

**DRV-Booklet**

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### **The Social Security Advancement and Stabilization Law**

Authors: Sylvia Dünn, Alexander Steckmann

Location: Frankfurt (Oder)

The mandatory pension insurance scheme underlies a constant change process, due to having to adapt to the ever-changing social parameters. The current reform packet, named aptly, the “Social Security Advancement and Stabilization Law” is another step in this process. The article aims to show the development history and showcases the changes included in the new law. It also shows the connections to the reform discussions of the years 2011 until 2013, as previously discussed in the articles of this magazine (Issue 2/2013, page 139 ff.), as well as in the article of this magazine (see Issue 2/2014, page 74 ff.).

### **Empirical Insights into the Income Situation of Employees in Retirement**

Authors: Ulrich Bieber, Dr. Michael Stegmann

Locations: Berlin, Würzburg

The article raises the question if employment during retirement can be viewed as an expression of insufficient income? Often this situation is described as the result of a materialistic emergency situation. To verify this thesis, data of the micro-census as well as the socio-economic panel were consulted, and through that, the income situation of employed persons over the age of 65, identified. The recipients of a mandatory old age pension will be viewed separately.

In a first step, the corner data will be described on basis of the micro-census. The second step will refer to studies made on the motivation and satisfaction of employment at the age of 65. After that the income situation will be reviewed closer. The evaluation of this will be done using the socio-economic panel. Lastly a multi variant model will describe the different influences certain markers have on employment at old age. Altogether there are no indications for the assertion that the rising number of old age employed is a result of a difficult income situation, which in turn forces pensioners to have to work.

## **Bayreuther Social Law Days 2018**

### **Poverty in a Wealthy Society – Causes, Effects, Counterstrategies**

Presentations / Speeches at the Symposium in Bayreuth

### **Compassion an Legal Entitlement – Comments on the Poverty Debate from a Christian Perspective**

Author: Ulrich Lilie

Location: Berlin

## **Poor Children in a Wealthy Country: Manifestations, Causes and Solution Approaches**

Author: Prof. Dr. Anne Lenze

Location: Darmstadt

Child poverty is owed to the fact that in Germany the big social risks, old age, sickness, care dependency and unemployment are socialized. This means that these risks are not taken care of individually but rather by the employed, and thus mandatorily insured persons. This means though that costs associated with children have to be cared for by the respective parents themselves. This can be absorbed by parents that belong to the middle class, not though by parents that are unemployed, low income, single parents or families with more than three children. As such child poverty can be found mostly within families that fulfil those constellations. In the last years the number of employed persons has steadily risen and the number of unemployed persons declined. This though has not brought a change to child poverty. Currently 21 per cent of the insured employed work in the low-income sector. Even with the mandatory minimum hourly wage of 8,55 Euro, a child cannot be supported. The children of welfare recipients (Hartz 4), are held to such a low financial status, that they rarely can achieve a connection to the middle class. They are fellow captives in a labour market policy, which aims to make people take up employment in the low-income sector. Even the condition of children which are in families that belong to the lower middle class are in a precarious situation as they are financially not far from children in welfare recipient families. Owed to complicated and sometimes cross calculating laws, these families can't reach a higher economic level.

## **Poverty Despite Employment: The Synergy of Social Law and Precarious Employment**

Author: Prof. Dr. Wiebke Brose, LL.M.

Location: Jena

The single father with two children, that works a 30-hour part-time job in a temporary employment (because he can't find full-time employment due to the two children) earns a minimum gross wage of 1 149,- Euro per month. This father, even if you were to add the child raising benefit, could not afford to pay for an accommodation in a town like Munich. Even if it were possible, there would not be any money left to live off of. Poverty despite employment: precarious employment. The article will examine this topic. This is just one of several examples of a topic with many facets. Goal of this article is to examine and identify the reasons how poverty can exist next to employment. This can't be the goal of social politics, and thus not of the government. Lastly strategies will be examined that might corner this problem.

## **Are Life Careers Becoming More Precarious? Effects on Old Age Security**

Author: Dr. Dina Frommert

Location: Berlin

In Germany old age security is connected closely with employment life. Advances in employment biographies have a direct effect on security in old age. In the last couple of years there has been a lot of talk and discussion about the changing of employment biographies (unsteady employment) and "a-typical" employment. The article aims to focus on how far these trends actually show themselves at the beginning and ending of employment situations (work life begin, and

retirement). In a second step the article will identify how changes to the employment biography, manifest themselves as income changes in the employment biographies of new pensioners. The article uses data of the mandatory pension scheme, but also overall old age-related income. The article also reexamines previous articles on this subject and summarizes these. This offers an assessment towards how far life careers and employment biographies are becoming more precarious, and ultimately what the effects on this are on the old age security system.

### **Poverty and Precarity as a Political Danger?**

Author: Prof. Dr. Ute Klammer

Location: Duisburg-Essen

The economy is growing, the unemployment is on a record low of 4,8 per cent (2,2 million people) as of November 2018. Likewise, employment has grown to a record 33,5 million people. Also, the amount of mandatory insured employment has risen steadily. The employment of women and older persons has also risen, and lastly the entry age into pension has risen as well. All this good news is in stark contrast though to the situation and mood of large parts of the general populace. Even though it is hard to find political as well as scientific concepts to measure the amount of poverty and social ostracism, large parts of the populace feel that there is an inequality in wealth and finances, employment, chances of further development, a general sense of inequality. More and more there is proof that this is a developing problem not only for those affected by it, but for society in general. This is a direct danger to social cohesion and thus democracy itself. The underlying article will examine and discuss scientific findings on the subject of poverty and precarity, their causes, perceptions and lastly implications for society and democracy in general. It will be made evident that populist political

parties are promoting ideas of a growing general poverty, and the inability of the governing parties to stop this. The general populace feels addressed by this. Unfortunately, studies have shown that people belonging to the low-income sector are withdrawing themselves more and more from the general political discussion. This leads to the fact that their group interests are not being observed, and are falling short. The article raises the question if the poverty discussion should be started a new, and also involve those that are directly affected by it, thus addressing normative questions on social justice and solidarity.

### **Poverty Eradication in Law: Which Systematic Bracing is There and Which Changes are Being Offered?**

Author: Prof. Dr. Constanze Janda

Location: Speyer

The question if poverty is a social phenomenon in law, or can be fought against through law itself, at first glance seems to be difficult to be answered. Neither can you use the normative reasons for poverty – precarious employment situations, separation and divorce, sickness and disability, migration, – nor can you forbid a life in poverty. Attempts of criminalizing poverty in Hungary – for instance, since October 2018 living on the street / homelessness can be criminally sanctioned – have not led to a reduction in poverty or its reasons. The only effect this has is to try to make poverty invisible. To make an effort to go against this, the law makers need to identify possible injustice in law, and effectively change the law itself under socio-economic aspects, if nothing else, at least the social laws themselves have to be changed.