

Joint Statement

22

Common Responsibility for a Just Society

Initiative of the Council of the Evangelical Church in Germany (EKD)
and the German Bishops' Conference for a Renewed Economic
and Social Order

28 February 2014

Joint Statement

22

Common Responsibility for a Just Society

Initiative of the Council of the Evangelical Church in Germany (EKD)
and the German Bishops' Conference for a Renewed Economic
and Social Order

www.sozialinitiative-kirchen.de

28 February 2014

Published by the Evangelical Church in Germany (EKD),
Herrenhäuser Straße 12, 30419 Hannover
and the Secretariat of the German Bishops' Conference,
Kaiserstraße 161, 53113 Bonn

Contents

Preface	5
Why we speak out together	7
Guided by Christian Responsibility	10
Common responsibility means placing economic growth at the service of the people	14
Common responsibility means continuing to develop a sustainable social market economy	17
Common responsibility means renewing regulatory and ethical standards for the economy	21
Common responsibility means consolidating state finance	25
Common responsibility means anchoring ecological sustainability in our styles of life and economy	30

Contents

Common responsibility means fairly distributing the social burdens connected to demographic change	34
Common responsibility means supporting equal opportunity through inclusion and participation	38
Common responsibility means making paid employment possible for as many as possible as an important expression of participation in society	42
Common responsibility means supporting personal development and social and economic progress through education	46
Common responsibility means contributing to the creation of a European community in solidarity and responsibility	50
The Connection between Freedom and Justice	53

Preface

Seventeen years ago to the day, on February 28, 1997, the Council of the Evangelical Church in Germany and the German Bishops' Conference published a joint statement with the title *For a Future Founded on Solidarity and Justice*. Ever since, the two churches, as is now a tradition, have spoken out again and again in memorandums, declarations, and other texts on specific political matters and on issues fundamental to Germany's economic and social policy.

The wish has recently emerged, moreover, for the churches to join together again to speak out on economic and social matters. Our common responsibility for a just society is particularly evident in view of the challenges presented by globalization, the financial and economic crises, growing environmental problems, demographic change, and increasing social imbalance. This will require – both with a view to the global dimension and to the generations to come – social equity, a spirit of fairness, and the protection of creation.

With the present text, the Council of the Evangelical Church in Germany and the German Bishops' Conference therefore wish to set in motion an ecumenical social initiative. The goal is to bring about a broad debate in society on a renewed economic and social order. We call on all concerned people – whether they be committed Christians and associations within our churches or individuals and social groups dedicated to the public welfare – to participate in the discussion on our common responsibility for a just society.

Along with the publication of this text on February 28, 2014, a website (in German) will be launched at www.sozialinitiative-kirchen.de, where one can discuss and comment on the text. The comments of individuals but also more prominent statements made by groups and associations are welcome there. They can pertain to both individual chapters as well as to the text as a whole. Information on events dealing with the Ecumenical Social Initiative can also be placed on the website.

The discussion process is to be linked to a congress this summer, in which we will discuss the content of the present text as well as comments from the Internet with experts on economics and politics, and representatives of organizations and church groups. This discussion is also to be documented and published.

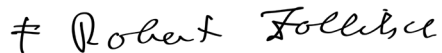
The present text should thus outline where we believe answers to a few major social challenges can be found. With this paper, we wish to put ourselves forward as honest partners to those, whether Christians or not, who have been seeking the social connection of freedom and justice in the 21st century, while inviting all others to join us in our search.

Hanover/Bonn, 28 February 2014



Dr. h.c. Nikolaus Schneider

Chairman of the Council of the
Evangelical Church in Germany (EKD)



Archbishop Dr. Robert Zollitsch

Chairman of the German
Bishops' Conference

Why we speak out together

In 1997, the Council of the Evangelical Church in Germany and the German Bishops' Conference published their joint statement on the economic and social situation, entitled *For a Future Founded on Solidarity and Justice*. Since then, numerous and far-reaching social and economic changes, and new social and economic challenges have emerged. It is in this context that we have come together to speak out again.

Over these past 17 years, the degree to which our economic actions and our lives in society have been determined by the forces of globalization has, in particular, entered more deeply into our collective consciousness. Capital can now, for the most part, travel the world without hindrance, and real economies would appear to be dominated by massive global financial flows. This has meant that, more than ever before, not only companies, but also countries are engaged in international competition. All of the positive significance of the financial markets notwithstanding, which have indeed made the development of many countries possible to begin with, their current mode of operating has made the world more fragile and less secure. The vast changes have also had an impact on workers since, even as financial capital is globally active, work remains essentially tied to real economies. Workers remain, generally speaking, anchored to one particular place.

All of this became terribly clear to us with the international financial crisis that began in the United States in 2007 and 2008. The economic models then predominant in the public discussion suggested that one could responsibly control even the largest risks on the financial markets. When this turned out to be an illusion, governments were forced to implement major bail-out measures. Numerous countries would have been faced with collapse without taxpayer money to save privately owned banks. Many countries continue to bear the consequences of this today. The state debt crisis in Europe also continues to entail economic and social burdens. The question of what political options remain has therefore continued to gain in importance.

The fates of different nations are, however, not only linked together today in economic terms. Growing global environmental problems, and climate change in particular, have increased existing social imbalances and indeed endanger the basis of subsistence for all of humanity. From an ecological point of view, we have reached the limits of our planet's capacity. We can only meet this challenge, however, if nations are willing to cooperate in a fair manner. Thus, we will need a much greater degree of international and global cooperation in the 21st century than ever before. The churches, for their part, would also like to contribute to the dialogue among nations and cultures that is necessary to make this possible.

The globalized world of today entails many new opportunities but also dangers as well. While new developmental potential has indeed opened up for poorer countries, we are still faced with new forms of exploitation both of people and the environment. In Germany, as in most OECD countries, national economies have grown over the past few decades, but so has inequality in terms of wealth and income. These countries have also received migrants from other cultural areas during this period, which has led both to an increase in societal variety as well as to new social conflict. And even more than other highly developed countries, Germany is faced with the challenge of a dramatic demographic shift, which will profoundly change the social structure of our society, and which will strongly test the limits of our social security systems.

Over the past ten years, German parliamentarians have made far-reaching changes to the existing economic and social model as a reaction to many of these factors – globalization, vulnerability to economic crises, threats due to climate change, problems involving social inclusion and integration, demographic change, and growing social inequality. The measures taken have led to what have often been very vehement debates in political and societal discourse. While some have spoken of overdue and at times overly hesitant measures to adapt to changing realities, others have criticized politicians for following a failed neoliberal paradigm. These debates reached a heightened new dynamic as a result of the international financial and economic crisis of 2007-2009 as well as the European crisis. The positive significance of social state instruments to deal with crises (e.g. compensation for reduced working hours) has entered ever more clearly into public awareness.

