Mass warfare and the welfare state
causal mechanisms and effects
Petersen, Klaus; Obinger, Herbert

Published in:
British Journal of Political Science

DOI:
10.1017/S0007123415000162

Publication date:
2017

Document version
Accepted manuscript

Citation for published version (APA):

Terms of use
This work is brought to you by the University of Southern Denmark through the SDU Research Portal. Unless otherwise specified it has been shared according to the terms for self-archiving.
If no other license is stated, these terms apply:
• You may download this work for personal use only.
• You may not further distribute the material or use it for any profit-making activity or commercial gain
• You may freely distribute the URL identifying this open access version
If you believe that this document breaches copyright please contact us providing details and we will investigate your claim. Please direct all enquiries to puresupport@bib.sdu.dk

Download date: 16. Oct. 2020
Abstract

The question whether and how war has influenced the development of advanced Western welfare states is contested. This paper provides a systematic review of the state of the art and outlines an agenda for a comparative analysis of the warfare-welfare state nexus that is informed by an explicit consideration of the underlying causal mechanisms. By distinguishing between three different phases (war preparation, warfare, and post-war period) it provides a systematic overview of possible causal mechanisms linking war and the welfare state and a discussion of likely effects of war for belligerent, occupied and neutral countries in the age of mass warfare stretching from ca. the 1860s to the 1960s.
Introduction

Silent leges inter arma

*Cicero* 52 BC

War makes states and states make war

*Charles Tilly* 1975, 42

Even though wars for a long time have structured national historical narratives and attracted growing interest among scholars in the broader impact of war on society\(^1\), the relationship between war and the welfare state is still contested. Some scholars consider war as a pacemaker of the welfare state\(^2\), while others emphasize a sharp trade-off between guns and butter and highlight the negative impacts of military conflict on social protection.\(^3\) Furthermore, the possible links between warfare and welfare states discussed in the existing literature point in multiple directions including social, political and economic variables. However, most of these studies are based on case study evidence or only focus on social spending\(^4\). Even the few studies offering comparative or more comprehensive discussions tend to focus on specific linkages between war and the welfare state\(^5\). In mainstream comparative welfare state literature, war is typically considered a rare and anomalous contingency that is conceptualized as exogenous shock, ‘abnormal event’\(^6\), ‘black swan’ emergency\(^7\) or a critical juncture.\(^8\) Such conceptualizations suggest that war is an event (rather than a process) and that conventional theories of comparative public policy rarely apply under circumstances of war and are therefore only to a limited extent suitable for generating meaningful hypotheses on the nexus between war

\(^1\) See Wimmer 2014 for a recent review of this literature. See also Porter 1994; Kasza 1996.


\(^3\) See Gal 2007 for a recent overview.


\(^6\) Kasza 1996.

\(^7\) Castles 2010.

and the welfare state. Systematic and comprehensive studies of impacts of war on the patterns and pathways of welfare state development as well as the underlying causal mechanisms are still lacking.\textsuperscript{i} We think it is time to overcome this theoretical externalization of war in welfare state research and follow the plea of Gregory Kasza “for comparative politics to give this pivotal phenomenon the attention it deserves” \textsuperscript{9}

The aim of this paper is to review and systemize the existing literature and to develop an analytical framework for a rigorous comparative analysis of the war-welfare state nexus. Our review is structured along two questions. First, how did war influence welfare state development, i.e. what are the causal mechanisms linking war and the welfare state? Second, what are the effects of warfare for the developmental dynamics of advanced welfare states?

This literature review is based on a broad conceptualization of the welfare state. Apart from social security and labor protection, we include education and tax policy, i.e. the revenue side of the welfare state. We focus on the impact of mass warfare on the welfare state as we argue that modern mass warfare, a phenomenon stretching from ca. the 1860s to the 1960s, is most likely to be connected to the welfare state.\textsuperscript{ii} Hence this review naturally has a focus on the two World Wars “[a]s the only full-scale wars ever fought among industrialized powers”.\textsuperscript{10} However, it is not sufficient to examine only war-related contexts and the decision-making process during wartime. Antecedent conditions and the long-term policy repercussions of wars in the post-conflict period need to be carefully studied as well. Wars are anticipated and planned\textsuperscript{11} and cast long shades into peacetime. We therefore propose to distinguish between a war preparation phase, the period of conflict itself, and the post-war period and suggest that the underlying causal mechanisms differ considerably between these three phases.\textsuperscript{iii} In our view, such a sequential approach is essential for a systematic analysis of the war-welfare state nexus.

\textsuperscript{9} Kasza 1996, 370.
\textsuperscript{10} Porter 1994, 150.
\textsuperscript{11} Boemeke et al. 2006; Hamilton and Herwig 2010.
Our review is only concerned with western welfare states. Apart from analyzing belligerent countries (aggressors and attacked countries) it is also necessary to shed light on countries which were not directly involved in military hostilities and it is very likely that both the impact of large-scale military conflict on social policy and the underlying causal mechanisms differ between these countries. T.H. Marshall stated in 1965 that “the experience of total war is […] bound to have an effect on both the principles of social policy and the methods of social administration. But the nature of this effect will depend to a considerable extent on the fortunes of war – on whether a country is invaded or not, on whether it is victorious or defeated, and on the amount of physical destruction and social disorganization it suffers”. It is therefore reasonable to assume that the mechanisms discussed in the following have different effects for aggressors than for attacked or neutral countries with more or less defensive strategies. Superpowers and imperial countries will possibly be quite different in many respects compared to small states. Moreover, democracies and authoritarian states may display different political logics.

In terms of effects, our review suggests that war is an important variable for explaining cross-national differences in welfare state development that needs to be systematically addressed by comparative research. More specifically, mass warfare – and often in an unintended manner – has paved the way for more public intervention in social affairs and crowded-out markets from social provision. In addition, mass war has influenced program adoption and has boosted social spending in the post-war era. Yet, war is not the only or even the most important single factor explaining the development of welfare states. The usual suspects in the comparative welfare state literature such as political parties and interest organizations, economic growth, political institutions, and ideas, are all very important explanatory factors. However, it is well documented that war also had a significant impact on all these determinants.

---

12 Marshall 1965, 82.
The paper is organized as follows. The next three sections provide an overview of possible causal mechanisms linking war and the welfare state. Relying on evidence from the existing literature each of these sections is divided into sub-sections devoted to a particular precipitating factor. Section 5 is concerned with the effects resulting from industrialized warfare on advanced welfare states, while the final section concludes and discusses promising avenues of future research.

The Phase of War Preparation

Between the Congress of Berlin in 1878 and the outbreak of the Great War in 1914 Europe escaped large-scaled military conflicts between the great powers.\textsuperscript{13} In retrospect, however, war was the rule in Europe and given this experience a future war remained a likely scenario. In fact, the rivalries between the great powers steadily increased over these decades and imperialist attitudes fuelled massive war preparation efforts everywhere. A key player in terms of war preparation was the military. The longer the previous war receded into history, the greater was the uncertainty among the army commands about the nature of the future war. The major reason for this uncertainty was the rapid progress in military technology from the 1870s onwards which has dramatically increased the fire power of weapons and fundamentally changed the nature and conduct of war. The precise consequences of industrialized warfare, however, were widely unknown.\textsuperscript{14} The only thing taken for granted was that an upcoming violent conflict would be waged as a mass war. The two world wars confirmed the truth of this image of a total war and demonstrated its unprecedented destructive consequences, and the inter-war period can be considered for some countries as one long phase of war preparation.

