

### No satisfactory growth without just distribution

SCHÄFER, CLAUS.

This year's annual WSI-report on distribution in Germany describes current changes in the distribution of income for production factors such as labour and capital, as well as income of households. Once again they confirm the thesis, already known from long term empirical experience, that there can be no satisfactory growth without just distribution. The continuously unequal distribution in Germany particularly restricts private and public demand. Several fiscal strategies are discussed which could increase the scope of public income and expenditure and thus stimulate demand.

### The imperative of competition, the power of the market and the consequences.

BONTRUP, H.-J./JOHN, EVA-MARIA

Competition is theoretically associated with being a social welfare maximizing mechanism. But in reality - due to contra rotating forces - competition very often produces a concentration of market power which cannot be overcome by the 'invisible hand', above all in markets with high entry barriers. The resulting structural realignment of the business sector generates corporate power and profits at the expense of workable competition, economic growth and employment. Governmental intervention must therefore include differentiated anti-trust policies which control the scope of dominant firms and create special market opportunities for SMEs.

### Regulated flexibility? - Trends and problems of working time regulation in the German automotive industry.

HAIPIETER, THOMAS/LEHNDORFF, STEFFEN

In the traditional forms of mass production in the German automotive industry working time regulation protected the workers from the uncertainties of markets. Today the situation has changed. Working time has become an important instrument for coupling back the economy of production to the economy of markets. This process is subject to re-regulation. In blue as well as in white collar areas new forms of regulation of working time are being negotiated which can even entail new opportunities for codetermination. One decisive result of our analysis is that for the bulk of the employees working time regulation is still efficient, even under the pressure of growing markets and returns. Nevertheless, problems can arise in white collar areas when regulations, which do not allow any opportunities for codetermination to get a foothold, coincide with an intensification of work. The biggest current problem of working time regulation is the collectively agreed quota of working time differentiation contained in the collective bargaining agreements of the industry.

### Participation oriented technology and innovation policy - Bavaria, North Rhine-Westphalia and Saxony as examples.

ZIEGLER, ASTRID

Technology and innovation policy has been a recognised field of policy in Germany for several decades. The predominating opinion is that investing in innovation and technology is of considerable value for the domestic economy. There are many individuals providing an important contribution towards the recognition of innovation within companies. His paper examines the specific aspects of technology and innovation policy in the Federal German states of Bavaria, North Rhine-Westphalia and Saxony. The individual states are responsible

for fixing their own framework as far as innovation is concerned. An initial finding is that the states do not vary very much in their general concepts of promotion, but there are, however, different focuses which are based on the existing conditions which have emerged from historically and politically fixed priorities.

With the exception of North Rhine-Westphalia, there is no active or systematic role regarding the representation of interests and employees. Trade unions and works councils are only able to function as competent partners in technology policy via the back door of regional structure promotion.

### Double transformation and trade unions in Poland, Hungary and East Germany.

DEPPE, RAINER/SCHROEDER, WOLFGANG

Against the background of post-Stalinist reforms three patterns of democratic change can be identified from the trade union viewpoint in Hungary, Poland and East Germany. The newly emerged types of unions and union systems there differ significantly from each other. This is also true considering the way unions have been included in the transformation politics of respective governments. In none of the three countries has the wide-spread pessimistic prognosis been fulfilled, which had claimed the incompatibility of political democracy and costly economic reforms. Nonetheless, at the end of economic transformation serious union problems are evident everywhere, although to a varying degree. Industrial relations are strongly decentralised and unions are rather weak as far as organisational strength and collective bargaining power in the newly emerged capitalist structures is concerned.

### Information technology, new organisational concepts and co-determination.

HELFEN, MARKUS/KRÜGER, LYDIA

Information technology has the potential to change business processes at all levels. Business information systems designed to reduce process-time have been introduced in all functional divisions. At the same time new organizational concepts (NOC) have been developed to reduce the number of hierarchical layers, to re-integrate previously separated tasks and to introduce more numerical and qualitative flexibility for employees. In the context of human resource management concepts these changes are accompanied by forms of direct participation. These quasi-paternalistic forms of employee participation are partly a substitute for traditional institutions of German co-determination, especially in the emerging sectors of the economy, i.e. the IT sector and knowledge intensive services. Unions are confronted with diversifying policy options concerning the traditional industrial sector, the IT sector and the knowledge-intensive service sector. But as qualitative evidence indicates, unions have already adapted themselves to this situation and developed new ways to reach unorganized employees in the emerging sectors.

### Barriers to an increase in employment of women in the EU.

BUCHHOLZ-WILL, WIEBKE/SCHRATZENSTALLER, MARGIT

The Treaty of Amsterdam of 1997 and subsequent EU summits agreed on ambitious employment goals, particularly concerning the increase in the quota of female employment; from 53.8 % in 2000, to 60 % by 2010. However, the Stability and Growth Pact, also adopted in Amsterdam, restricts the options of most member states to realise far-reaching reforms of tax and social policies and to expand child care infrastructure. Joint income tax systems, the foundation of social

security systems on the male breadwinner model and a lack of incentives or obligations for fathers to take childcare leave have negative effects on the increase of female labour market participation and support precarious employment. The current macroeconomic orientation of European economic policy on consolidation public budgets implies the continuance and even aggravation of gender specific differences on the labour market.