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Financial Participation – Introduction

The idea to offer employees the opportunity to participate financially in their companies has enjoyed a considerable renaissance during the last decade. Pivotal for this renewed attention have without doubt been respective initiatives by the European Union, but also measures taken on the national level like, for instance, tax incentives for employee capital participation models in Germany. First and foremost, however, financial participation was welcomed in various quarters as a powerful instrument to overcome the financial crisis of 2008 and 2009.

The “great debates” for and against financial participation –which, from a history of thought perspective, can be traced back to the central ideas of reform movements of the 19th century, accompanied the ascend of capitalism, which are highlighted again after World War II, while opening the scope for new forms of self-government in companies – have long given way to a sober, more pragmatic view of the functioning of different participation models and the boundary conditions under which they are operated. Today, attention is devoted in the first place to the differences between the models that have evolved on the national level, regarding both the institutional framework as set by the state as well as the positions different agents assume in the field of labour relations. Do conflict partners regard employee participation as an appropriate instrument to reconcile both economic progress and social justice?

Against this backdrop we organised the “spring seminar” at the Inter-University-Center Dubrovnik in 2012. Aim was to investigate different approaches to participation that are in place in different countries, to discuss the characteristics of different forms of public sponsorship and the stance employers and unions take with regard to financial participation, and to present case studies which address the level of the firm. The contributions made in the seminar were subsequently discussed and refined, for instance on a follow-up conference in Hamburg (Fietze & Matiaske, 2016).

The contributions compiled in this special issue have in common that they deal with the phenomenon of financial participation from an empirical perspective while putting specific theoretical details and methodological aspects into the limelight. Country-focus is on Germany where, during the debates surrounding the taxation of capital participation, the unions’ perception of financial participation evolved considerably. We hope that the research presented in this special issue is not only informative but also inspires the reader both theoretically and methodologically.

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Mathieu Floquet, Loris Guery, Chloé Guillot-Soulez, Patrice Laroche and Anne Stévenot refer to two representative data sets of 2004/05 on private enterprises in order to investigate the impact company-specific variables have on the design of profit sharing plans in France. *Thomas Haipeter* puts forward a mixed-method approach to examine the role works councils assume in Germany in negotiating and regulating profit sharing wages and the effects negotiated profit sharing wages have on works councils' legitimisation. In their qualitative study, *Olaf Kranz* and *Thomas Steger* thoroughly discuss the spectrum of arguments that is frequently brought forward against employee-owned companies. From their point of view especially mainstream economic reasoning falls short of the target and is challenged by the authors with an alternative organisational sociological approach. In similar fashion, *Renate Ortlieb, Wenzel Matiaske* and *Simon Fietze* take a critical stance towards predominant microeconomic patterns of explanation for the dissemination of financial participation models. According to the authors, these explanations are largely off the mark because the reasons for the decisions rational actors make need to be surveyed but are only implicitly assumed. On the basis of survey data for Germany, they undertake a classification analysis of typical motives of company decision makers for the introduction of financial participation models. By utilising the IAB Establishment Panel Survey, *Lutz Bellmann* and *Iris Möller* pursue the question whether firms with employee financial participation models proved to be more resilient, more successful in coping with the financial crisis of 2008/09 than other companies.

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Literature

Fietze, S., & Matiaske, W. (eds.) (2016). *Dimensions and perspectives on financial participation in Europe*. Baden-Baden: Nomos.