The emergence of mass war is closely related to the spread of the mass conscript army during the second half of the 19th century. The emergence of universal conscription in continental Europe

\textsuperscript{13} Chickering et al. 2012.
\textsuperscript{14} Krumreich 2012.
was mainly the result of military setbacks and military competition. Prussia was the first country that emulated the French people’s army by introducing universal male conscription in 1814. Military defeats against Prussia motivated Austria-Hungary (1868) and France (1873) to (re-)introduce general conscription, while the defeat in the Crimean War had a similar effect for Russia. In Scandinavia, Denmark had introduced universal conscription in the democratic constitution of 1848 as part of a national mobilization against Prussia, and Finland (1870), Sweden (gradually in the 1880s) and Norway (1905) followed in the coming decades. The United Kingdom only introduced universal conscription during the Great War in 1916. Mass conscription was an important element in the construction of national citizenship and nation building and may have at least three effects for the welfare state in a broad sense.

**Mass conscription and public health**

The introduction of mass conscription generated a close nexus between the health status of the (male) population, high infant mortality and military power. Given the poor health status of young men and children caused by the repercussions of industrialization, urbanization and rampant diseases such as tuberculosis, concerns about force levels and combat power increased both among politicians and the military and triggered, in consequence, social reforms with special emphasis on the social protection of (future) soldiers and mothers. Arguably the first historical instance is a report by Prussian Lieutenant General Heinrich Wilhelm v. Horn to King Frederik William III in 1828 in which he complained about the declining number of soldiers in the Rhineland due to the widespread child labor in the textile industry. This report prompted the first labor protection Act in Germany which stipulated a ban of child labor for children under 9 years

---

15 Posen 1993.
17 Skocpol 1992.
18 Potthoff 1915, 6.
of age, banned Sunday as well as night-work for juveniles and restricted working-time for adolescents.

In the second half of the 19th century, improvements in recruitment statistics provided reliable information on the health status of large parts of the population. A common problem was that many of the medically examined young men did not qualify for military service. For example, in Austria-Hungary 70 per cent of the recruits did not pass the draft physical in 1912. The share of young men who were deemed unfit for military service amounted to 54 per cent in the early days of the German Empire and 51 per cent in Switzerland in 1878. Also war itself revealed physical problems among soldiers. In Britain, a country lacking conscription until 1916, contemporary observers attributed the poor British military performance in the Boer Wars to the “social degeneration of officers and soldiers, due to urbanization and industrialization in the British motherland”. Nearly half of the recruits that had been mustered in industrial cities such as York, Leeds, and Sheffield between 1897 and 1901 failed the medical examination and were deemed unfit. These were shocking revelations which raised concerns among high-rank militar-ies about ‘national degeneration’ and eventually led to social policy reforms. These reforms focused on public health with special emphasis devoted to children and juveniles with a view “that the new generation of children, tomorrow’s Imperial Army, was properly nourished”. During the Great War Prime Minister Lloyd George complained about the poor physical status of British soldiers compared to Australians and Canadians. In fact, a report by the National Service Department estimated that more than one million men were lost for combat through the neglect of public health. “You can not maintain an A-1 empire with a C-3 population”, Lloyd George said in a speech in Manchester in 1917 and announced several social policy reforms for building a

21 Cohn 1879, 518n1.
22 Leonhard 2007, 290.
24 Fraser 1973, 137.
better Britain in the post-war years. In Switzerland, Joachim Heer, the main architect of the very progressive Swiss Federal Factory Act of 1877, defended the bill by arguing that the ban on child work as well as the prohibition of night and Sunday work for women and children are important vehicles for securing defense capability and military strength. Military concerns about social degeneration also prompted labor protection legislation in the 1880s in Austria-Hungary. The share of unserviceable men remained high until the outbreak of World War II. In the U.S., almost 50 per cent of the mustered industrial workers were unfit for military service, while 40 per cent of young men failed the draft physical in Japan in 1935. As a consequence, high-rank military officers and the Japanese Army Ministry proposed the creation of a ministry of health. In fact, already in 1937 a Welfare Ministry was established and a new national health insurance bill was adopted one year thereafter.

**Mass conscription and education**

Secondly, there is evidence that the army literally became a “school of the nation” and that warfare is an important factor behind the emergence of mass schooling. A recent comparative econometric study has found strong evidence that advances in primary education are positively associated with military rivalry or prior war involvement. The military had a keen interest in skill formation and primary education for several reasons. Apart from the fact that information and communication are of particular military importance, technological progress required growing skills for operating and maintaining a more and more sophisticated, dangerous and costly equipment. Reading literacy was a prerequisite for understanding written orders,

---

26 Rutishauser 1935, 112, 123.  
27 Ebert 1975, 132, 250-1.  
28 Sparrow 2011, 205.  
30 Aghion et al. 2012.  
technical manuals and the usage of new technologies such as the telegraph. A contemporary witness of the Great War noted: “It is not only the average physical power and health of the individual conscripts that matters. The more technically advanced our military and weaponry is becoming, the more mental activity, readiness of mind, comprehension and the expertness in technical affairs also matter”.32 However, illiteracy or poor literacy skills were common problems in many countries and raised military concerns from the very outset. Hence (basic) education and training programs were also offered by the army itself. Illiteracy even was a widespread phenomenon in the United States. 30 per cent of the 1.7 million men taking the Army Beta test in 1918 could not properly read the forms due to poor literacy and this experience gave rise to a broad range of training and education programs operated by the army.33 Language skills were equally important for maintaining an effective military, notably in multinational armies. In the Austro-Hungarian army, for example, the language of command and working language in the common army was German and every soldier had to learn at least a minimum number of German commands.34 Overall, more than ten languages were spoken in the armed forces. Moreover, the military also had an interest in education for reasons of propaganda and indoctrination. Mass warfare not only required the mobilization of the energy and the readiness for self-sacrifice of millions of soldiers, but mass literacy also made “soldiers more accessible to propaganda, both as children and as adults”.35 Primary education was considered as important vehicle for promoting patriotism, a common national languagevii or national unity, and there is considerable evidence for Prussia, France and Austria-Hungary that the military tried to

32 Zimmermann 1915, 22.
33 Duffy 1985.
34 Hämmerle 2007; Rauchensteiner 2013.
35 Posen 1993, 121.
manipulate primary education before and during wars. In Switzerland, the examination of skills in reading, mathematics and writing was part of the army’s initial testing of recruits.

