

# Soziale Marktwirtschaft: All inclusive?



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# ABSTRACT

The German economy is doing well. Yet perceptions regarding the state of German society are more sobering, as public, policy and academic debates are increasingly concerned with rising inequality. The public is losing trust in Germany's social market economy and its capacity to ensure social benefits. Larger segments of society find the promise of economic advancement beyond their reach, increasingly more questions are raised about Germany's model of a social market economy.

Policymakers, business leaders and civil society must find answers to these questions. Does the social market economy still deliver on its promise? How robust and vulnerable to crises is our economic system? What do citizens expect the German economic and social order to deliver? What economic and societal challenges do we face?

In a series of roundtable discussions the Bertelsmann Stiftung and the Progressive Zentrum debated these topics and how to best address them. The concept of inclusive growth for Germany has proven to be a crucial overarching theme in the discussion and developing measures to ensure the viability of a social market economy. The theme-oriented papers emerging from these discussions will be published for public access. The goal here is to provide constructive input to a broader public debate on the future of German society and economy.

This volume examines the crucial question as to where and how we should invest as a society if our goal is to foster an inclusive social market economy. The authors featured in this volume explore a number of

potential approaches, thereby extending traditional notions of investment to include issues regarding the impact of social investment and its ability to generate actual opportunities. While it is clear that we will always need conventional investment in schools, streets, bridges and the like, this investment must be rooted in equal and balanced eligibility when it comes to monetary, social, ideational and political measures. In other words, basic opportunities to participate in the social market economy are an absolute prerequisite, but they are not sufficient to achieve the goal of participatory justice which, as a fundamental characteristic of inclusive societies, is closely linked to the idea of social mobility. Opportunities for social advancement need to be present over the course of a person's whole life; that is, they should not hinge entirely on one-time decisions. Accordingly, this draws attention to the fact that education – and, in particular, the way it is organized socially – will always play a key role in achieving the goal of fair and equal opportunity. Indeed, educational institutions are – and will continue to be – very important sites and determinants of social participation.

In their contribution, Inga Fuchs-Goldschmidt and Nils Goldschmidt contend that modernity is expressed primarily in the form of a market society. The thrust of their argument focuses on the need to strengthen educational capacity to teach comprehensive skill sets, especially with regard to each individual's ability to self-reflect and orient themselves in the modern world. Matthias Schäfer focuses on wealth and income inequality – a situation many see as getting increasingly

worse – from the perspective of welfare-state redistribution. While traditional levels of inequality do not provide a clear estimation of the situation in Germany, Schäfer argues that the tangible consequences of inequality are far more important. He sees equal opportunity in the educational system as a way of giving disadvantaged individuals the opportunity to participate in social advancement.

Alexander Künzel explains why civic engagement is essential when attempting to foster opportunities for participation in local neighborhoods and districts. He argues that inclusive and forward-looking neighborhood management at the local level must be a cooperative endeavor involving full-time social actors, volunteers and government agencies. He is convinced that this is the best means of leveraging demographics to form an inclusive society. In her essay, Ute Fischer explains why she sees universal basic income (UBI) as a real alternative to traditional social welfare systems and as an effective approach to strengthening participatory opportunities.