We are thus faced with urgent questions today with regard to social cohesion but also to common values in our society such as freedom, solidarity, and justice. As churches, we wish to participate through this paper in the discussion of these questions, a discussion so necessary for our society today. The following points are meant to encourage a broad discussion in our society, and thus to make political action possible.

Guided by Christian Responsibility

When it comes to meeting the challenges facing us now, we will need the highest levels of specific expertise to find the best solutions in our discussions of questions of substance. These questions also involve basic matters of orientation, which also require our reflection. What aims should economic action serve? And what priority should these various aims be given? We require knowledge of our ethical orientation in order to form a basis for all of this. A society does well to take care of this knowledge and to develop it further. In the following, we wish to contribute to this task, one which faces all of society, by lending expression to a few important points of particular importance to the Christian tradition, as founded in the biblical record. Their ethical consequences can, however, certainly be understood beyond any matters of religious belief, and we are convinced that they are of particular relevance not only to Christians but to all people of good will.

“And who is my neighbor?” (Luke 10:29). With these words, Luke brings Jesus’ Parable of the Good Samaritan into focus, which is of central importance to Christian ethics. The clear answer provided by the parable is also of great relevance to the challenges facing us today: Who my neighbors are does not depend on their belonging to any particular religion or culture, or on their origins in any particular part of the world. The commandment to love one’s neighbor is, on the contrary, a universal one.

When we consider economic questions today, the scope of our responsibility extends to include the entire family of humankind.

As Christians we say: The path to God either leads to our fellow human beings or it leads nowhere at all. God became human and entrusted people, whom he created in his own image, into the care and responsibility of each and every other person. This is why the Great Commandment to love both God and one's neighbor is of central importance, as it is impossible to love God without also loving one's neighbor. This is the deepest reason why we speak out as churches when poverty and injustice make it impossible for everyone to live in dignity.

We cannot maintain attitudes of indifference in view of injustice and crisis. That would be irresponsible, a modern repetition of Cain's reply to God as reported in the Old Testament: "Am I my brother's keeper?" (Gen. 4:9). It is part of the oldest tradition in human history and of the Judeo-Christian heritage to hold oneself accountable through ethical reflection. This entails accountability with regard to a coexistence that is just and good, with regard to choices and institutions that support solidarity and a focus on collective welfare, and accountability with regard to economic activity and a state that is able to fulfill its tasks in the long term.

As Christians, we live in the strong confidence that the world lies in God's good hands. The courage to act decisively, even in the face of opposition, can grow when anchored in this assuredness. We are convinced that the fundamental orientations of the Christian faith provide the solid and fruitful basis that will be necessary to overcome the challenges of the future.

This certainty is indivisibly linked to the question of how we can keep our focus on the values of humaneness and justice in the face of changing social conditions, a question that we addressed in our 1997 Joint Publication as well. This is the guiding question of the present joint theses, and it is precisely here that we regard our particular social role as churches to be. We make no claims to exceptional competence in either economic or technical

matters, and do not pursue any particular political program. The biblical commission to till and protect the earth (Gen. 2:15), God's inquiry "Where is your brother Abel?" (Gen. 4:9), and the Christian commandment to love one's neighbor, as is recalled in the beginning of the Parable of the Good Samaritan in the New Testament, all share an ongoing social and political dimension. The structural causes of human suffering also need to be taken into account if it is to be overcome. As our 1997 Joint Publication states: "Christians cannot share the bread at the Lord's Table without sharing their daily bread. An unworldly holiness would only create an unholy world."¹ We continue to feel committed to this ideal, as we as Christians are beholden to the promise declared in the Sermon on the Mount: "Blessed are those who hunger and thirst for righteousness, for they will be filled" (Matt. 5:6). This promise cannot simply be put off forever without consequence; it has consequences here and now.

Our theses are supported by the conviction that a polity dedicated to solidarity and justice benefits all members of society, whether rich or poor. The biblical option for the poor, which we expressly support here as in the 1997 Joint Publication, and which is supported by solid reasoning as well, is indeed an option for all of society. The nucleus of this solution lies in this option, as reflected in the words of the Prophet Isaiah, who, using the language of faith, strikingly asks: "Is it not to share your bread with the hungry, and bring the homeless poor into your house; when you see the naked, to cover them, and not to hide yourself from your own kin? Then your light shall break forth like the dawn, and your healing shall spring up quickly; your vindicator shall go before you, the glory of the Lord shall be your rear guard" (Isa. 58:7-8).

We therefore hold fast to the foundational ethical perspectives that we expressed in 1997. Building on this common basis and in view of the social, economic, and ecological changes and challenges, we wish to return

¹ Church Office of the Evangelical Church in Germany / Secretariat of the German Bishops' Conference [eds.]: For a Future Founded on Solidarity and Justice: A Statement of the Evangelical Church in Germany and the German Bishops' Conference on the Economic and Social Situation in Germany, 1997, Hanover / Bonn 1997 [Joint Publications, 9], No. 101.

to the question of how we can create a future in solidarity and justice for our changing society. We have developed ten theses to this end, as presented in the following.

Common responsibility means

placing economic
growth at the service
of the people.

1

Christian economic ethics and church declarations have always emphasized that economic activities – including entrepreneurial endeavor, as well as financial market transactions – are not a purpose unto themselves and must never be viewed only from the point of view of self-interest. Their purpose is to support human development as a whole, to overcome poverty, to expand real human freedoms, and to generally improve on public welfare as a whole. The maximization of profits at all cost can therefore never be a morally acceptable principle for action – especially if it does not even serve any real economic use. Nothing has changed, from our point of view, regarding the need for this basic moral distinction. We are indeed convinced that this differentiation is even more important now than ever before in light of the current global ecological and social challenges. The financial markets particularly need to return to playing a useful role.

We purposefully place this consideration at the beginning of our theses, using it as a guiding perspective for our later observations: It was the illusion of the manageability of even the greatest risks, bolstered by mathematical-economic models, that needs to be viewed as a major cause of the 2007-2009 financial and economic crisis. While many had believed the financial markets to be functioning perfectly, the economy showed itself to be more fragile than ever before. Whether or not the necessary reconstitution of our economic system proves successful will be decided, in the end, by whether money is accorded the role that it should have, i. e. a strictly auxiliary function. Capital needs to serve the real economy and hence the lives of the people – all of the people. If this auxiliary character is lost in the process, people can lose their confidence in the economy. The question remains open today of whether we will be able to return to a balance in this regard over the coming years. While policy and regulation adjustments will be necessary, these measures cannot only occur at the national level.