Mass warfare and population policy

The emergence of mass mobilization warfare made population policy a focus for policy-makers and the military. High infant mortality was an impediment to rapid population growth and raised military misgivings. In the early 20th century, all European powers experienced declining fertility rates and it was population size (and quality) relative to the rival nations that raised political and military concerns. The equation that characterized public debates was simple: Higher birth rates and population figures are equivalent to greater military power. In France, the fear of being outnumbered by the German arch enemy (but also by Italy) caused intense debates in the late 19th century about the nexus between population decline, defense capability and the survival of the nation. This debate triggered pronatalist policies (for example tax deductions for families, housing policies, public health) and accelerated the introduction of family allowances. Even though similar responses can be found in most European countries, the commitment to population-oriented family policies was most pronounced in fascist Italy and Nazi Germany. Mussolini dreamed of the recurrence of the Roman Empire and launched pronatalist policies for realizing his power ambitions. The Nazis considered declining fertility rates as an immediate threat to the people (“Volkstod”) and its defense capabilities. It is thus hardly surprising that both regimes enacted several social policy and tax measures with a view to increasing population figures and providing the military with a sufficient number of soldiers. But even in Social

36 Führ 1968; Posen 1993.
37 Hartmann 2011.
38 Kahn 1930; Myrdal and Myrdal 1935.
41 Forruchi 2010.
43 Forucci 2010; Aly 2005.
Democratic Scandinavia we find similar population policies in the interwar years. The most prominent example is Sweden where Gunnar and Alva Myrdal’s analysis of the “Crisis in the Population Question” (1935) hi-jacked a traditional conservative issue based on concerns for the military survival of the nation and turned it into a Social Democratic reform agenda.44

The War Phase

War itself had enormous but very different impacts on the countries involved. For neutral countries like Switzerland and Sweden these effects were more indirect as they were to a much larger degree able to pursue business as usual. This was even the case in Denmark during the Second World War, whereas other occupied countries like Poland and the Netherlands witnessed a more brutal occupation accompanied by regime changes. Some countries were heavily involved in combat suffered from enormous casualties whereas others did not. Moreover, countries also differed in terms of politics as some were autocratic when they entered the war, while others were democratically controlled. For the latter warfare seems to have fostered a national consensus and provided governments with more decision making powers (e.g. emergency measures). However, to which degree this has overdetermined traditional party conflicts over social policy is still an open question.45 In any case, there are at least five effects for the welfare state understood in a broad sense.

Social policy and mass loyalty

Both World Wars were waged as mass wars. Millions of war victims, an economy of scarcity, higher tax burdens, repression, inflation, famine, longer working time and work duty connected to labor shortages are possible causes of domestic turmoil and social unrest. Since political

44 Hatje 1974.
stability on the home-front was a prerequisite for succeeding in war, governments of all kinds as well as the military were reliant on achieving mass compliance for the official war aims amongst their populations. In addition to repression and propaganda, strategies aimed at increasing output legitimacy may help to secure mass loyalty and the preparedness for self-sacrifice. Social policy is a classic instrument in this respect. However, the need to become a benevolent warfare state is likely to be constrained by the sheer size of the military budget during wartime. In fact, social spending stagnated or declined in many countries for which data is available\textsuperscript{46}, while military spending skyrocketed. While these figures indicate a sharp trade-off between guns and butter in wartime, there is also evidence that governments used social policy to enhance political support. During the First World War, the autocratic Central Powers were domestically challenged by a growing but disenfranchised labor movement with a considerable organizational power and thus a high strike capability. The so-called political truce policy initiated by German Chancellor Bethmann Hollweg was an attempt to gain labor’s approval for the war and to mitigate class-conflict by promising some social compensation. In the beginning, however, national war enthusiasm, which was also shared by the left, eased domestic conflicts. As the war progressed, however, the death toll as well as shortages of food, labor and commodities increased. Against this backdrop, strikes, social unrest and food riots increased in the late war period. While the military often opted to take a hard line, the government was aware of the fact that at least some concessions were necessary, because – in the words of Chancellor Bethmann Hollweg – “we cannot win the war against the working class”\textsuperscript{47}. The major concession was the recognition of labor representatives as partners in industrial relations in the late war period. Labor shortage in the arms industry led to the Auxiliary Service Bill (\textit{Gesetz über den Vaterländischen Hilfsdienst}) in 1916 that obliged men aged from 17 to 60 to work in the arms industry. This militarization of labor, however, was compensated by some welfare benefits and labor representatives were incorporated into arbitration boards and gained influence at the firm level, e.g. through the

\textsuperscript{46} Flora et al. 1983.
\textsuperscript{47} Mai 1997, 98.
establishment of Workers’ Committees in big enterprises. For the first time, unions were accepted as partners in industrial relations. The situation was similar in Austria-Hungary, even though the regime relied on repressive measures from an earlier date.\textsuperscript{48} This shift in the nature of industrial relations was arguably one of the most important effects of the war for the welfare state in the authoritarian Central Powers.

But even a totalitarian regime such as Nazi Germany was reliant on mass loyalty during wartime. Not only the charismatic leadership of Adolf Hitler but, as shown by the historian Götz Aly, social benefits also played an important role in this respect: “Continuous bribery in social affairs formed the basis for the internal cohesion in Hitler’s Volksstaat”.\textsuperscript{49} Aly portrays the Nazi regime as a “socio-political dictatorship of complaisance” aimed at improving the living standard and social security of the Volksgemeinschaft. In addition to improved social protection of soldiers and their families\textsuperscript{50}, the expropriation of Jews and massive armed robbery in the occupied territories provided resources for redistribution, while labor shortage was resolved by the brutal exploitation of forced laborers.

Not only autocracies in all their nasty variants but also belligerent democracies were in need of political support during wartime. What we can observe there in a situation of a pronounced guns butter trade-off is the promise of a better, more peaceful and socially just post-war order. Lloyd George’s promise of a better Britain after the Great War, which included a public housing program and public health reforms, is a case in point. During the Second World War the war cabinets of Canada, the U.S. and Great Britain, either drafted or announced plans to overhaul social security schemes in the post-war period.\textsuperscript{51}

In January 1941, President Roosevelt enunciated in his annual speech to Congress four freedoms (freedom of speech, want, worship, and fear) for which the war would be fought. This speech not

\begin{footnotesize}
\begin{enumerate}
\item Stolper 1915, 101ff; Tálos 1981, 117-121.
\item Aly 2005, 89.
\item Aly 2005, 87-89.
\item Young 1981; Addison 1994.
\end{enumerate}
\end{footnotesize}
only laid the groundwork for the American involvement in the war but also for the Atlantic Charter which made the welfare state a sort of official war aim of the allied powers. Almost exactly three years later, President Roosevelt called in a State of the Union Address for an ‘Economic Bill of Rights’. By referring to his ‘four freedoms speech’ of 1941, he argued that, in light of the growth of the nation and the expansion of the industrial economy, mere “political rights proved inadequate to assure us equality in the pursuit of happiness” and have therefore to be amended by social rights. He suggested a comprehensive list of social rights, including the right of every family to a decent home; the right to adequate medical care and the opportunity to achieve and enjoy good health; the right to adequate protection from the economic fears of old age, sickness, accident, and unemployment, and the right to a good education”.

