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The Danish Welfare State Culture

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Two types of welfare state

Up to the Second World War, the Danish state was formed as a life-mode organised welfare society. The state, via co- financing

of insurance arrangements and the like, supported the life-modes' self-organisation and self-administration. And the medium for support was the associational life of various social movements, such as the workers movement, the movement of smallholders, the peasants movement and cooperative organizations, etc. In this model, the state community thus makes use of society's life-modes to structure the welfare arrangements, which must be able to prevent and fend off a sorry fate on the market. Hence, colonies of smallholders are created by the state to solve the social problem in the countryside: an independent smallholder life-mode emerges, which can absorb the surplus population whose exclusion from agriculture would have otherwise aggravated the social problem in the towns. This phenomenon occurs instead of - as Hegel proposed - allowing a considerable emigration to colonies in the Third World and to North America. The life-mode organised welfare state forms a society whose income is constituted by massive export of food products to the english market produced largely by family farms and cooperating fishermen. This export is supported by an innovative machine tool industry in Copenhagen and in the smaller market towns, which supply the primary sector with tools, machinery, fertiliser and energy, and by

firms which process, improve, and transport the finished products for export. It is an agricultural and industrial society whose state-run harbours, railroads and roads make this export competitive. It is a society, whose mode of production and life-modes, in return, condition their respective ability to finance the state investments. Their interest organisations take part in ongoing tripartite negotiations concerning wages and prices within the domain of sovereignty, which has the ability to balance the earning capacity of the agriculture sector on the English market with the import requirements of the total production apparatus. The life-mode organised Danish welfare state is a co-operatively as well as corporately structured version of an export-based nation state. The cooperative community of family farmers in the countryside and the unique organisational and negotiating culture on the Danish labour market constituted two complementary features of this welfare state's life-mode organised society.

This type of welfare state is substituted by one, which in three decades after the second world war gradually replaces the life-mode organised welfare state. The new form of welfare state entails that the welfare of the organised life-modes is no longer an

organic foundation for the well-being of the state and family, because responsibility for managing on the market is to an increasing degree individualised. The smallholder life-mode, which earlier had the function to minimize the social problem, is replaced by the public sector's promotion of the youth's social mobility and by encouraging those who are already part of the workforce to adapt to the new environment through rehabilitation and continuing development of competence in line with the growth-oriented employment policy. After the Second World War the strategic decision is made to promote an industrial export, which is independent of the primary sector, and instead dependent on the comparative advantages that continually make new forms of technology development and production profitable in Denmark. Correspondingly, the welfare arrangements are structured —with the contract-based pension savings as the exception— independently of the socially organised life-modes and instead linked directly to the individual's citizenship and the rights to education, advisory services, retraining, unemployment benefits, welfare payments, etc. Under these new conditions, people are trained and compelled into dealing with life-long adaptation to fluctuating markets and flexible employment conditions. The

most important task of the formative work performed in this variant of the welfare state is that of making the individual self-responsible. It is the contrast between the life-mode organised and the universalistic welfare state that reveals the necessity of the forms of practice which characterize the large public sector (education, health, social work).

Welfare State or Welfare Society?

Whenever we in Denmark want to defend the welfare state, we call it 'welfare society'. When we criticise the welfare society, we call it a 'welfare state'. This pattern is well-known from the political debate and reflects the schism between state and society, between what is end and what is means, as it plays itself out in contemporary Denmark. We often hear historians and sociologists insist that the Danes, when compared to other Europeans, distinguish themselves by identifying positively with the Danish state. But just as often we hear that the state is scolded for being the worst enemy of the welfare society. And do we not tend to invoke the term 'Danish society' when we want to express ourselves about what we understand as 'the Danish community',

rather than calling it ‘the Danish state’? The state is *something other* than us, when we see it from below and from within. In contrast, Denmark is *us* when we consider the country as a will among others internationally. But it is the fewest of us who consider the state in itself to be something other and more than a necessary evil, a necessary *means* for us to maintain order and control over things, because people are not as good as they ought to be if they should get along without a state. The least bad solution, therefore, is a democratic state which to the extent to which it is possible is an expression of what the people want it to be. If what the state does, does not derive from what we want it to do or what is for our own sake, then we do not consider it an expression of democracy. Many Danes experience that the state, which should be the Danish people’s guarantee for self-determination, is instead possibly robbing the Danes of their possibilities to determine their own lives. It takes from the Danish nation the possibility to arrange the welfare society and its life-modes as the Danes want to even when this does not necessarily correspond to what their neighbours, the other Europeans or the Americans, view as being *the good life*.