It has become quite clear in the course of the financial crisis that certain segments of the financial industry were able to take on a life of their own, with risks being taken that have led the global economy to the brink of

collapse. Millions of people around the world have paid dearly for this lesson. We are looking into the abyss now as well when it comes to the natural capacity of our planet. And in more than a few regions of our world, economic development and social progress continue to diverge to a great and unsettling degree.

Only a responsibly formed market economy is suited to bringing about the wealth that can make it possible for everyone to live in justice, peace, and freedom. In order to fulfill this function, the market economy requires a framework to ensure that the economic activity of individuals and corporations ultimately remains within a scope that serves the public good. Such a framework cannot be achieved solely through a mixture self-serving behavior but requires broad democratic decision-making processes on the part of all who are involved, with a view to commonly held values. When, however, individual corporations or entire industries depart from this range, the state needs to set effective limits to this abuse of freedom. Even in a global economy geared toward competition, this primacy of public policy must be upheld.



Common responsibility means

continuing to develop
a sustainable
social market economy.

2

When the social market economy was established in Germany following the Second World War, the goal was “to connect the principles of market freedom and social balance” (Alfred Müller-Armack). This goal has brought Germany a high level of both economic prosperity and social stability. It was also by recalling this goal that Germany was able to get through the 2007-2009 financial and economic crisis without major economic or social adversity. This served to demonstrate that the basic idea of the social market economy continues to be a sound one, and not only from a moral perspective, but also with regard to sustainable societal success. Economic efficiency and social balance thus both need to be kept in mind politically. One must, however, also remember that the social market economy is not an unchanging model but requires continual adaptation to changing economic and social conditions.

Over the past ten years, lawmakers have in fact taken numerous steps to adapt the economic and social system to changing external conditions. The financial crisis and the European debt crisis have made the success of such reform policies particularly clear, while also revealing where flaws remain. There continues to be cause for action in areas such as financial market regulation. We need renewal in terms of regulatory policy as well as in the culture of responsibility both there and in other economic areas. The European crisis has shown that precisely such a culture is to be demanded especially by governments and parliaments, even with regard to the inclusion of a sustainable budgetary policy.

The crisis years have also demonstrated that Germany has been more successful than other industrialized countries in adapting to the challenges of globalization. The German national economy has in fact developed well despite the adverse climate of the global economy, and the country has been able to maintain its level of prosperity. We must not, however, close our eyes to the fact that not everybody in our country has been able to share in this prosperity. Like most OECD countries, Germany has seen a greater imbalance of income and wealth distribution over the past 30 years.

There has apparently yet to be an adequate answer to the question of how, in a globalized world, a fair and just social balance can be struck in the social market economy of the 21st century. The ethical aim should be to broaden as much as possible the social inclusion and participation of all of our country's people. This is not only a matter of social policy in the narrow sense of the term, but a comprehensive sociopolitical task involving civil society as well. There continues to be an exclusion – at times obvious, at other times quite subtle – of groups of people from areas of society and from public offices and positions in society. This affects, for example, people from an immigrant background, who are frequently hindered when it comes to accessing certain areas and positions in society, business, and the state.

One particular sociopolitical challenge lies in the fact that there continues to be a large group of people in our society who are permanently excluded from obtaining paid work and thus from any opportunity for social advancement. This form of social exclusion is both a moral a problem and one that affects the national economy. Promoting social mobility is therefore an urgent sociopolitical task for the 21st century, and a key to this is education. Education policy is indeed proactive social policy.

In view of the challenges connected to demographic change, less than ever before can we accept the gifts and abilities of millions being allowed to go to waste. At another level, the related matter of generational equity will take on a particular urgency and importance in the future. Those whose job security is now in danger, or who are not able to take out a private pension for other reasons, are at a greater risk of being faced with poverty in their old age. We thus need to think about how we can extend and organize our solidarity across the generations in the future. This chiefly involves the challenge of training and qualifying the marginalized so that they can be able to enter the regular job market. In view of growing social inequity, we must not however overlook the fact that just participation is also a matter of wealth and income. The issues of participatory and distributional justice are indeed closely connected.

The churches are not the only ones now emphasizing that the goal of increasing material prosperity, which has been a central focus in our society over the past decades, needs to be placed in a new balance with an increase in “relational prosperity”. This includes a heightened awareness for the maintenance and development of social relationships, for education, loving care, community, and a relationship with creation marked more by respect rather than exploitation.

This touches upon the ecological challenges of the 21st century, and in particular climate change and the need to transform the social market economy into an ecological-social market economy. Our current model of prosperity cannot indeed be extended to include the entire world due to the limits on our natural resources and the planet’s capacities, and is thus rather questionable. And yet, nobody can deny developing countries the right to share in the world’s prosperity. So far, there has not been enough awareness and acceptance of the necessary changes.

Common responsibility means

renewing regulatory
and ethical standards for
the economy.

3

The 2007-2009 financial crisis was the result of human failure at a variety of levels. The lack of moderation as well as the self-aggrandizement and greed on the part of financial market participants, which at times reached even criminal proportions, has been rightfully criticized. It would, however, be wrong to leave it at the level of particular accusations against individual people and institutions – particularly if we wish to pursue the goal of preventing future crises.

As this was a structural crisis, structural causes need to be found and eliminated. It is therefore not only important for banks to follow the principles of honest merchants in their business policies. While this is a just demand, it is equally important to look into the unsuitable structures that encouraged so many financial market participants to throw all principles of sustainable business overboard and to enter into extremely high risks, risks that were ultimately no longer assessable not to mention controllable. It is the task of state economic and regulatory policy to identify and eliminate such unsuitable incentive structures. It is also the responsibility of the state to create institutions that are able to ensure that laws are upheld equally by all. This means that institutions involving banking supervision and tax administration need to be equipped with the necessary competence, material resources, and staff.

Both from the point of view of regulatory policy and from a moral point of view, it is particularly problematic when the consequences of risky business policy are not borne by those who took the risks, but by third parties or by the general public. This was, however, in fact the case during the financial crisis. Although the profits were private enough during the years of success in highly speculative investment banking, the losses during the crisis were socialized. In response to this, the moral principle must be stressed both on the financial market and in economic activity, which can be summed up in these words: “Those who benefit must also bear the losses” (Walter Eucken). In regulatory economics, one speaks here of the principle of liability; investors, executives, and entrepreneurs need to bear the consequences of their own decisions. The financial crisis served to

remind us in an alarming fashion that the market economy cannot work without this correspondence between freedom and responsibility.

