
Contents

Preface	v
Part I. The Present Malaise	1
The Past Rise of Social Security: Historical Trends and Patterns Peter Baldwin	3
Moral Hazard in the Welfare State Lars Söderström	25
Comment on Lars Söderström “Moral Hazard in the Welfare State,” by Lars Calmfors	47
Part II. The Welfare State at a Crossroad: Fundamental Choices	51
Pros and Cons of a Negative Income Tax Hans-Georg Petersen	53
Comment on Hans-Georg Petersen “Pros and Cons of a Negative Income Tax,” by Lars Söderström	83
The Future Scope for Self-Reliance and Private Insurance Alan Peacock	91
Comment on Alan Peacock “The Future Scope for Self-Reliance and Private Insurance,” by Peter Koslowski	109
Part III. Reform Issues of Specific Welfare Systems	119
The Swedish Model: Past, Present, and Future Anders Forslund	121
Reforming the Welfare State: The German Case Norbert Berthold and Rainer Fehn	165

Comment on Norbert Berthold and Rainer Fehn "Reforming the Welfare State: The German Case," by Nicholas Deakin	205
The Worm at the Root: An Exploration of the British Welfare Case Nicholas Deakin	207
Part IV. Reform Issues in Specific Areas of the Welfare State	231
Old-Age Pension Systems: A Theoretical Evaluation Stefan Homburg	233
International Reforms of Health Care Systems: Quasi Markets, Privatization, and Managed Care Richard M. Scheffler	247
Comment on Richard Scheffler "International Reforms of Health Care Systems: Quasi Markets, Privatization, and Managed Care," by Hans-Georg Petersen	261
Unemployment Compensation: Theory and Practice Michael C. Burda	267
From Welfare State to Social State: Individual Responsibility and Compassion Wilfried Prewo	295
Part V. Explaining Private Giving	311
On the Transfer Value of Gratitude Oded Stark and Ita Falk	313
About the Authors	327