It is the goal of this paper, which is based upon the research project on ‘Life-modes and the Welfare State at Crossroads?’, to question the self-understandings of European welfare state citizens, to discuss their sustainability and connections, to challenge their horizon and cohesion. We do not demand to explore all aspects of the problem, but we will attempt to deal with selected aspects. Nor do we demand that we should be able to consider the situation impartially. We are discussing a welfare state and its life-modes at possible crossroads, which this project not only studies from without, but of which the project itself is an integral part. In our choice of historical depth, international horizon, theoretical perspectives and concrete topics, there lies an explicit reflection of this project’s role as a contribution to the Danish welfare state’s self-reflection at the threshold of a new epoch.

In the following we will sketch out the political, theoretical and cultural historical problematic, which gives us the occasion to challenge the conventional views of the role of social classes and the state power in the struggle to form dominant views of what constitutes ‘the good life’ and its ‘welfare’. Dozens of books have been written about welfare. Our contribution to the discussion

consists of problematising an essential precondition for the greater part of this literature, namely, the idea that the groups in society are the driving force behind the emergence of the welfare state in its concrete form. We ourselves have argued that the organised life-modes of societies are involved in a continuing struggle for the formation of their own conditions of existence. Historical and ethnological studies describe how conflicting relations between society's modes of production and their life-modes have determined the dominant existential conditions for the population. However, theoretical and cultural historical theorizing, gives us occasion to question whether this 'bottom up' perspective is the most appropriate for explaining what kind of conditions and concepts about the good life – kinds, which represents only a few out of the many possible concepts for which people have struggled over time – can in fact be realised. Is it at all possible to find an explanation? It is noteworthy that the exact opposite of the bottom-up perspective, often called 'top down', is usually absent when attempts are made at explaining these social and cultural phenomena. And to the extent that the state, despite everything, is considered as an instance which is co-determinant for the conditions that are at our disposal, then its priorities will

ultimately be considered as an effect of political power and influence from one or more (allied) population classes. Where should they otherwise come from?

It is the absence of a good answer to these questions, which can explain why virtually no one would dream of searching within the state concept, *sui generis*, for the foundation of the selection criteria that determine which conditions and concepts of 'the good life' can be realized in the actual world. Nevertheless, as will be shown below, there is much that indicates that the bottom-up perspective is not exhaustive, and not even the most important. The only social scientifically recognized way of applying a top-down perspective consists of considering a political and administrative elites' special interest as that which dominates the state.¹ But this perception, the 'bottom-up' perspective's counter pole, is basically identical with it, in that they both consider class interest as goal and the state itself as means. It is our thesis, however, that this contradiction can be 'sublated' in the form of a new perspective. To develop it demands that instead of simply viewing state and society as opposites, we ask, 'What is needed in order for a state and its society to maintain its existence as an

autonomous domain of sovereignty, which delimits itself in relation to other states and to their domains of sovereignty?'. On the basis of the idea that one of the most general features in the world, we are interested in describing, is that it is constituted by states which limit each others domain's of sovereignty (each other's societies), it becomes transparent that the task is to explore what is necessary so that a state's 'sovereignty work' makes it possible to become and remain recognised by other states as a self-conscious will in the world; that is, as a state subject with a self-conscious societal culture.