Arguably the most famous plan aiming at restructuring social security in the post-war era is the British Beveridge Report issued in November 1942. The report found great attention abroad and fuelled, to some extent, social regime competition between the belligerent nations. Already in April 1943, the Nazi Ministry of Labor published a translation of the Beveridge Report for internal use only. In the document’s preface even the Nazis classified the report as a “political offspring” of the Atlantic Charter. However, they jeered that the report “unintentionally provides a comprehensive picture of England’s numerous shortcomings in the field of social affairs”. Motivated by early military success and under the auspices of the head of the German Labor Front, Robert Ley, the Nazis themselves drafted ambitious plans to overhaul the social security system in the post-war period. In an effort to generate mass loyalty, the Nazi propaganda promised the “biggest welfare state in the world” after the end of war. In contrast to the overhaul of the British welfare state envisaged in the Beveridge Report, a postwar Nazi Sozialstaat luckily never came to fruition.

52 Nullmeier and Kaufmann 2010; Sparrow 2011, 43-5.
53 All quotes from Rosenman 1950, 40-42.
54 Reichsarbeitsministerium 1943: iii, vi.
55 Smelser 1990.
Other democracies such as Australia, which to a lesser extent were affected by war, already introduced new and comprehensive social programs in wartime. Among the programs adopted by the Labour government and its conservative predecessor were widows’ pensions, unemployment compensation, a funeral benefit and a child endowment scheme.\textsuperscript{57} Canada introduced federal unemployment compensation in 1940, after several previous attempts had failed as a consequence of provincial resistance and court decisions. The amendment of the British North America Act required for federal policy jurisdiction attracted surprisingly little dissent under war-time conditions.\textsuperscript{58} In both federations, the Second World War was an occurrence that increased the powers of federal government in social and fiscal affairs. In neutral Sweden government commissions continued to work during the Second World War preparing reforms introduced in the years immediately after the war.\textsuperscript{59} Moreover, Sweden introduced in 1939 a special allowance for families of mobilized soldiers in order to secure material living standards.\textsuperscript{60}

\textit{Centralization, Economic Planning and Institution-building}

War-induced economic isolation and/or destruction typically led to shortages of foodstuffs, commodities, labor and raw materials and caused, in consequence, inflation and, in many cases, output decline.\textsuperscript{viii} Governments everywhere responded to economic scarcity with a broad set of regulatory policies including price and rent controls, wage regulation, rationing, currency controls and the nationalizations of enterprises in strategically important sectors.\textsuperscript{61} In a nutshell, the free market was increasingly replaced by economic planning and gave rise to a dramatic expansion of government, enhanced executive powers of government and changed state-business

\footnotesize{\textsuperscript{57} Castles and Uhr 2005.\textsuperscript{58} Banting 1987.\textsuperscript{59} Åmark 2000.\textsuperscript{60} Abukhanfusa 1975.\textsuperscript{61} Porter 1994.}
relations. These effects are well-documented by numerous studies. Already contemporary analysts of the war economy such as Austrian economist Gustav Stolper predicted in 1915 a dramatic and long-lasting rise of big government, i.e. a phenomenon that after the Second World War, i.e. ex-post, became known as displacement effect (see below). In the early months of the Great War, Stolper noted clear-sightedly: “The most important shifts [caused by war] will affect the relations between the market economy and the state economy. War has extended the scope of state influence to a degree that, arguably, never will return to its previous level. The heavy interference of the state into the right of self-determination of its citizens, the comprehensive regulation of production and consumption, not only for the purpose of war conduct but also for the sake of general social purposes, create a precedent whose repercussions can hardly be eliminated in peacetime”. Indeed, the war-induced transition to a command economy significantly changed state-society relations and required new bureaucratic capacities that often were established at the central state level. Social policy is no exception as war led to several institutional innovations: Britain established a Ministry of Labor (1916), a Ministry of Reconstruction (1917) and a Ministry of Health (1919), while a Ministry of Education was set up in 1944. Austria created the first Ministry of Social Affairs in the world in 1917, Sweden and Denmark followed in 1920 in the aftermath of World War I, and even neutral Switzerland established a War Welfare Office during the Second World War.

The military burden and the rise of the tax state

The need to finance the war was a further step on the road to big government. Military budgets skyrocketed in wartime. In consequence, the tax powers of the central state were everywhere

---

63 Stolper 1915, 5.
64 Eidgenössische Zentralstelle für Kriegswirtschaft 1945.
enhanced. New taxes such as income taxes (e.g. France 1915, Canada 1917) and war-profit taxes were introduced during wartime. In the U.S., a country where tax increases are notoriously difficult to achieve, the Second World War led to a fiscal revolution.\textsuperscript{65} Even in neutral Switzerland, the government introduced in April 1940 an extraordinary property tax, a sales tax and a progressive income tax in response to the military threat by Nazi Germany. Special cases in this respect are occupied countries that typically were forced to contribute to the economy of the occupation power through simple plundering of values and resources or unfavorable trade agreements.\textsuperscript{66} An example is Denmark where the German occupation was paid from an account in the Danish National Bank.\textsuperscript{67}

Mass warfare and mass conscription also increased political demands for progressive taxation. Scheve and Stasavage have shown that the high opportunity costs of war participation borne by millions of individuals generated political pressure to levy financial burdens on those who did not risk their lives or sacrifice time and income during military service.\textsuperscript{ix} Hence it was the “logic of equal sacrifice” that led to higher tax burdens for the rich. During World War I, the top marginal rate of income tax rose from 7 to 77 per cent in the U.S., from 8.3 to 60 per cent (1920) in the United Kingdom, from 21.9 to 72.5 per cent (1920) in Canada, and from 2 per cent to 50 per cent in 1919 in France.\textsuperscript{68} During the Second World War, the effective tax rate of the federal income tax even went-up to 90 per cent in the U.S. for those earning more than 1 million dollars.\textsuperscript{69} Even in neutral Sweden the marginal rate of income tax jumped from 18.7 percent in 1939 to 24 per cent the year after due to a special defense tax rise.\textsuperscript{70} There is also cross-national evidence that war and mass conscription have fuelled inheritance taxation.\textsuperscript{71} Again, the imperative of a fair sharing of the war burden increased pressure for taxation of major fortunes.

\textsuperscript{65} Sparrow 2011, 121-5, 263.
\textsuperscript{66} Lemkin 1944.
\textsuperscript{67} Hansen 2002.
\textsuperscript{68} Scheve and Stasavage 2010, 538-41.
\textsuperscript{69} Sparrow 2011, 125.
\textsuperscript{70} Rietz et al. 2013.
\textsuperscript{71} Scheve and Stasavage 2012.
Governments also financed the war by borrowing. However, derailing public debt either was translated into hyper-inflation once governments began printing money or debt redemption kept tax levels high in the aftermath of war. As we discuss later, hyperinflation might have a long-lasting impact on the public-private mix of the post-war welfare state as it made private fortunes or fully funded forms of social provision worthless and, in consequence, increased demand for public income support.