The turning of deregulation into an ideology, which for years has been pushing policymakers towards leaving the markets to their own devices, and the financial markets in particular, has been proved wrong by the crisis. One of the basic tenets of the social market economy is more apt here, that the markets require a framework and effective regulatory body so that financial and economic activity can be steered toward being of service to the public good. Policymakers are thus faced with the challenge of balancing the contradictions and tensions that still exist between global market mechanisms and national legislation, something which will require greater international cooperation. In the aftermath of the crisis, this applies to the political development of common standards and regulations for the financial markets as well as minimum ecological and social standards. A global market requires a global order.

As churches, we do not have the competence necessary to decide which particular instruments are the right ones to reform and regulate bank oversight and the financial market. We do, however, call upon those with political responsibility to follow regulatory reason and moral standards when it comes to implementing necessary measures. This means, for instance, that depositors and the general public will need to be better protected from being held liable for the risky, speculative endeavors of banks. The systematic risk and extortionary potential linked with financial institutions that are “too big to fail” need to be effectively limited. Liability should be limited in the future to those who, as decision-makers and the potential beneficiaries of asset decisions, stand to gain from any profits. We expressly welcome the political discussion being held on this issue not only in Germany but within the European Union and at the international level. We also advocate for Germany to take an active role in processes such as the further development of the banking union and more effective transnational bank oversight.

We need regulatory renewal within a culture of responsibility not only with regard to financial markets but for all markets. The yardstick used to evaluate companies and determine the remuneration of executives should not be short-term increases in share prices but the long-term success of companies. The principle of liability needs to be brought to bear more here as well, including an end to bonuses without risks, whether for executives or investors.

Common responsibility means

consolidating state finance.

4

State debt has increased significantly in recent years in Germany as well. Many reasons can be ascertained for this and were the result of political decisions that were, quite sensibly, borne by a broad spectrum of parties. German reunification could not be brought about without cost. Investment in the integration of West and East Germany led to an increase in German debt from approximately 40 percent of the gross domestic product to around 60 percent. And the last major hike in state debt to over 80 percent had its reasons as well: It was necessary to contain the international financial and economic crisis through programs to save banks and invigorate the economy, all as a means of preventing the global economy from collapsing. Measures taken today to overcome the euro crisis, such as the extensive financial guarantees that Germany has taken on alongside other countries, also increase the risk of a continued rise in new debt.

Excessively high state debt remains a problem, however, as it strongly reduces the ability of the state to act and exert influence at all levels. If an increasing portion of state revenue needs to be used to service debt, municipalities, the federal states, and the federal government will not have enough to meet urgent public needs. Those who are in particular need of public support of whatever kind figure prominently among those who will suffer the consequences of this situation.

The amount of state debt that is justifiable vis-à-vis future generations depends in particular on the question of whether the expenditures financed in this way are also in their interest. This requires a more differentiated view than the traditional distinction between investment and consumption expenditure. From such a perspective, for example, educator salaries are viewed as consumption expenditures and not as investments.

The consolidation of public budgets remains an urgent task with regard to the European Union as well. This necessity is only underscored further by the current financial crisis in the euro zone, even as the causes of high levels of debt can be quite different in the countries affected by the crisis. Debt became excessive in some countries only since the 2007-2009 financial

crisis and ensuing state support for the financial sector. It has also emerged that whether or not refinancing is possible is not determined by a country's state debt ratio alone, but chiefly by the evaluation of whether it can service its debts on time. Even when there is a comparatively low debt ratio, investor confidence can be shaken in the long term during times of economic crisis. This is the problem common to all of the countries affected by the European crisis, whatever their national differences may be. There continues, however, to be a wide range of opinion about how long-term structural solutions can be possible. From the perspective of social ethics, one may at any rate criticize that depositors are currently bearing a particular burden.

The stability of the common currency is a fundamental prerequisite for the creation of a competitive social market economy, as was proclaimed a common goal by EU member nations in the Treaty of Lisbon. In a common economic and currency area, effective solutions can only be found and implemented together. They both need to take into account the considerable imbalances of economic power as well as the problems that arise through the pursuit of national policies and diverging tax and social security systems, together with a nearly unlimited mobility of capital and a great lack of transparency in the financial sector. The common currency cannot succeed without an effective political framework.

The constitutionally anchored "debt brake" in Germany, both at the federal and state levels, can prove to be a useful instrument for budget consolidation. The burdens of a long-term budgetary consolidation process would indeed have to be distributed justly, taking into account both revenues and which public expenditures are to be reduced or cancelled. This applies to the European Fiscal Compact as well, which includes the idea of a "debt brake" for all EU member states. We have observed with great concern that reductions in expenditures for the sake of budgetary consolidation have led to serious social problems in some euro countries. In particular, the dramatic rise in unemployment in some countries, especially among young people, is a burden that, if prolonged, would prove unbearable for the affected societies and for Europe as a whole.

Given this situation, it is understandable that, following the debate over the right way to respond to the crisis, there has been increased criticism in the EU over tax policy and lax attitudes toward taxation, but also over the ineffective and sometimes even corrupt tax administration of certain EU countries. Both made it possible for the profits of transnational corporations as well as high levels of personal wealth and income to be exempted from tax to a large degree. We must view the fact that nearly all European countries have since spoken out for more transparency and a greater exchange of information as a reaction to increasing public awareness and criticism and to losses in confidence on the part of the financial sector. The cultural change that this made possible now needs to be translated into international cooperation with appropriate measures in order to more effectively prevent and legally combat tax fraud and evasion in the future.

There have been some remarkable suggestions with regard to this goal such as automatically exchanging data relevant to taxation, fighting tax havens, and the common consolidated taxation of corporations to prevent profits from being shifted to avoid taxation. Tax liability is not only a legal obligation but a moral obligation as well. Those who attempt to extricate themselves from this obligation do so at the expense of their fellow citizens and of the public good.

International efforts to effectively enforce tax obligation would not only contribute greatly toward budgetary consolidation. They would also increase the tax burden connected to the profits of transnational corporations in particular, and thus bring about a more equitable situation with regard to the burden of small and middle-sized companies and income from employment.

Of course, a just tax policy would not solve every budgetary problem, but would do much to bring about greater acceptance for any further austerity measures required. It would also afford governments greater leeway to take into account economic developments and to counter any long-term social and economic damage resulting from social problems and structural investments not made.

All of the efforts necessary for budgetary consolidation notwithstanding, no solution to the European crisis should be carried out on the backs of the millions who did not cause it. A reduction of debt achieved chiefly at the expense of the socially weak and at the cost of necessary investment in the future cannot be acceptable from an ethical point of view. We are, moreover, convinced that it is not in the interest of today's generation or of generations to come to allow the European project to fail due to problems arising from national egoism involving finance and monetary policy, which could be resolved.



Common responsibility means

anchoring ecological
sustainability in our styles of life
and economy.