The basic point is that *sovereignty work* (be it military, diplomatic, economic, ideological, etc.) is on the one hand a prerequisite for the state's ability to limit the wills of other states, which delineate the state's domain of sovereignty. On the other hand, it is by cultivating the internal aspects of this domain of sovereignty as a well-functioning society of internally complementary life-modes, that a state can generate the resources (economy, competencies, materially etc.), the will-power and defensive capacity, which makes sovereignty work sufficiently effective to defend the domain of sovereignty against the neighbouring states. The

preconditions for a state's *defensive depth* are thus created in *the internal environment*, which constitutes this state's social system. The *external environment* in the state system constantly demands of the singular states that they reinvent their defensive capabilities and sovereignty work in the broadest sense. In order to meet these challenges, it is necessary to continuously reform the organisation of society so that favourable conditions are put at the disposition for the life-modes that can contribute to the forms of sovereignty work currently in demand. It follows that the life-modes, which cannot do this – including those life-modes that were perhaps previously able to, but no longer can because other things are needed – do not have the same possibilities as the necessary life-modes in the struggle for good conditions of existence. This feature must always be valid when we are dealing with states struggling actively to remain recognised as sovereign.

Our thesis, then, is that the life-modes certainly struggle in order for the state to place the necessary societal conditions at their disposal for their (specifically formed) *good lives*. But it is the sovereignty work that is decisive for which states survive in the

state system and which life-modes survive in the states' social systems.

If we follow this line of thought through the twentieth century, the Danish state's existence as a recognized domain of sovereignty encountered difficult times. From its earlier status as the Danish-Norwegian-Schleswig-Holstein maritime power, the monarchy by the end of the 19th century had been reduced to a powerless neighbour of a German empire which emerged from the Gründer period as an industrial great power with a modern infrastructure and a leading scientific culture. The question was whether it was still realistic to maintain a domain of sovereignty. Would the German neighbour continue to recognize a sovereign Denmark as a necessary and reasonable will at the empire's northern flank, in the midst of the strategically important entrance to the Baltic Sea? It would be no easy task for the other great powers over a longer term to prevent Germany from annexing the small, strategically placed, but stubborn neighbour. Also, even though it was geostrategically well-suited to the other great powers that the Danes chose to become a national state and not a part of the German state. Denmark entered a century in which it was

compelled to make a courageous choice of a new survival strategy. Should it focus on expensive military armament or invest in civil, citizen armament? With the Social Liberals (Radikale venstre) and the Social Democrats as the new governing parties, Denmark chose a survival strategy which consisted of emphasizing unarmed neutrality in relation to the great powers in foreign policy, and a life-mode organized welfare project on the domestic lines; in other words, it was a sovereignty work based on the welfare of the Danish *people*. The question, then, concerns the consequences this strategy obtained for the concepts of *the good life* which grew out of the struggle for recognition. This struggle took the form of an effort to achieve Denmark's survival as a *vibrant people* (in the sense of the most influential danish social liberalist theoretician and politician Peter Munch).

During the First World War, Denmark's survival strategy as a neutral, social liberal welfare state underwent its first test, where the consequences of this new form of sovereignty work seriously showed itself in the domestic sphere. Denmark's internationally-oriented business sector received a serious blow. The question was

how extensive was the significance of this strategy for the concepts of *the good life* and its welfare, which came to the world as part of the sovereignty work. The country's dependence on large-scale export of processed agricultural goods and on the import of raw materials and goods for industry and agriculture meant that the state's intervention in the market was condensed into the centrally directed planning of a state-managed war economy. Our studies indicate that the government's selection of representatives of the decisive life-modes in society to participate in the planning offices of the Supreme Commission set a new agenda for the state recognition of the life-modes and developed general concepts for *the good life*.ⁱⁱ These concepts derived from the planned economies' pressing need to achieve the incorporation of all families and households in a responsible and scientifically grounded way into the strict economising of the resources. The universalistic idea of being able to *plan* toward a scientific basis of *the good life* took shape as a welfare policy idea. It became connected with the ideas of taking personal responsibility for one's health and life-mode-specific responsibility for the operation of, for example, health insurance schemes for financing of a modern health system and its doctors.