Social policy diffusion and policy transfer through war

War also affected and restructured existing patterns of social policy diffusion and gave rise to coercive policy transfer. Firstly, this most radically took place through occupation and border revisions. In the aftermath of World War I the map of Europe changed dramatically as new countries emerged and the defeated powers lost territory. This meant that citizens had to be transferred from one social security system to another as it was the case in Denmark when the country reunified with the northern part of Slesvig-Holstein after a referendum in 1920. The process was complicated as the Germans remained financially responsible for war invalids that had served in the German army. During World War II Germany occupied large parts of Europe and this affected the existing social security systems in the occupied territories in several ways. However, the Nazis employed different techniques of occupation. While German legislation was comprehensively imposed on countries such as Austria and Luxembourg, other countries such as Belgium, the Netherlands, France and Norway were forced to a close co-operation. In still other countries like Denmark, the domestic political institutions remained basically intact during German occupation. As a result, the effects of German occupation varied across these groups of countries. In the first group, the imposition of German legislation had, in parts, more direct and long-lasting effects. Even though the old national social security legislation was re-established

72 Schultz 2002.
73 Lemkin 1944.
after the war, some elements of German social security legislation remained in a revised manner in place. Austria is a case in point as pension insurance for blue-collar workers, which did not exist before the *Anschluss*, was adopted by Austrian social security legislation. Within the second group, governments tried to pre-empt a more direct Nazi influence by adjusting their welfare systems accordingly. For example, the Quisling government in Norway, with inspiration from Nazi Germany, developed plans for social policy reforms and implemented changes in unemployment insurance and labor market regulation.74 In the third group, where the local administrations continued to function during German occupation, there was even resistance against a Germanification of social security systems. In Denmark the Ministry of Social Affairs in 1941 launched, in an effort to defend the existing welfare state, a propaganda offensive that included the translation of a more than 400 pages book on the Danish social security system into German75 and the making of a film on the same topic for a German audience. What all these countries have in common, however, is a drastic deterioration of national social standards in the wake of military occupation76. Moreover, there was a brutal exploitation and deportation of the able-bodied labor force with a view to supplying the Nazi war machinery.

Secondly, we find examples of war-related social policy diffusion beyond the German occupied territories. The Beveridge Plan (1942) not only contributed to secure the legitimacy of the British government and its war effort but also immediately became a key reference for social policy debates in other countries offering both practical solutions and a symbolic alternative to the German warfare regime. A special case of policy diffusion is related to the exile governments of occupied countries that were based in London. This gave impetus for new kinds of very direct policy diffusion by establishing a transnational arena for post-war planning.77

---

74 Seip 1994, 139-143.
75 Danish Ministry of Social Affairs 1941.
76 Lemkin 1944, 67ff.
77 Goddeeris 2007.
Towards the end of both World Wars, military demobilization in war-waging countries further boosted economic and political planning as well as the introduction of categorical social and education programs. Military demobilization required significant administrative capacities since millions of soldiers and refugees needed to be reintegrated into society and the labor market. The most pressing social challenges related to demobilization were unemployment, income support to disabled veterans and their families, education and vocational rehabilitation of veterans, and housing. Whereas, prior to World War I, housing was basically left to markets, governments intervened for the first time on a larger scale in this area after the Great War, either by means of public housing programs or loan subsidies. Given a shortage of about 600,000 houses in Britain, Lloyd George proposed a large-scale public housing program to provide “homes fit for heroes” and to bring “light and beauty into the lives of the people”.

Another example is the Australian war service loan scheme introduced in 1919 which offered cheap loans to veterans of both world wars. A striking number of 265,000 homes were built under this scheme between 1945 and 1975.

Demobilization also fuelled the introduction of welfare benefits and education programs for (disabled) veterans. A major example is the G.I. Bill in the United States adopted in 1944. As “one of the most generous and inclusive social entitlements the federal government has ever funded and administered”, the program offered social benefits, higher education and vocational training to the 7.8 million veterans of the Second World War. Arguably the most severe problem connected to demobilization was unemployment. While labor shortage and full employment characterized the war period, the return of millions soldiers and the prospective lay-offs in the munitions industry at the termination of war were huge challenges for all governments. The fear of social unrest and revolutionary activities of those who risked their lives

---

79 Castles 2010, 95.
81 Mettler 2002, 351.
for the nation motivated many governments to adopt emergency benefits for returning veterans. With exception of Britain, however, no country had introduced mandatory unemployment insurance before 1914 and even the British scheme was very limited in terms of coverage and the benefits offered. In an effort to contain working-class discontent, the British government introduced, as part of its plans for demobilization, a temporary and non-contributory out-of-work donation for discharged servicemen that was amended and extended by a civilian out-of-work donation. In consequence, unemployment protection became universal and was granted as a social right immediately at the end of war.\textsuperscript{82} The British example was not a singular case, however. Several other warring countries such as Austria and Germany extended income support for the unemployed connected to demobilization. Moreover, some of these mechanisms, such as the influx of refugees, were also important for countries not directly involved in combat.

**Post-war period**

The immediate post-war periods were almost everywhere characterized by comprehensive social policy legislation and led, especially after 1945, to a quantum leap in welfare state development. This might be related to mass warfare in several ways.

*War-induced social needs*

In the wake of both world wars over 60 million people lost their lives and total war generated social needs of inconceivable magnitude. The social protection of millions of widows, orphans, disabled veterans, unemployed, refugees and homeless people generated a gigantic challenge for policymakers. All these disastrous outcomes of war created a strong demand for income support provided by government and had a tremendous impact on social expenditure.

\textsuperscript{82} Gilbert 1970, 54ff.
Political macro-context: The rise of democracy and international social policy co-operation

Mass warfare and the modern mass army seem to have decisively shaped the political and socio-economic context that facilitated the formation and expansion of the modern welfare state. Both World Wars ended up in immense destruction, human suffering, economic decline and, in some places, the collapse of regimes and empires. The break-down of multi-national empires after the Great War and racial mania during World War II ended up in an unusually high degree of ethnic homogeneity in European nation states. The impact of ethnic cleansing on the social structure might be related to the welfare state in a particularly perverse manner as some scholars have argued that this kind of societal homogeneity is a precondition for solidarity and redistribution to flourish.\(^8\)

However, war also meant the breakthrough of democracy. Universal suffrage was a long-standing demand of the labor movement in many countries but it was eventually total war that decided this struggle. Given the blood toll of millions soldiers, mainly recruited from the lower strata of society, and the large-scale mobilization of the female labor force in wartime it was no longer possible for governments to deny political participation after the end of war: “Mass military service and mass carnage had created a democratic imperative”.\(^8\) In fact, both World Wars meant a quantum leap in terms of the extension of male suffrage and/or the introduction of women’s suffrage.\(^5\) Moreover, the Great War was a catalyst for the introduction of proportional representation\(^8\), with important implications for government spending and redistribution.\(^6\) As a result, all the tremendous war-induced social needs were politically addressed to democratic governments after both wars, at least in the group of countries which later became the founding members of the OECD. Political competition, the participation of lower income groups and the

---

\(^8\) Alesina and Glaeser 2004.
\(^6\) Iversen and Soskice 2006.
involvement of unions in politics, and the changes in individual and collective preferences discussed in the next subsection translated the war-driven sudden shift in public intervention in social and economic affairs into a stable, long-term trajectory of continuous welfare state expansion.

