market forces”. Despite stringent economy measures, economic and demographic challenges thwart permanent stabilization of the social security systems.
Security in the Event of Illness

The statutory health insurance scheme is one of the three major pieces of social legislation dating back to Bismarck and the 1880s. It was introduced to afford workers social security in the event of illness. Today the scheme provides insurance for the entire family. Contributions are paid half by employers and half by employees, with the exception of a 0.9 percent additional contribution which is levied only on employees. Children and spouses without income of their own are covered at no extra charge.

Since the mid-1970s it has been necessary to curb expenditure for health care, as costs have risen faster than the contributions of the insured. Today the challenge is to keep insurance coverage affordable, improve the quality of care and strengthen the insureds’ sense of personal responsibility.

Thanks to good medical care and advances in the field of medicine, people are living longer and longer. It is therefore essential to further improve the efficiency of the system and adjust the scope of benefits in line with changing needs.
In the Federal Republic of Germany, family policy has always been considered a cross-cutting task. Areas of activity include material assistance for child raising as well as gender equality and education and training issues.

The gap between right and reality— in working life, for example—keeps the issue on the political agenda.

One main thrust of the Federal Republic’s family policy— but one that has long been controversial—is the reconcilability of work and family life for mothers. Not until a sustainable family policy was formulated at the beginning of the new millennium could new policy fields be established to promote a family-friendly society and working world. Time, money, and infrastructure have become the key elements of modern family policy that are creating suitable framework conditions for young people, for children and for parents. Families provide the most reliable social safety net, offer protection and warmth, and therefore enjoy the special protection of the State.

With the future in mind.

Family is the social core of our society and the centre of most people’s lives. The Federal Republic of Germany’s policy on childcare places in Germany should be increased. This applies to both day nursery places and kindergarten places and increases the number of children who can be cared for by the parents themselves. The Federal Republic of Germany is the third most highly populated country in the world, and therefore enjoy the special protection of the State.

In the Federal Republic of Germany, family policy has always been considered a cross-cutting task. Areas of activity include material assistance for child raising as well as gender equality and education and training issues.

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Equality of men and women was mandated by law in 1957. The gap between right and reality— in working life, for example—keeps the issue on the political agenda.

Newlyweds, 2005.

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Newlyweds, 2005.
Employment and Integration of Foreigners

By the mid-1950s, labour is in short supply in the Federal Republic. Industry calls for the recruitment of foreign labour. In 1955 the first recruitment agreement is concluded with Italy. Recruitment offices are opened in Spain, Portugal, Greece, Turkey, Morocco and Tunisia. The concept envisions voluntary rotation of these "guest workers", but the guest workers want to stay longer than anticipated and employers want to keep employees they have already trained. By 1958 there are 127,000 foreign workers in western Germany; by 1973 the number has risen to 2.6 million.

In 1973 the Federal Government imposes a ban on the recruitment of foreign labour, and the recruitment offices are closed. What began as recruitment of labour in 1955 ultimately becomes an immigration process with subsequent immigration of dependents. The influx of resettlers of German descent from Eastern European countries at the end of the 1980s and the large number of asylum-seekers unleash debate on the issue of whether, in light of demographic developments and the foreseeable shortage of skilled labour, Germany should become a country of immigration.
Social Policy in the Wake of Reunification

Following the end of the East-West conflict and the reunification of Germany, a market economy and western German social standards are introduced in Germany’s new Länder. Globalization, unemployment and the progressive aging of society increase the pressure for further adjustments to social policy.
Social Assistance

Social assistance is a state benefit that helps people cover their living expenses and other needs on their own. This assistance includes services (such as advice), cash benefits (to help cover living expenses, for instance) and benefits in kind.

Social assistance is regulated in Book XII of the Social Code. The objective is to enable those entitled to this assistance to live in human dignity. Social assistance is therefore not limited to financial support but instead always includes advice, help in being an active member of the community and other forms of support towards achieving non-dependence on social assistance. Persons who are entitled to social assistance must thus actively contribute to the best of their ability.

Social assistance is a subordinate benefit. It is only provided after all other resources have been exhausted, such as income and assets, the individual’s own earning capacity or entitlements under other insurance and welfare systems.