With the disastrous developments in the Weimar Republic, unemployment, political extremist movements, the corruption of the concept of *Volk* and the Nazis' takeover of power, the neighbour's little welfare state was confronted with new challenges, not least in its domestic policy. Denmark, as Germany's immediate neighbour with a geostrategic location at the entry to the Baltic Sea, was also of vital interest for the Russian continental power and the American maritime power. Situated between revolutionary Russia, a United States which was anxious that the "Red scare" would be taken seriously in Europe, and a Germany which defeated the communists and whose steadily more impossible situation made the popular mood receptive to national socialist extremism, the most essential task of sovereignty work became that of preserving its foreign policy neutrality and immunising the Danish population against the contagion of totalitarian ideologies. By combating unemployment—building bridges and roads, distributing state lands to smallholders and restructuring the social insurance operations—by opening up toward American-initiated health plans and social research, by functionalist housing construction and

urban planning, by reform pedagogy and via social planning in a culturally enlightened spirit, Denmark kept its social problem in check.

The question remains as to the significance of the development of the survival strategy in this situation for the priorities and the formation of the welfare of the state, the people, the life-modes and the citizens. The final test of the strategic concept, however, came with the German occupation of Denmark during the Second World War. In its own way, the entire Wehrmacht construction showed itself to be a very precise realization of the way in which the small, social liberal *welfare society* had been conceived to react and become treated by the German neighbouring state in a situation where Germany could not leave the domain of sovereignty in the Danish archipelago in the midst of the Baltic Sea to others. The state self-awareness by which the sovereignty work from the Danish side was approached was expressed in a unique way in the volume *Danmarks sociale Lovgivning 1891-1941* (Danish social legislation 1891-1941), whose German edition (*Die Soziale Gesetzgebung Dänemarks 1891-1941*) made it possible for the German occupying authority Danish authority to

understand the welfare arrangement it had taken under its eagles wings. In 1946, the book was republished in English as *Social Denmark*. The self-contradictory character of the Danish neutrality strategy was revealed only when Germany's surrender was in sight. With the sense for the iron law of the struggle for recognition, Norway found itself forced to conclude that wartime Denmark had shown that it could no longer be considered a state which was prepared to risk its life and its people's welfare in the struggle for recognition. The state's welfare was forsaken in favour of the welfare of the people. The Danes had, with the survival strategy of neutrality, renounced *the good life* as a state subject, renounced the *free and independent life* as a will (independent state) which was viable and worthy of recognition in the world. London agreed with Norway that Denmark could no longer continue to be recognized as a North Atlantic state. Only with the American decision to continue to recognize Denmark as a state subject, with Greenland and the Faroe Islands as part of the Danish state's inviolable territory—based on the Allies' recognition of the forced policy of collaboration and the popular resistance movement in Denmark and the American agreement with the Danish emissary in Washington to be granted use of

Greenland as military base—was the country assured that it could emerge from the war as a North Atlantic state, a state that the smaller neighbours in the American-dominated state system were compelled to recognize.

In this state system, the Marshall Plan assistance, the OECD, the UN and NATO, and later on the European cooperation under the American nuclear umbrella became decisive for Denmark's new survival strategy and defense-mode as a Western ally and as a rearmed, social liberal welfare state. It is an open question whether Denmark - in the absence of this radical reorganization of its foreign policy orientation - could have at all been able to brake the deroute as Northern European state subject which had begun in 1801 with the English maritime power's 'Copenhagenizing' of the royal naval base in the Øresund straits.

