

Jutta Allmendinger (session B)

I wish to pay the authors of the report a big compliment. I gratefully acknowledge that we finally moved away from mere benchmarking studies that focussed on one policy domain or on one instrument only to multidimensional approaches and take seriously the embeddedness and interrelations of policies, may they be educational, social, in terms of labour markets or the tax system. Both models proposed, the family types and the micro-simulation are a big move forward.

I would like to add four suggestions:

- (1) In terms of micro-simulation models we should take more seriously the unique possibilities offered by administrative data. These are powerful data and we should make all efforts to get access to those data and link them with survey data of all kind, individual or at the firm level. The goals are true biographical, internationally comparable data sets.
- (2) Let us also consider the possibilities to include forecasting. We know pretty well which people are under risk to become poor, for example in old age. The recent increase of employment in Germany is a good point in case. This increase is due to work that does not provide social security, and it is just a matter of time that we'll see the results of 'old' forms of poverty, i.e. rising poverty in old age. Prospective policy monitoring is highly needed and indicators should be developed respectively.
- (3) I also think that we cannot stop, or should not stop, at pointing out which policies work to reduce poverty. We could start to ask under which conditions policies are getting implemented and the conditions under which reforms are sustainable. To do this, we have to take into consideration national norms of justice which cannot easily be changed. The recent reforms in unemployment benefits in Germany provide one example. So far, unemployment benefits were higher the higher the formal income has been. Now, Germany moved to a flat rate system. This provoked considerable forces to abolish these reforms all together.
- (4) My last point has already been taken up – the problem of the division of money within households. This is not only a problem of gender mainstreaming such that women have less money than men. It is also the case that women spend their money

differently than men. Much more research has to be taken up in order to target benefits more equally.

In sum, I plead for an interdisciplinary endeavour. Political scientists, economists, sociologists and psychologists need to work together. The problems just raised would profit from their joint work and theory building.