Single parents are a large group among the recipients of assistance towards living expenses. A so-called “fixed monthly standard (maintenance) rate” is paid for each person. The costs of reasonable accommodation and heating are likewise covered.

Blind people receive financial assistance (such as a blindness allowance) to cover the extra expenses they incur as a result of their blindness.

The needs-based pension supplement is introduced in 2003. People over the age of 65 and people over the age of 18 with permanently reduced earning capacity are eligible for this benefit, which is equivalent to social assistance. Recourse to children or parents for maintenance is only possible if their income exceeds € 100,000 per year.

Since 1 January 2000, women may serve as regular soldiers in all the armed units of the Bundeswehr. Bundeswehr, 2000.

Germany is the first EU Member State to enshrine protection of animals as an “aim of the state” in its constitution (Basic Law). Wren, 2001.

On 1 January 2002, the euro is introduced as the common currency in eleven Member States of the European Union, including Germany.

Agenda 2010 – Securing the Future

With the programme “Agenda 2010”, the coalition of the SPD and Alliance 90/The Greens embarks on a new course. Far-reaching changes to the social security systems are to help meet the challenges of global competition, profound changes in the working world and demographic developments.

With the reform programme “Agenda 2010”, the social security systems are revamped to enhance Germany’s attractiveness as a business location, create more jobs and build a sound financial foundation for the social security systems. Federal Chancellor Schröder proclaims the Agenda 2010, 14 March 2003.
Social Services

The social services in our social state are in a continual state of change.

Some social services, such as youth welfare offices or health offices, are publicly run. Many social services, however, are run not only by public agencies but also by non-profit organizations or private commercial providers. Social services are funded by taxes, the providers’ own resources, donations and collections as well as charges, fees and remuneration paid by social security providers.

Examples of social services include hospitals, nursing homes, long-term care services, youth centres, day-care mothers, counselling for families and pregnant women in conflict situations, “meals on wheels”, offices and clubs for seniors, addiction counselling, rescue services, counselling offices and shelters for abused women, transport services for the disabled, emergency services, telephone counselling and welfare centres.

Social services are not an end in themselves. They evolve in response to a corresponding need. Some services are provided to users free of charge; others are provided in return for payment.

In the event of an accident – whether on the road, at home, at work or during leisure time – fast help is important. A well-developed network of rescue services is therefore indispensable.


Multigenerational houses are open meeting points where people can get together and help each other during the day just like members of an extended family. With aid of professional staff, the aim is to build and cultivate a sense of community and tolerance across different age groups and strengthen intergenerational cohesion.

Multigenerational house, 2006.

Day-care mothers are an alternative to day nursery or kindergarten places.


The housing situation at the end of the war is disastrous. Many people set up makeshift housekeeping in the ruins. Ruins of a house in Hannover, 1946.

A wide variety of shapes and colours are increasingly being used in modern urban development. Uniformity is being replaced by individuality and diversity of form. 21st century architecture. High-rise in Munich, 2006.

Housing Policy

At the end of the war in 1945, one quarter of the dwellings in the western part of Germany lie in ruins. Western Germany must absorb more than eleven million expellees and refugees. Publicly assisted housing construction – subsidized housing – and private investment put an end to the misery of mass homelessness.

As the number of dwellings (also privately financed dwellings) rises, allocation of housing space is discontinued. The State assists financially weaker households through payment of a housing benefit and continues funding the construction of low-cost housing. With the increasing availability of housing stock, the focus gradually shifts from construction to promotion of social housing.

Today housing is in good supply. As a result, publicly assisted housing construction has been considerably reduced. The decades-long promotion of home ownership through tax incentives has been eliminated. Promotion of owner-occupied housing is part of the government’s sponsorship of private old-age provision, however.
Compensation Benefits

One of the principles underlying the social security system is that anyone who suffers damage to health due to circumstances for which the state assumes responsibility is entitled to compensation benefits. In this way victims are to be compensated at least financially for the fate they have suffered. Entitled beneficiaries include war victims, victims of violent crime, persons injured in the course of military or civilian service, persons with impaired health resulting from vaccines, persons imprisoned in the former Soviet occupation zone and persons imprisoned in the GDR on the basis of an unlawful sentence. Benefits are provided for victims’ surviving dependants as well.