5

The Christian faith commits to treating the creation entrusted to us in a responsible manner. In the course of the massive global economic development, the limitations to our planet's ecological capacity have become increasingly clear. Climate change has been at the center of this, which is endangering the basis of existence for the current generation and generations to come, as well as creation as a whole. This affects the poorest countries and people particularly strongly. Climatic shifts and their consequences therefore need to be taken into account in developmental cooperation as well as in national policy, now more than ever before.

Climatic researchers generally agree that if the warming of the earth were to continue unabated, it would lead to a tipping point in the climatic system, after which negative developments would mutually reinforce each other and irreversibly so. This would produce global catastrophic consequences not only with regard to ecology but also in economical and social areas. Climatic protection and the reduction of greenhouse gas emissions, and carbon emissions in particular, are therefore the key political and societal tasks of our time. Ultimately, the climate, viewed as a common global good, can only be effectively protected through international efforts.

The last United Nations climate conferences have, however, shown how hard it is to find a consensus on this issue. Poor countries and the major emerging economies, but also a number of old industrialized countries, have often seen a conflict between climate protection and economic growth. Economically weak countries depend on growth as a means of freeing themselves from poverty and therefore reject a new and legally binding climatic protection treaty due to their understandable fear of negative economic consequences.

The 1997 Kyoto Protocol already mentioned that the members of the community of nations had "common but differentiated responsibilities". This reflects the ethical problem that those who have caused climate change are not the same as those who will bear the consequences of these changes. Industrialized countries are particularly called upon to act, as they are not

only responsible for a major portion of emissions in the past, but continue to be today. Sustainable development does, however, depend on the environmental policies of threshold and developing countries as well, which also contribute to the emission of climatically detrimental gases. These countries require support on the path toward sustainable models for economic development and prosperity.

This in turn presupposes that industrialized countries, which continue to use up more resources than are rightfully their due, and which remain global economic role models, will transform their own economic systems to be more sustainable. They need to move forward decisively with ecologically oriented investments and to allow for a transfer of resources to poor countries (including technological resources in particular).

There needs to be a global and fundamental transformation of styles of life and economy in order to make it possible for coming generations to enjoy a high standard of living. This demanding process of change can only succeed if the new goal of ecological responsibility is tied to conventional principles of market freedom and social balancing. This reflects the necessary yet tension-riddled plurality of aims in the ecological-social market economy.

Economic growth will continue to be important in the future whether as the prerequisite for financing the required investments, or increasing social and health costs. Still, developmental pathways need to be found that detach economic growth from further increases in the use of resources and the environment, and which serve to contain the dangers of climatic change. A market economy geared toward sustainability would build more on qualitative increases in prosperity.

Environmental protection, on the one hand, and the reduction of poverty and increase in social justice, on the other, serve together as guideposts for a sustainable economy. Germany and Europe need to play a leading role in the creation of an ecological-social market economy at the national, European, and global levels. Germany has already embraced this responsibility

with its decision to shift its energy policy. If Germany now remains a competitive economy and the German social model of shared prosperity can be sustained in the long term, the ecological-social market economy can serve as an example and become a model for other countries to follow.

As the frequently fruitless or inadequate efforts to bring about international treaties have shown, it will not be easy to develop a global social market economy. There is, however, no convincing alternative.

Common responsibility means

fairly distributing the social burdens
connected to
demographic change.

6

Demographic change not only entails longer lifespans but also greater opportunities for society. The challenges involved with demographic change, however, lead to questions of justice as well. The country's currently stable population size cannot hide the fact that Germany, according to official statistics, is still about to face a considerable decrease in population. The age structure will also change dramatically in the decades to come, a development that will have particular effects on the ratio between people of retirement age and those of working age. The German population is becoming both smaller and older at the same time.

A proactive family policy will not be able to turn around the current demographic development in the short term, either. Even if it remains an uncontroversial point that pay-as-you-go solidarity-based social security systems are especially challenged by demographic developments in terms of financing and staffing, they will still need to be carried out in solidarity and justice in the future. This will require cooperation among generations and a just distribution of financial burdens. This includes, for example, taking more clearly into account the contributions made by families with regard to parental and caregiver time.

The financing of the state pension fund will become increasingly difficult especially as a result of the disadvantageous combination of an increasing number of pensioners and a decreasing number of contributors. This has led to various reforms introduced to take demographic developments more strongly into account and to use stable contribution rates to prevent earners from being overly burdened. This is automatically connected to a reduction in the net pension rate, which is the reason for the addition to the state pension of a second fully capital-funded pension pillar. This is, however, not obligatory and is often an unattractive option in cases that involve, for example, low pension entitlements, as they are deducted from the basic provisions for old age.

In order to prevent pension levels from falling too far, it was necessary to increase the length of people's working lives and to raise the retirement

age to 67. Much needs to be done, however, to ensure that all earners are able to reach this age cut-off, as the reform would otherwise only mean a decrease in pension for many retirees due to individual reductions. This can be particularly difficult for lower income groups as they seldom have other reserves and more frequently pursue employment that is particularly hazardous to their health.

Adjustment measures will, in any event, continue to be unavoidable for the pension system. More serious thought will therefore need to be put into increasing flexibility when it comes to the retirement age, considerations for age-appropriate work without rigid age limits, and setting up new working forms which allow for individual differences in people's working lives and workloads.

The increasing need to be flexible in one's work (both mentally and geographically) requires that work be geared more strongly toward individual lives. This includes, for instance, the ability to be more flexible with regard to working times during certain phases of life, including taking into account considerations of family situation and age. The need for further training or complete retraining several times in the course of one's working life also needs to be accommodated more. Lifelong learning needs to be viewed as a task for the social state which requires public support. People who have yet to achieve adequate professional qualification also need to be taken more strongly into account, as the fight against poor education is also an important instrument when it comes to overcoming poverty in general.

The 1957 pension reform was a great success, with pensions being raised substantially, to overcome the urgent problem of poverty among the elderly. The introduction of a dynamic adjustment of pension levels to match the development of gross income was also successful as a means of overcoming the growing discrepancy between rapidly rising wages and pension rates during a period of strong economic growth. Even if poverty among the elderly is only a limited problem today, it does threaten to return to our society over the next 10 to 15 years, with an increase in the percentage of those expected to have to live off a low level of pension ben-

efits. This is caused by a decrease in pension rates but also by new kinds of work biographies and means of earning. This includes interruptions in employment through unemployment or through parental and caregiver leave. The number of low-income earners also needs to be taken into account, people whose income is frequently insufficient even during their working lives. There also needs to be support for those elderly people who have worked all their lives at low-income jobs while paying into pension plans. The pension system will lose its acceptance in society and its socioethical foundations if these people are not better off than other who did little or nothing to provide for their old age.