Moreover, both world wars also were catalysts for the intergovernmental co-operation in social and economic policy. Carnage, destruction and social turmoil created both a necessity and a window of opportunity for establishing international collaboration in social and economic affairs. The foundation of the ILO in 1919 was clearly triggered by “war and revolution”.87 Designed as a tripartite organization the ILO promoted co-operation between governments, employers and unions and contributed in subsequent years to the spread of social security legislation in member states. The efforts to promote international co-operation for the sake of common welfare and economic well-being intensified again during and after the Second World War. Examples include the Atlantic Charter, the ILO Declaration of Philadelphia, the Bretton Woods institutions and, eventually, the UN Declaration of Human Rights. In Europe war experience was an important impetus for the restructuring of Western Europe from the Coal and Steel Union over the Treaty of Rome to the EU.88

*Micro-foundation of social policy change: War impact on individual preferences and collective behavior*

War is certainly an event that leads to a recalibration of individual preferences and may even affect the general normative and ontological beliefs. Both soldiers and civilians suffered from manifold war-related traumata, mostly in an early phase of their biography. Early life experiences have a particular strong impact on individual consciousness by creating a natural conception of the world which preconfigures the perception and mental processing of later experiences in

---

87 Rodgers et al. 2009, 2.
88 Urwin 1989.
the life cycle. In addition, manifold loss experiences among civilians and soldiers such as loss of physical integrity, death of relatives, loss of native land and housing, job loss and material losses caused by inflation, robbery and expropriation were abundant in wartime and affected all social strata. "Bombs, unlike unemployment, knew no social distinctions, and so rich and poor were affected alike in the need for shelter and protection".\(^8^9\) Moreover, hyperinflation created new welfare constituencies among the better-off. The resulting effect of traumatic war experiences on life satisfaction and individual behavior is well-documented. Psychologists and physicians have found that war experiences have shaped life-long advanced moral, religious and political views and caused specific long-term ego-syntonic behavior. Moreover, historians have studied how the social and political foundations of the postwar period have been shaped by the experience of war.\(^9^0\)

Given a wide-spread traumatization and manifold loss experiences, it is extremely plausible that war contributed to a realignment of individual preferences toward stability, security and collective insurance\(^9^1\). Moreover, wars generally increase risks and make subjective risk calculation difficult\(^9^2\). In this situation, individuals typically show a greater propensity to seek insurance\(^9^3\), including those who would otherwise consider themselves as good risks. These changes in individual preferences may also have affected collective behavior in at least four respects. First, the aforementioned changes of individual preferences increase the chance that policies favoring risk-sharing and risk prevention are adopted at the collective level. The most important institutional device of risk-pooling is the welfare state. Second, lesson drawing is important and had a similar policy impact. “Learning from catastrophes”\(^9^4\) has paved the way for policies and institutions designed to prevent a recurrence of similar traumatic events in the future. Third, the hardships of war encountered by large segments of the population strengthened solidarity and egalitarianism.

\(^{8^9}\) Fraser 1973, 193.  
\(^{9^0}\) Biess and Moeller 2010.  
\(^{9^1}\) Dryzek and Goodin 1986.  
\(^{9^2}\) Overbye 1995, 327.  
\(^{9^3}\) Dryzek and Goodin 1986, 30.  
\(^{9^4}\) Schmidt 1989.
Titmuss has summarized the British experience as follows: “The mood of the people changed and, in sympathetic response, values changed as well. If dangers were to be shared then resources should also be shared”. This realignment of values encouraged a qualitative change in social provision as the odium of traditional poor relief was replaced by the notion that welfare benefits should be delivered as a matter of social rights. Moreover, people became accustomed to big government that had emerged during wartime and affected the everyday life of people. Even in the U.S., habituation to the state was a hallmark of World War II. Fourth and finally, war and national crisis stimulated co-operation among competing elites. By incorporating the opposition into war cabinets many democracies deliberately strived for national unity and cohesion, while tripartism and conciliation gained importance in industrial relations. While World War I contributed to the recognition of unions in industrial relations and the introduction of proportional representation in numerous countries, the Second World War marked the breakthrough of fully-fledged consensus democracy and corporatism in the smaller European countries. Even in neutral Switzerland the inclusion of the Social Democrats into Federal Government in 1943 completed consensus democracy at the federal tier. The war-induced increase in solidarity facilitated social policy interventions in the war years and beyond. Nevertheless, the effect of World War II on the Swiss welfare state has been much weaker compared to countries being at war.

The legacy of war policies as welfare state catalyst

Arguably the most well-known feedback effect of war on post-war public policy is the ‘displacement effect’ detected by Peacock and Wiseman in their study on British public expenditure development. They argued that large scale disturbances such as major wars would

---

95 Titmuss 1950, 508.
96 Titmuss 1950, 517.
97 Sparrow 2011.
98 Leimgruber and Lengwiler 2009.
alter the people’s ideas about tolerable levels of taxation and shift public revenues and expenditure to higher levels during wartime. However, war-induced higher tax rates and expenditure would never return to their pre-war levels due to habituation effects, institutional rigidities and new war-related spending obligations. Peacock and Wiseman also claimed that war contributes to a ‘concentration process’ of public spending in decentralized or federal polities. The reason is that local authorities are incapable to cope with the repercussions of large-scale emergencies so that a pooling of resources is indicated. Once an armistice has been reached, the discontinuation of the military burden as well as the enhanced institutional and fiscal capabilities of the state could be used for civilian spending purposes. Yet, displacement could also occur by pursuing new military or quasi-military projects (e.g. during the Cold War), with the shift to welfare state priorities retarded in nations which, in virtue of their Great Power status, continued to prioritize military spending. With respect to the U.S. this may explain why the promises of President Roosevelt were only kept in parts.\textsuperscript{\textvisiblespace}xi

Post-war democratic governments could also quickly respond to the social needs created by war as they could rely on measures, preparatory work and proposals that had been drafted or were already implemented during war. In fact, many (but not all) of the measures and short-term expedients that were enacted by use of emergency powers were transferred into ordinary legislation after the war. In addition, ‘war socialism’ had endowed governments with plenty of experience in how to manage the economy and post-war governments benefited from the massive increase in administrative capacities, policy jurisdictions and fiscal powers that emerged during wartime.\textsuperscript{100} Empirical evidence for the accelerating effect of wartime policies on post-war social policy is abundant. In Germany, the Great War was with no doubt a pacemaker for the Weimar welfare state\textsuperscript{101}: “With exception of the eight hours day there is no important social policy innovation in the Weimar Republic that has not been already introduced during wartime

\textsuperscript{100} De Swaan 1988; Klausen 1998.  
\textsuperscript{101} Preller 1978; Reidegeld 1989.
on the basis of social rights: Unemployment compensation, short-time working benefit, child allowance, placement service, even de facto a sort of minimum wage. Not the announcement of the People’s Representatives Council in November 1918, but rather the Auxiliary Service Bill, the emergency legislation of war, and demobilization planning formed the basis of the Weimar welfare state”. In Austria, the provisional National Assembly adopted a sort of unemployment compensation by decree in late 1918. Closely connected to demobilization, it was initially designed as a fixed-term and means-tested emergency benefit for indigent veterans and the unemployed workers of the arms industry. After this decree was prolonged several times it was eventually converted into a general unemployment insurance scheme in 1920. A very similar development took place in Britain. The military and civilian out-of-work donation that was introduced as an emergency and temporary benefit in 1918 paved, to some extent unintentionally, the way for universal unemployment insurance in 1920: “The Government did not proceed to unemployment insurance in deliberate and calculated steps, but was driven to it at the end of 1920 by the fear of what would happen when the unemployment donation ended. Moreover, exactly as the universal unemployment donation forced unemployment insurance, the civilian part of the donation was itself consequence of the military donation […].”