Equalization of Burdens

At the end of World War II, millions of people lost their worldly possessions as a result of warfare, bombing, flight and expulsion. Assets worth billions were wiped out by the war and the consequences of the war. Offsetting these losses is the aim of the equalization of burdens regime: on the basis of social justice and according to economic feasibility.

More than twelve million people flee westward from Germany’s eastern territories and from Eastern and Southeastern Europe. Refugees trek through the Spreewald, 1945.

A wounded soldier returns from the war. Berlin, 1945.


By the end of 2006, equalization payments totalling € 65 billion have been made to victims. 60 years after the end of the war, the key aims of the equalization of burdens regime have been achieved. Demonstration against the government draft of the Equalization of Burdens Act. Bonn, 1951.
Embarking on a New Era

The grand coalition of Christian Democrats and Social Democrats (2005 to 2009) steps up reform in response to the opportunities and pressures of globalization and the consequences of the economic and financial crisis since 2008. The aim is to safeguard Germany’s attractiveness as a business location and ensure that the social security systems remain affordable.

The reforms of Agenda 2010 take effect. Together with the successful policy of the grand coalition and the coalition of CDU/CSU and FDP, they present the framework for ensuring that the German labor market remains stable even in the financial and economic crisis.

Workers assembling a turbine wheel, 2012.

Federal Chancellor Angela Merkel (CDU) and Vice-Chancellor Franz Müntefering (SPD) forge the grand coalition government in November 2005.

Through integration grants and the promotion of continuing training, the Federal Government is improving the employment opportunities of older workers so that they can remain in employment longer and older unemployed individuals can find a job more quickly.

Engine production, 2011

As of 1 January 2008, people with a disability can apply for a personal budget. The individual’s need for assistance is optimally covered by monetary amounts or, alternatively, vouchers.

Campaign theme, 2008.

Barack Obama becomes the first Afro-American president of the United States. His election brings high hopes of a new direction of US policy. He wins the presidential elections again in 2012.

Barack Obama, 2013.

The collapse of the American property market in 2008 triggers a severe global financial and economic crisis. To counter the effects of the crisis, the Bundestag adopts two economic stimulus packages. Measures include the extension of the payment period for short-time work, investing billions in infrastructure and a “car-scrapping” scheme for used vehicles.

The new government following the general elections in October 2009 is based on a coalition between CDU/CSU and FDP. Angela Merkel is re-elected Federal Chancellor. Guido Westerwelle is appointed Vice Chancellor, succeeded by Philipp Rösler in May 2011. Angela Merkel and Philipp Rösler, 2013.

In the Face of the Economic and Financial Crisis

The coalition government formed in 2009 by CDU/CSU and FDP continues the policy of securing Germany’s position as a business location. Thanks to the reforms under Agenda 2010 and the policies of the Federal Government, Germany is less affected by the economic and financial crisis than other EU countries. Following the general elections in September 2013, Chancellor Angela Merkel again enters a grand coalition with SPD.

With the Act to Accelerate Economic Growth that entered into force at the start of 2010, the Federal Government provides relief to individuals and businesses with regard to tax and non-wage-costs. Child benefit and tax-free child allowance rates are increased. Cloakroom at a childcare facility, 2012.

The standard rates for basic allowance claimants are increased in 2010. Children and young people receive benefits from an educational package that offers them better opportunities to learn and develop. Teenager receiving private tuition, 2007.
In 2010, the Federal Government and the business community decide to continue the National Pact for Training and Young Skilled Staff until 2014 to further build on the strengths of the dual system of vocational education and training and to safeguard the innovative capacity of the economy. The Federal Government Commissioner for Migration, Refugees and Integration and the German Standing Conference of the Education Ministers become new partners to the Pact. Many European countries are interested in the German dual system of vocational education and training as it is a guarantee for well-trained skilled workers and low youth unemployment.

Training Space Fair organized by Wirtschaftsjunioren – the German arm of Junior Chamber International, Saarbrücken 2013.

In 2010 the European Year for Combating Poverty and Social Exclusion raises public awareness of the risks of poverty and increases understanding of the causes of poverty. European Year campaign logo, 2010.