In addition to monetary contributions to pension funds, we need greater recognition for other types of contributions as well. In the pay-as-you-go pension system the adequate recognition of parental leave needs to be included. This would also meet the criteria of the underlying vision of a “tri-generational contract”. Parental leave was not, however, at first taken into account in the public pension program, and later reforms have only insufficiently recognized family service time. It would be good if the current unequal treatment of parental leave before and after 1992 were finally to be corrected. One should also look into how gaps arising from caregiver leave can also be acknowledged more in the pension system.



Common responsibility means

supporting equal opportunity
through inclusion
and participation.

7

One may have had the impression in the past that many social problems were managed but not actually solved. The goal of continually equipping people to take on as much responsibility as possible for their own lives, has sometimes been lost from sight. We now know that the efficacy of social state services needs to be continually reevaluated and, if necessary, readjusted, both for the sake of recipients and for budgetary reasons, and the social reforms of the past ten years have in fact pursued this goal. Despite clear successes as in the reduction of unemployment, this reform policy continues to be controversial in the public arena. This is also due to the fact that the necessary changes have also led to new problems, including, for example, an increase in atypical employment situations.

Social inequality has risen in general over the past 30 years both in Germany and in most other OECD countries. The reasons for this are manifold, connected to such issues as whether the particular social circumstances are equitable. Inequality has thus become a matter of political debate under the aspect of distributive justice.

We do encourage as well, however, that the discussion on social policy not be limited to the issue of distributive justice, as certain urgent social questions would then not be considered. We would therefore like to suggest extending the sociopolitical discourse to include a discussion on social policy that is more strongly geared toward opportunity, which would help improve the analysis of social problems and the efficacy of social state action. Inclusion and participation should serve as ethical concepts that inspire this type of opportunity-oriented discourse in social policy. This applies in particular to the legislation, design, and implementation of employment services. Fundamentally, this is about the participation of all our country's people in the widest range of areas of life. It is part of a person's dignity that his or her particular individual gifts are supported as well as possible. Lifelong learning plays a particularly salient role in this regard.

In view of the demographic change and the lack of experts already present in a number of regions and fields of endeavor, German society can, now

less than ever before, not afford to allow talent to go to waste. Even if much improvement has come about in this regard, there remain too many cases of discrimination and frustrating obstacles both in people's working lives and in their lives together in society. This affects a wide variety of social groups. Women continue to be kept out of leading professional positions much too often, as mothers and fathers do not have the sufficient means to balance their careers and family lives. People with immigrant backgrounds, including those who live in Germany in the second or third generation, too frequently continue to be denied equal social recognition. It is not only a political matter but a task for society as a whole to meet these challenges in the spirit of inclusion and participation. This of course presupposes that each individual is willing to participate actively in society. Both equal opportunity and personal initiative will be necessary to make the ambitious project of comprehensive social inclusion a reality.

For individuals to be able to take their own initiative, they also need to have a real and fair chance to participate actively in society, using their particular individual gifts. It is a challenging task for social policy to make equal opportunity a reality. This involves allowing people with poorer social beginnings to receive the support they need, from early childhood onward.

Inclusion and participation should indeed play a central role in social policy as, despite all other improvements, one important goal in social reform has yet to be fulfilled sufficiently: that of improving the social opportunities of those at the lower social margins of society. Poor people in Germany remain poor much too often, and poverty is much too frequently passed on from one generation to the next within families. We as churches cannot accept this situation as it is. In our commitment to a preferential option for the poor, we call for our society to fulfill its responsibility to the weak in the future better than it has in the past.

Poverty is a lack of economic, social, and cultural resources, and does not only entail financial problems for those affected, but also involves their exclusion from important societal areas of life. Our social state too frequently follows a model featuring a one-dimensional type of care that only

alleviates the material side of poverty. One therefore needs to focus more closely on the social and cultural dimensions of poverty than has previously been the case. Social policy in the spirit of inclusion and participation is geared toward opening up social opportunity, thereby making freedom possible (again). Social policy, in this sense, views those in need not as mere passive recipients of social services, but takes them seriously as individual human beings. Social assistance must therefore always be provided in line with the principles of solidarity and subsidiarity. This means that assistance provided in community solidarity must be provided in a manner, and within a financial framework, that allows recipients to feel like full-fledged members of society. This community of solidarity must, however, also be able to expect and demand that recipients actively play a role in the betterment of their own situations, to the extent that their individual abilities allow. It is also the task of the social state to ensure that each and every aid recipient is provided with opportunities to participate in this way. This corresponds with our understanding of an enabling and inclusive social state and the society that goes with it. The social state should continue to develop its methods in this vein.

Common responsibility means

making paid employment possible for as many as possible as an important expression of participation in society.

8

The job market has improved in Germany over the past few years despite the economic and financial crisis. This positive development was boosted to a significant degree by Germany's social partnership, with its basis in free collective bargaining and worker participation in managerial decision-making processes.

Unemployment has fallen considerably, particularly among young people, along with a reduction of long-term structural unemployment. The total number of jobs has reached a new high, even if the total volume of work has not risen, reflecting, for example, an increase in part-time work. The job market reforms of the past ten years have contributed to this, with unemployment and social assistance being replaced by a new unemployment benefit scheme (*Arbeitslosengeld II*), and with the new second part of the German Social Code (SGB II) featuring more enabling measures. The goal was to increase the pressure on people who are unemployed, and on the long-term unemployed in particular, to seek an occupation and leave the financial support system. This was to be achieved through shorter benefit periods and the lowering of what is considered to be acceptable amounts. Political actors, unions, and trade associations must not let up in their efforts to overcome unemployment, as unemployment is indeed much more than a mere lack of income, but also entails exclusion from a central area of life in our society. Participation in terms of work and paid employment are a significant expression of social inclusion. Inclusion and participation must therefore remain part of the vision and aims when it comes to fighting unemployment. This applies in particular to long-term unemployment, which remains a major problem in our society today.

Not only unemployment, but long-term unemployment in particular has receded less rapidly than the number of jobs has risen over the past several years. This is due to the fact that, at times, the increase in jobs reflected circumstances outside the country as well as people without work who did not register as unemployed. The period of positive economic development was, however, not put to sufficient use to help people return to the job market who have been unemployed for a long time and who have multiple placement problems. Bearing in mind the difficulties of the long-term un-

employed, we also need publically supported measures to train people and to assist them in returning to working lives, to the inclusion of social advisement, which in turn requires closer cooperation with social workers. In general, greater focus needs to be placed on individual assistance, as well as on measures specifically tailored to individual cases. Since there is a particular lack of perspectives for long-term unemployed people with multiple placement problems, additional occupational measures will be needed such as a sponsored job sector. The churches have watched with concern as state funds have been especially reduced in these areas over the past few years, so that an appropriate balance has been lost between making demands on people and actually supporting them. Nobody should be written off as being “incapable of being enabled”.

