



## EDITORIAL

Dear Readers,

Extraordinary stresses such as the ongoing global financial and economic crisis put the relationship between society and state to the test. People, for their part, expect politicians to take measures to mitigate negative impact and to deal with the costs to society appropriately. Moreover, people want to be able to rely on a social network and on societal solidarity during a period of individual need. The state, for its part, expects its citizens to make a contribution to overcoming any crisis affecting them. Whether these mutual expectations can be fulfilled successfully depends crucially on the social and economic foundation of the particular country. In Germany, the structures in both these areas are well-developed, and public and private social security expenditure accounts for over a quarter of GDP. It is particularly noteworthy that a large range of social security instruments does exist, covering risks such as unemployment, illness or care needs as well as support for families and pensioners.

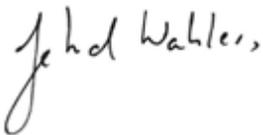
This high level of social security requires a strong economic performance and an ethos as defined by the Social Market Economy. One further significant component of an effective welfare state is the extent of its foreign trade engagement. As Matthias Bauer emphasises, small and medium enterprises (SME) are of particular significance in this respect. They create jobs, further innovation and engage in social matters. Thus, Bauer advocates in his article for a stronger participation of the German *Mittelstand* in development cooperation activities by pointing out the benefits to the SME sector in the partner countries. There, “a solid *Mittelstand* can help to foster economic and social development and to stabilise democratic structures at a political level – in line with the goal of a sustained impact of development policy instruments”.

The availability and quality of social security varies from country to country. In this issue, Paul Linnarz explains with a special focus on Asia that many developing and newly industrialised countries are only beginning to develop welfare systems. At the same time, increasing numbers of

people in Asia are longing for state benefits, as the author shows with reference to a survey by the Eden Strategy Institute from March 2014. Respondents in India, Indonesia, the Philippines and Vietnam were above all concerned about illness and unemployment. In such events, they can hardly count on any public welfare measures. Even members of the middle class are at risk of falling back into a state of poverty should their private means be insufficient to overcome the emergency situation. Linnarz points out ways in which governments in Asia can successfully combine social security and economic development.

Many countries in Sub-Saharan Africa are far from ready to engage in considerations of this type, as Bernd Althusmann, Angelika Klein and Stefan Reith write in this issue. In their analysis of development, social security and sustainable economic activity, the authors focus on Angola, Namibia, Uganda and Tanzania. These states have huge deposits of oil, diamonds, gold or uranium at their disposal. "The discussion on how abundant mineral resources can contribute to sustainable development is in full swing not only in international development cooperation but also in the partner countries." This debate must produce differentiated conclusions, as governments, (transnational) extraction companies and the local populations in the extraction areas have diverging interests, the authors explain.

Social security affects countries in terms of their political, constitutional and economic development. Revealing the underlying connections is an important component of the programs of the Konrad-Adenauer-Stiftung. The essential task is to place people at the center. Countries in Europe, Africa and Asia are dealing with social security in different ways, also because the challenges differ. Together, we can learn from our experiences.



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Deputy Secretary General