There seems little doubt that the new survival strategy which led to Denmark's membership in NATO, built itself further upon the state welfare concepts from the epoch of neutrality, where the national welfare project with solid plurality attained highest priority, and the hard defence lowest priority, on budget after

budget. As one of the most strategically important countries making sizable contributions in the form of localities for military installations for the Atlantic alliance, Denmark could be satisfied with a payment by half for military consumption and focusing that much more on the national welfare project. It is our thesis that this is occurring because the Soviet Union's replacement of Germany as the neighbouring state which could threaten the domain of sovereignty, after the conclusion of the struggle for recognition with Norway and England, corresponded to a similar reorganization of the front on domestic lines. In a front line state such as Denmark, which with its position at the entry to the Baltic was a strategic link in the American containment of the Soviet Union, the immunization of the population against communism was a decisive link in a total defensive form. For cooperation in NATO, it was of decisive strategic significance in the world of the Cold War that the population preferred the democratic pluralism's social liberal welfare state to the planned-economy, enterprise-based welfare model of democratic centralism. It was a prerequisite for the population's sympathy for Denmark's participation in the Atlantic Alliance that the welfare state be

considered the framework for a civil, human and peaceful social project, not as the state's contribution to containing communism - within the Danish population itself!

The most important task of the sovereignty work was therefore that of reorienting the country from the macroeconomic integrity which was the economic and political basis for the life-modes during the interwar period's economic protections, to the more open economy which after the war became the precondition for taking part in the world economy of the liberalist great power. The stronger integration in the economic system of the West meant that the countries' business structures had to adapt themselves to international conditions in such a way that production in the individual country was centred around the topics where the comparative advantages were greatest, rather than the previous project of self-sufficiency within (for what was necessary for a national economy under wartime conditions) the broad spectrum of industrial goods, food products, manufactured projects, technology and services. The code word therefore became 'adaptation' to internationalisation, to the technical and economic development and to the total growth in material welfare. A growth

which, as something new, became a professionalised social democratic strategy to transform the Danish economy via a forced industrialisation and a radical restructuring of the productive base *from* predominantly agriculture, fishing and associated manufacturing and maritime shipping, *to* research-and-development based industries and services without any necessary linkage to the primary sector. Part of this restructuring was a conversion from state emphasis on extensive productivity and the virtues of economizing to increased labour productivity and consumer virtues which removed the conditions of existence for the life-mode of the small-holders as independent family farms. A new wave of reorganization from the craft manufacturing quality-oriented production to industrial mass production eliminated most of the previously existing craft occupations. Housewives were encouraged to take part in the expansion of wage employment in social care in connection with the growth of the industrial society. Finally, there was a subsequent restructuring of homemaker virtues and family values to professionalised care-giving which moved ever greater parts of the nuclear family's care-giving functions for children, the sick and the aged from the family to the public sector. Several of these restructuring processes were

approached in universalist form by a state restructuring from local democratic self-government in communities to service-oriented sustainable units which could replace the substantive parish municipalities of farm life in the rural districts with professionalised larger municipalities. Using labels with terms such as ‘changing society’, ‘infrastructure’, ‘urbanisation’, ‘spatial planning’, ‘zoning legislation’, ‘sustainable units’, ‘municipal administration reforms’, ‘deconcentration’ (of state tasks, ‘flexibility’, ‘life-long learning’, ‘social reform,’ ‘single-stranded social system’, ‘service-provision’, ‘structural rationalisation’, ‘central schools’, ‘intensive growth’, ‘educational support’, ‘investments in qualification of labour’ and elimination of the homemaker’s recognition as equal life-mode, there began a comprehensive modernisation of the entire country which would enable it to survive in the internationalised economy under the selected relations of affiliation in the Western world. The great challenge to the welfare society became that of managing this transformation of the existential conditions of life modes without creating a popular resistance or apathy which could threaten the chosen survival strategy and hamper its economic growth. The enormous agricultural budget of the Common Market bears

witness to how large a challenge it became for most of the West European states, with the new welfare strategy's concept of equality becoming synonymous with the introduction of massive inequality between what had been (in the old national-economies) equally recognized and necessary life-modes. It has since cost the EU enormous sums to implement this purge in the life-mode of the independent family farms and fishing units.

i. Bourdieu (1997), pp. 97-133.

ii. See Bernild, *Om velfærdsstatens udvikling efter Hegel*. Haastrup, *Velfærdsstatens Hjemmefront*.