The job market reforms and the economic upswing of the past several years have also led to many finding their way into the job market. For a number of people, this only became possible through the low-wage sector and atypical forms of work. People in business and politics will now have to decide whether this is only a matter of solidifying shaky working situations, or whether this will prove to be a bridge to regular work. Hopes that arise for stable long-term jobs are disappointed much too often. Upward mobility needs to be given greater support in general.

Minor jobs, temporary jobs, and project contracts have surely led to adversity as well. These types of employment can certainly be useful as a means of reacting to the need for additional temporary help in certain situations, and they can sometimes lead to more permanent jobs. Some employers, however, abuse them as a way of covering temporary needs with workers who are cheaper than permanent staff would be.

Furthermore, wage agreements have become less binding due to the decrease in the organization of employees and employers. This has played a role in the emergence of a cheap-wage segment in some areas of business, and in small service-sector businesses in particular. Since the wage-agreement regulations called for in accordance with the subsidiarity principle have not been effective to this end, the state will need to intervene in order

to hem in the effects of an unregulated job market. Additional minimum-wage regulations could prove of use in cases when full-time workers do not earn enough to get by. While negotiation between employers and employees remains the preferred means of agreeing on wages, when it does not work out, a legal minimum wage would appear to be necessary to ensure people's livelihoods. The state does, however, need to ensure that existing jobs are not endangered and that no new barriers to entering the job market are created in this way.

Tendencies toward a weakening of labor solidarity can also pose problems on the job market. Within individual businesses, several smaller trade unions can emerge and pursue their own interests without taking into account the interests of the staff as a whole, something that could endanger the social peace, which has proven so far to be an important asset in Germany. This solidarity can be promoted through legal support for labor unity.



Common responsibility means

supporting personal development
and social and economic progress
through education.

9

Education and job training are important prerequisites for the job market. Insufficient education does not, however, only have an effect on people's employment chances, but on people's lives as a whole. Education does not only serve to impart knowledge and skills, but also to promote personal development and to help make social participation possible. Education is also crucial in bringing about a dynamic and successful economy and paving the way forward for society in the future. The creation of an education society is therefore one of the major challenges of the 21st century.

Our understanding of education will have to adjust to social change, including demographic shifts, the increasing percentage of people with immigrant background, and the global information society that has emerged along with trends in globalization and technical progress. These changes pose a major challenge to people to continue to adapt and expand their knowledge and their ability to use newly acquired knowledge throughout their entire lives. The idea of lifelong learning underscores how education is an ongoing and never-ending process. Education policy is thus an important part of a proactive social policy.

Bringing about a society that makes education possible for everyone from the very beginning will require more money for investment in education, and will necessitate a reevaluation of the previous employment of education funds. The state needs to invest in education from early on in people's lives as a part of the vision of an enabling and proactive social state.

Families are, however, the main source of education in the earliest years. The time that families spend with their children is being supplemented more and more by early-childhood education programs. Germany has, however, fallen behind considerably in this area. The children of parents in Germany who do not have a professional education themselves, remain in great danger of living out their lives in educational poverty. Statistics show that educational poverty at home does more to weaken children's future opportunity than does material poverty, although the two usually correlate. A lack of health care and difficult family relationships are also disad-

vantageous for child development. A better start in life for children from socially weak families can be made possible by reaching out to assist parents and to help overcome childrearing problems in various ways, as well as through stronger connections between educational institutions and parents. Here again, the morally right thing to do corresponds with that which is economically most effective: Investment in early-childhood education prevents children from disadvantaged families from beginning their primary schooling with linguistic and developmental deficits that they would otherwise have great difficulty in overcoming. This investment opens up room for long-term personal growth while making social participation possible. It also saves the social state later expenditure on care after the fact, with the generational chain of poverty being broken instead. The link between level of education and health is a similar case. The ability to absorb knowledge connected to health, and to assess and implement this knowledge, requires health awareness in one's behavior. This does not only have a positive effect on the health of individuals but also reduces the burden on society and the health system.

Even as education continues well beyond early childhood, schooling, and professional training, it is in this first phase of education that the foundations are laid for the ability to learn on one's own, the chief basis for continuing education. For this reason as well, failure in the early years of schooling and training must not be allowed to turn into a dead-end street. In our highly developed service and information society, the social opportunity open to each individual depends strongly on his or her education. Education policy must not therefore focus solely on researchers, engineers, and professional experts. We need more freedom to make choices throughout the entire educational system and require greater efforts to support education all across the board.

With the rapid development of knowledge today, professional (further) education has also been gaining in significance. Older people and those with lesser vocational diplomas therefore need to be encouraged to continue their professional education as well through courses that are of particular relevance to them. Learning also needs to remain attractive for people

in later and post-career phases, as a means to remain independent, for personal development and enrichment, and to pass on knowledge, skills, and experience. The opportunity to learn throughout one's entire life needs to be expanded and made more attractive so that the gifts and potential of people, young and old, can be brought out and developed further. We need to think of people with less schooling as well, as they particularly need to be encouraged to pursue further education to ensure that their potential does not go to waste. Education constitutes an important foundation for fulfilled lives.



Common responsibility means

contributing to the creation
of a European community
in solidarity and responsibility.

10

The political, economic, and cultural integration of Europe has already progressed to the point that the European dimension needs to be taken into consideration with regard to any type of issue. The extent to which the countries of Europe are now intertwined was evidenced by the euro crisis, which has posed great challenges to the members of the European Union. Despite comprehensive bail-out measures for countries that had become insolvent, the situation has yet to improve fundamentally, and the economic and social situation has deteriorated further in some countries of southern Europe. This has proved to be a difficult test for solidarity within the Union. While the willingness to provide support has been fragile in those countries that have provided financial guarantees, recipient countries have resisted austerity measures aimed at limiting debt and consolidating the budget, for fear of an economic downturn. The feeling of European community has only suffered in the process. Overcoming the euro crisis is therefore not only an economic and financial matter but in fact an issue central to European solidarity.

The principles of solidarity and subsidiarity, in particular, have to be included in the solution of the economic and financial problems, harmonizing the various interests involved. In terms of solidarity, the countries affected by the crisis cannot be allowed to fail. True solidarity would take into account that support is actually given to the weak and not only to banks caught up in the crisis in the contributor countries. Bail-out measures do, however, often strongly promote the self-interest of richer countries.