War also has been a welfare state pacemaker in neutral countries. In Switzerland war triggered the harmonization of unemployment benefits in 1942 and the introduction of family benefits for mountain farmers in 1944 with a view to averting a rural exodus of peasants and in order to secure food supply. Moreover, the Federal Wage and Income Compensation Scheme, a program providing income support to servicemen, served as a blueprint in terms of the organizational make-up and the financing mode of the new pension scheme introduced in 1946. In Sweden the family allowance directed to families of soldiers was in the postwar era

102 Mai 1997, 105.
103 Pribram 1920, 631.
104 Gilbert 1970, 56.
106 Leimgruber 2010.
transformed into a general family allowance\textsuperscript{107} and new public agencies introduced during wartime such as the Labor Market Board\textsuperscript{xiii} continued to exist after the war.\textsuperscript{108} Finally, new programs came to fruition because the old democracies, as much more accountable political regimes compared to autocracies, acquitted themselves of the social promises made in war-time. The take-off of the British welfare after 1945 under the auspices of a Labor government, the 1945-programs of the Scandinavian Social Democratic parties, or the encompassing reforms enacted by De Gaulle in France are cases in point.

### Outcomes: War impact on the development and patterns of the welfare state

After discussing several possible causal mechanisms linking war and the welfare this section briefly deals with the consequences of total war for the patterns and development of advanced welfare states in comparative perspective. At least five effects of warfare on social policy might be important in this respect and all are associated with a long-lasting impact on national social policy trajectories.

**Effect on timing of program adoption**

War is important to understand cross-national differences in the temporal adoption of welfare programs. There is evidence that the immediate post-war period has been a phase of rapid social policy legislation and that war and war preparation are be closely associated with the introduction of particular welfare state programs: Unemployment compensation, housing and income support to families are key areas where the state has intervened for the first time on a larger scale. Legislation in these fields is strongly motivated by population policy, the demobilization of millions of soldiers and the dismissal of millions of workers related to the break-down of the

\textsuperscript{107} Abukhanfusa 1974, 224-30.  
\textsuperscript{108} Friberg 1973, 187-96.
arms industry after the war. The immediate post-war period was also an era of intensive legisla-
tive activity in terms of labor law, employment protection, and working time (e.g. eight hours
day). In addition, categorical benefit schemes for disabled veterans and other victims of war
were established. Finally, war has triggered legislation and reforms in educational affairs and
housing. Britain, with the passage of the Fisher Education Act (1918), the Butler Act (1944), the
National Health Service and Housing Act (1946) and the Housing Act (1949), is a case in point.

Effect on the public-private mix

War has significantly shaped the public-private mix as it paved the way toward more public wel-
fare provision in those countries suffering from massive destruction and/or from hyperinflation.
Dryzek and Goodin have argued that “under conditions of uncertainty, actuaries will be unable to
assess risks with any confidence, and hence prudent brokers will refuse to supply insurance. The
state alone is capable of filling this gap”.¹⁰⁹ In addition, war upsets financial markets and there-
fore constrains the ability of private insurance to deliver. In fact, in most countries of continental
Europe, total war has strongly crowded-out markets for social provision and discredited fully
funded modes of welfare financing in the aftermath of war. By contrast the evidence is more
mixed for those nations which were not struck by acts of war on their own homeland and/or by
hyperinflation. The private and occupational welfare was not negatively affected but even
strengthened in countries such as the United States and Switzerland. However, war is only a nec-
essary but is not sufficient condition in this respect. Much depends on the power resources of
pro-welfare state parties. Japan and, more recently, South Korea are countries where war had a
massive impact, but which, under conditions of a marginalized political left, nevertheless strongly
relied on private forms of social provision after the war. On the other hand, the strong left in
the Scandinavian countries crowded out markets from social provision even though the war im-

¹⁰⁹ Dryzek and Goodin 1986.
pact was much lower. With this important caveat in mind, it is only since the 1990s – nearly half a century later after the last Europe-wide military conflagration and with the removal of the Cold War threat of a repeat on an even larger scale – that private social provision has once again gained importance in several European countries.

Effect on state-family relations

The modern mass army and mass warfare may also have shaped gender relations in several and contradictory ways. First, the mass conscription army served as “a school of masculinity” by separating men and women and by affecting gender roles outside the military realm.\textsuperscript{110} Second, as mentioned above, war preparations led to a growing concern with regard to the size and quality of the population which became an important argument for pro-natalist (maternalist) family policies in most European countries. On the one hand, these discourses strengthened the position of women in society and were picked up as arguments in the political debate especially by inter-war feminists.\textsuperscript{111} Moreover, the war served as a policy window for the introduction of new family policy benefits. On the other hand, pronatalism and family cash benefits reinforced the male breadwinner model and the role of women as caregivers. Third, we find examples of how reform plans were stopped once the actual war had started. This was the case in Denmark where discussions in the so-called Population Committee were brutally put to a halt in wartime and were only picked up again after 1945.\textsuperscript{112} Finally, mass conscription of men offered an opportunity for women to enter the labor market. Women’s labor market participation grew during war time challenging the dominating ideal of the male provider\textsuperscript{113} and had lasting effects even though women often partly withdrew from the labor market after war.

\textsuperscript{110} Frevert 2004; Ahlbäck 2010.
\textsuperscript{111} Bock and Thane 1991; Koven and Michel 1993.
\textsuperscript{112} Petersen 2011.
\textsuperscript{113} Thane 1982; Grayzel 2012.
Total war had a tremendous impact on public social spending. In Germany, for example, war-related social spending amounted, on average, to 17.1 per cent of total expenditure between 1927 and 1960.\textsuperscript{114} Germany is of course an extreme case in this respect but even in less affected countries war related social expenditure played a role. War is therefore an important variable for understanding post-war spending trajectories and cross-national differences in social expenditure. Particularly the Second World War may help to explain why – and, in contrast to the expectation of functionalist accounts of the 1960s – there was no catch-up of the then welfare state laggards in social spending after 1945. An important reason for lacking convergence is that war significantly pushed spending levels up exactly in countries which suffered from a high number of casualties and severe destructions on their homeland territory during both world wars and which already had maintained high pre-war spending levels due to the early introduction of social programs (e.g. Germany, Belgium, Austria, France, Italy). Most welfare states laggards (from today’s perspective), by contrast, were not strongly affected by war, at least on their national territory. In these countries, additional social spending caused by war was mainly related to categorical programs tailored to the needs of veterans and their families. A third group consists of the welfare state pioneers in Scandinavia and New Zealand where the war effects were limited and mainly seem to have affected the timing of program adoption.