The job center reform of 2010 better mobilizes the skills and potential of the long-term unemployed. To this end, the aim is to improve the quality of job placement services and consolidate other advisory services (e.g. social or educational support, child care or debt management advice). Consultation at the Federal Employment Agency, 2008.
A seasequake and a tsunami ravage the north-eastern coastal region of Japan. The Fukushima nuclear power plant gets out of control, prompting the Federal Government to adopt a package of measures towards an “energy system of the future” in June 2011. The aim is to accelerate the expansion of electricity grids and renewable energy, increase energy efficiency and gradually take nuclear power plants offline by the end of 2022.

Destroyed nuclear power plant in Fukushima, 2011.

KBrokdorf nuclear power plant viewed from Hollerwettern, 2011.

Care is becoming an increasingly important topic in our aging society. Starting in 2011, the Family Care Act makes it easier for individuals to combine work and care commitments. The long-term care reform that follows improves the situation for individuals suffering from dementia and for their carers.

At the first demographics summit meeting in October 2012, representatives of the Federal Government, the Länder and municipalities, industrial associations, trade unions and civil society organizations agree the “Every Age Counts” demographic strategy. The focus is on areas where people are most affected by demographic change. Action areas of the strategy include “strengthening family as a community”, “motivated, qualified and healthy workers”, or “independent living in old age”.

Senior citizen with granddaughter, 2012.
The Federal Convention elects Joachim Gauck as the 11th Federal President.

In the wake of the financial crisis and on account of economic imbalances in the eurozone, debt in Ireland, Portugal, Spain and Cyprus rises to a critical level and these countries require assistance from the ESM, the euro rescue mechanism. The common currency – the euro – comes under pressure. The heads of state and government of the eurozone countries agree on a new contractual foundation for stabilizing the eurozone. Furthermore, banking supervision is strengthened and improved.
European Central Bank (ECB) in Frankfurt 2013.
The European Union becomes even larger, consisting of 28 member states since 1 July 2013.

The EU Member States, 1957–2013

- Austria
- Belgium
- Bulgaria
- Cyprus
- Czech Republic
- Germany
- Denmark
- Spain
- Estonia
- France
- Finland
- United Kingdom
- Greece
- Hungary
- Croatia
- Italy
- Ireland
- Luxembourg
- Latvia
- Lithuania
- Malta
- Netherlands
- Portugal
- Poland
- Romania
- Sweden
- Slovakia
- Slovenia
THE EUROPEAN UNION TODAY
Federal Ministry of Labour and Social Affairs
The Ministry

The Ministry’s entrance hall. Art and architecture: “La grande fenêtre” by Daniel Buren.

View from the main entrance hall to the central staircase and to the corridor.
The Responsibilities

**Directorate-General Z**
- Personnel
- Budget
- Organisation

**Directorate-General I**
- Basic issues of the social state and social market economy

**Directorate-General II**
- Labour market policy
- Employment of foreign workers
- Unemployment insurance
- Basic income support for jobseekers

**Directorate-General III**
- Labour law
- Occupational safety and health

**Directorate-General IV**
- Social insurance
- Old-age security

**Directorate-General V**
- Inclusion
- Matters relating to persons with disabilities
- Social compensation
- Social assistance

**Directorate-General VI**
- European and international employment and social policy
- European Social Fund
The History of the Ministry of Labour

During the 1848 revolution, workers call for a “Ministry for Workers” – a demand that is also unsuccessfully voiced in the National Assembly in St. Paul’s Church. Responsibility for “social affairs” is transferred from the Reich Chancellery to the Reich Office of the Interior in 1879 and to the Reich Office of Economic Affairs in 1917. In 1918 Emperor William II orders the establishment of the Reich Labour Office, which becomes the Reich Ministry of Labour in 1919 and exists under this name until 1945. In 1949 the newly created Federal Ministry of Labour takes up its work in Bonn. In 1957 it is assigned additional tasks and becomes the Federal Ministry of Labour and Social Affairs. Responsibility for the health and long-term care insurance schemes is transferred to the Ministry of Health in 1991 and 1998 respectively. In 2002 competence for labour market policy and labour law is assigned to the Ministry of Economics and the remaining tasks are assigned to the Ministry of Health and Social Security. In 2005 the original responsibilities of the Ministry of Labour are reconsolidated in the present Ministry of Labour and Social Affairs.

In the GDR, the German Economic Commission is the foundation for the ministries. The authorities responsible for labour and social affairs are changed a number of times. Decisions in the field of social policy are taken by the State Planning Commission.