It is good that Germany, as a reflection of its economic strength and the particular responsibility that goes along with this, has taken on particular liability risks in connection with the measures taken to stabilize particular countries and the currency community as a whole. The principles of solidarity and subsidiarity also entail, however, a mutuality that goes beyond those who are stronger helping out those who are less strong, as recipients have to take responsibility as well. In the middle to long term, there can be no choice but to consolidate national budgets. Yet, one must also take into consideration that radical short-term measures can also thwart this goal. It is also important that the burdens linked to this consolidation policy are

distributed fairly. In line with the principles of subsidiarity and self-responsibility, strategies to face these challenges need to be developed that avoid false incentives and which use reforms to provide the countries affected by the crisis with a long-term perspective for economic consolidation. Solidarity and responsibility need to be taken equally into account in the course of the further development of European integration as well. It is therefore a good idea to link the European Stability Mechanism (ESM) with the Fiscal Compact, which is the only way that Europe can continue to coalesce into a true community in solidarity and responsibility. With all of the difficult negotiations that are necessary to overcome the euro crisis, we must not forget: “The historical project of European union should by no means be reduced to its economic side.”² History has taught us that Europe was and continues to be a community of peace and a community of common values and basic convictions, and European unity has been borne by the will to come together to gain control of and steer our own fates. And Germany has a particular responsibility when it comes to developing the European vision of a community in peace.

Another matter must not be forgotten with regard to the crisis within Europe: As the world’s richest continent, Europe cannot retreat into itself. Europe bears responsibility in and for the world. This does not only apply to foreign policy and security, but to economic, social, and developmental policy in particular. Europe therefore needs to play an important role in the ongoing global processes of change. The tradition, born in Europe, of an economy that does not view social balance as a secondary task, but as one which is integrated into the economic process, can help in the development of a global economy in which economic prosperity, ecological sustainability, and social justice are equally central pillars. The European Union therefore has great responsibility when it comes to supporting, at the global level, a form of economy that is of use to each and every human being the world over.

² Church Office of the Evangelical Church in Germany / Secretariat of the German Bishops' Conference [eds.]: For a Future Founded on Solidarity and Justice: A Statement of the Evangelical Church in Germany and the German Bishops' Conference on the Economic and Social Situation in Germany, 1997, Hanover / Bonn 1997 [Joint Publications, 9], No. 82.

The Connection between Freedom and Justice

We are often confronted with the suggestion that there is a contradiction between morality and economy. In the financial crisis, for example, representatives of banks admitted that, while particular business models and investments were morally questionable, banks with an international scope, in particular, were not able to avoid them due to the rules of the international financial market. One often hears similar arguments from companies that speak of the legitimacy of the globalized market when they are confronted, for example, with having violated particular social or environmental standards in developing countries.

We believe this separation of economy and morality to be mistaken and disastrous. It is indeed particularly mistaken from a historical point of view, as economics had always been considered a part of the field of ethics, before it became an academic area of its own beginning in the 18th century. It did not, however, give up its moral dimensions then either, and it remained its declared goal to conduct research into the economic foundations needed for the prosperity of the nations. It was a task for the discipline to work as best as it could to ensure that everyone had access to the material basis for a good life of self-determination. The market economy emerged as the best system to organize the meeting of material needs under the notorious conditions of scarcity connected to life on earth. But the market economy only fulfills this task to a limited degree. The market re-

quires regulations to safeguard free and fair competition as well as to protect public goods and the environment, while also necessitating a state social policy to ensure just participation for all.

We have observed with concern that, in the general public's view, the field of economics has distanced itself increasingly from that of ethics. In no way do we wish to argue that economics does not function according to its own logic, and that those who act as investors, service providers, producers, or consumers in the marketplace do not need to follow this logic. Those involved in the market do still, however, need to follow the moral rules that apply to social interaction. The virtues of justice, honesty, and moderation cannot at all be relativized through economic rationalization. Whenever this occurs and questionable attitudes such as greed and immoderateness are preached and practiced, social solidarity falls apart with terrible consequences for the weakest members of society in particular. Misguided economic incentives can, however, also entail negative social consequences. It is plain that something is wrong with the economic order whenever economics and humaneness emerge as contradictory.

As Christians, we are aware of the brokenness of human nature, as people are capable both of the greatest but also the most terrible acts. And we call for this human ambivalence to be taken into account in the formation of social institutions as well. Human society is neither a community of pure egoists nor is it one of perfect altruists. The model of a social market economy understands this by placing the human urge to perform and compete at the service of economic efficiency, while also shaping competition in the market economy to harmonize with the public good and organizing solidarity in the social state. The connection between freedom and market competition on the one hand, and a system of social balance and solidarity on the other, is more than just a particularly German form of economy. It is a morally founded social model, rooted deeply in European culture, a culture strongly formed by Christianity. It is also because of this that we feel particularly called as Christians to contribute toward maintaining this cultural heritage and keeping it vibrant.

We call for us to work as a society toward finding a response to the question of how freedom and social justice can be envisioned together and harmonized, a question which has arisen so often before in history. We are convinced that there are answers to this question today as well, and believe that the points presented here can serve as a contribution to this discussion. However, this public contribution on the part of the churches also takes us to task ourselves. As we already stated in the 1997 Joint Publication: “It is not enough for churches to make an issue of economic and social structures and the behaviour of people involved in them. They also have to consider their own action in economic and social respects. Church commitment to changes in society will be all the more convincing if it is visible in the church itself.”³ The churches therefore need to examine what changes and tasks regarding our own behavior emerge from the questions of the time.

With the present positions, the Council of the Evangelical Church in Germany and the German Bishops’ Conference have taken the initiative in starting a discussion about the renewal of our economic and social order. We invite different church and societal groups, as well as each individual, to join us in a conversation on balancing freedom and justice. We are convinced that it is our common task – a task for all Christians and for all who are committed to the future of our society – to face the issues of the times and to work to maintain a society in fairness and solidarity. This is our common responsibility.

³ Church Office of the Evangelical Church in Germany / Secretariat of the German Bishops’ Conference [eds.]: *For a Future Founded on Solidarity and Justice: A Statement of the Evangelical Church in Germany and the German Bishops’ Conference on the Economic and Social Situation in Germany, 1997, Hanover / Bonn 1997* [Joint Publications, 9], No. 243.

Imprint

Common Responsibility for a Just Society

Initiative of the Council of the Evangelical Church in Germany (EKD)
and the German Bishops' Conference for a Renewed Economic and Social Order

Joint Statement No. 22

Published by the Evangelical Church in Germany (EKD),
Herrenhäuser Str. 12, 30419 Hannover

and the Secretariat of the German Bishops' Conference,
Kaiserstr. 161, 53113 Bonn

Layout: MediaCompany – Agentur für Kommunikation GmbH

Cover image: © Tom - Fotolia.com





www.dbk.de | www.ekd.de