Growing welfare state convergence since the 1980s

While the Golden Age of the welfare state in the 1950s and 1960s was characterized by growing dissimilarities in social policy, recent empirical studies are indicative of a growing convergence

\textsuperscript{114} Zöllner 1963.
of social spending and regulatory standards since the 1980s.\textsuperscript{115} One reason for this outcome is that the impacts of war petered out with the passage of time. Two processes are important in this respect and both are related to demographics. First, the victims of war passed away over time and thus relieved governments from previous war-related spending commitments. Second, generational replacement could be related to a shift in policy preferences.\textsuperscript{116} Beginning in the mid-1980s, the policymakers of the Golden Age period, i.e. the political elites who had personally witnessed total war and/or the Great Depression, stepped down from office and were gradually replaced from office by elites born in the post-war period and who therefore grew up in an era of unprecedented economic affluence and political stability. The traumatic experiences of the cohorts born prior to the Second World War lingered in the memories for decades. This experience is important for understanding the rise of the post-war interventionist state and the underlying Keynesian compromise, whereas the markedly different socialisation of the post-war cohorts might be one factor that has reinforced the retreat of the interventionist (welfare) state since the 1990s.

Conclusion

This paper has systematically brought together theories and findings regarding how mass warfare has affected the development of western welfare states and developed a possible unified framework for analyzing the relationship between war and the welfare state more systematically. Table 1 and 2 provide a tentative assessment of the relevance of the discussed causal mechanisms and the related effects in different settings.

\begin{table}[h]
\centering
\caption{Table 1 and 2: Assessment of Causal Mechanisms and Related Effects}
\end{table}

\textsuperscript{115} Schmitt and Starke 2011.
\textsuperscript{116} Obinger 2012.
Needless to say, this is not the end of the road but rather the beginning. We need to engage in systematic comparative studies what also includes data collection. Such comparisons should involve two elements. One is to focus on particular aspects of the war-welfare state nexus through rigorously empirical testing the individual mechanisms and possible effects discussed in this paper. The other element is to provide comprehensive case studies that follow a similar analytical framework allowing for a comparison of how war has affected welfare state development in different national contexts and over time. All in all, this calls for larger collective and cross-disciplinary research projects which rely on a multi-method approach and close international collaboration.

Bringing the warfare-welfare nexus into comparative welfare state research allows us to address classic research topics in new ways and to reconsider the grand narratives of welfare state research in terms of agency (e.g. role of the military), the functions and legitimacy of the state (through the provision of encompassing security) and the interdependencies between countries. One intriguing question, for example, would be to examine how war has (not) contributed to the variety of Western welfare states as captured by the classic welfare state typologies. A further promising avenue of research would be to extend the scope of analysis with respect to country coverage, the type of war, and the time period studied.

References


Ebert, Kurt 1975. *Die Anfänge der modernen Sozialpolitik in Österreich. Die Taaffesche Sozialgesetzgebung für die Arbeiter im Rahmen der Gewerbeordnungsreform (1879-1885)*. Vienna: ÖAW.


Table 1. Relevance of causal mechanisms by country status and phase of conflict

<table>
<thead>
<tr>
<th>Country status</th>
<th>CAUSAL LINKS BETWEEN WAR AND WELFARE STATE</th>
<th>POST-WAR PERIOD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>WAR PREPARATION</td>
<td>WAR PHASE</td>
</tr>
<tr>
<td></td>
<td>Health</td>
<td>Education</td>
</tr>
<tr>
<td>Aggressor</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Aggressed</td>
<td>Medium/High</td>
<td>High</td>
</tr>
<tr>
<td>Neutral</td>
<td>Low</td>
<td>Medi- um</td>
</tr>
<tr>
<td>Winner (low or moderate amount of destruction on home territory)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Loser (high amount of destruction on home territory)</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Table 2. War impacts on the welfare state

<table>
<thead>
<tr>
<th>Country status</th>
<th>Social Spending</th>
<th>Timing of program adoption</th>
<th>Recalibration of public-private mix</th>
<th>Gender relations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winner (low or moderate destruction on home territory)</td>
<td>Medium</td>
<td>Medium/High</td>
<td>Low/Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>Loser (high destruction on home territory)</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Neutral</td>
<td>Low</td>
<td>Low/Medium</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>
Notes

i The best writings in this respect are Porter (1994) and Kasza (1996) but both authors have a broader focus on the impact of war on society.

ii We acknowledge that also other kinds of wars might have a significant impact on national social policies. The civil wars in the U.S. and Finland (1917-18) marked a defining moment in national history. The same holds for international conflicts such as the Franco-Prussian War or the German-Danish wars in the 19th century.

iii At the same time it must be clear that the phases are linked and possibly overlapping. For a critical discussion on time in war (including the concept ‘wartime’) see Dudziak (2012), especially chapters 1 and 2. See also Marshall (1965). In fact the historical period from 1914 to 1945 covered two world wars and the Great Depression in the 1930s as a series of linked events. It could possibly be argued that for some countries and in relation to some of the mechanisms discussed in this paper this war-crisis-war nexus has to be studied en bloc and not separately.

iv Prominent examples are Sweden and Switzerland. Even though both countries were neutral during both World Wars, we find that several of the mechanisms discussed are relevant for both cases.

v However, the military also opposed social reforms. Some military leaders in Imperial Germany and Austria-Hungary believed that social policy promoted effeminacy and degeneracy (cf. Zimmermann 1915: 8-9).

vi Preussisches Regulativ über die Beschäftigung jugendlicher Arbeiter in Fabriken, March 9, 1839

vii In 1863, 7.5 million French could not speak French properly but only local dialects (Aghion et al. 2012: 7).

viii The U.S. is a notable exception.

ix For the same reason some countries such as Switzerland (1878), Austria (1880) and some German states until 1871 have introduced under various labels a tax levied on those men who didn’t serve in the army. Nazi Germany introduced such a tax in 1937. The Swiss Wehrpflichtersatzabgabe (Cohn 1879) is still valid today.

x Examples are Austria (1918), Denmark (1915), Germany (1918), Italy (1919), Netherlands (1918), Norway (1919) and Switzerland (1919).

xi However, there is some evidence for the U.S. that a huge military is the provider of a “camouflaged safety net” in the sense that the army offers welfare benefits and education to service members and their dependents (Gifford 2006). Israel, likewise a big military spender, is another country where service members enjoy generous welfare benefits (Gai 2007). This not only suggests a trade-off between military spending and social spending in countries that were involved in several conflicts in the post 1945 period, but also indicates that a military related social safety net is, at least for a particular segment of the population, a substitute for lower general welfare efforts.

xii The Labor Market Board (Arbetsmarknadsstyrelsen) started as state commission during the war and became a cornerstone of the so-called Rehn-Meidner labour market model in the postwar era.