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The European Research Network of Excellence RECOWE (part of the European Union's Sixth Framework Programme), The Centre for European Studies at Sciences Po (CEE) jointly organize:

The second Recwowe Executive Short Course

Pension reforms in Europe: beyond parametric changes

21st and 22nd of January 2010, Paris, France

Programme

January 21st

Morning sessions: The context of pension reforms

9.00 – 9.30

Welcome coffee

9.30 – 10.00

Welcome, presentation, introduction

10.00 – 11.00

Demographic and financial issues for pensions in Europe

Per Eckefeldt

Europeans living longer, hopefully in good health, is a great achievement. However, without further policy changes, an ageing population will pose major economic, budgetary and social challenges. Europe has started to prepare for these challenges and encouraging progress has been made, but there is much more to be done, as stressed in the 2009 Ageing Report by the European Commission. Moreover, once out of the current crisis, a comprehensive exit strategy needs to be implemented leading to thriving, dynamic EU economies.

11.00 – 11.15

Coffee Break

11.15 – 12.15

Economic changes, changes in ideas

Bruno Palier

The 1980s and 1990s have witnessed a watershed change in macro-economic policies, turning them from Keynesian demand-oriented reflation policies towards supply-side monetarism. In parallel and in connection to these changes, the economic role as well as the general architecture of pension system have been re-thought, leading to new models for pension such as the multi-pillar model advocated by the World Bank or the new interaction between basic compulsory Pay-as-you go schemes and complementary facultative funded schemes. This presentation will be analyzing these new models.

12.15 – 14.15

Lunch

Restaurant Le Petit Zinc

Afternoon sessions: Diversities of pension reforms

14.15 – 16.15

Politics of pension reform in western Europe

Giuliano Bonoli

Europeans are strongly attached to the pension arrangements that have been built over the post-war years. Yet, demographic pressures mean that it will be difficult to finance current levels of access and generosity. In this context government have started adapting pension systems to a less favourable demographic structure. This presentation will highlight the political dimension of reform, focusing in particular on the conditions that facilitate or impede reform in several European countries.

Pension reforms in France and Germany

Bruno Palier

Germany and France have gone through several waves of pension reforms since the 1990s. These have triggered intense political contest, but have been able to implement structural changes in the calculation rules and have added new (funded, individual or collective) pillars. This presentation will analyze the content and the contestation of the reforms, the innovation and concessions that political and social negotiations have implied.

16.15– 16.30

Coffee Break

16.30– 18.30

Pension reforms in Italy

Matteo Jessoula

Italian pension reform is another path-breaking one. Two main novelties have been implemented. The first was the replacement of the earnings-related system in the first pillar with a 'notional defined contribution' system (NDC) – where benefits are no longer linked to previous earnings, but depend on the amount of contributions actually paid, the age of retirement as well as economic and demographic trends. The second consisted of the development of supplementary funded pensions through the voluntary "conversion" of a pre-existing severance-pay scheme. Both the content of these reforms as well as the difficulties to adopt and implement them will be analysed.

The Swedish pension reform

Joakim Palme

The Swedish pension reform has evoked considerable interest, surprise and confusion in the international community of pension scholars and policy makers. This is due to the radical and innovative character of the reform, as well as to its complex nature. The reform of 1994/98 has not only reshaped all parts of the pension system but it is also introducing new concepts in the world of public pensions: notional defined contribution accounts will form the first-tier of the system, funded defined contribution accounts with private fund managers are organised within the public framework, and a new way of guaranteeing basic security for old people is designed to continue the combat against old-age poverty.

20.00

Dinner

Restaurant Chez Françoise

January 22nd

Morning Sessions: Pension and labour market developments

09.00 – 11.00

Governance and coverage of supplementary pensions

Bernhard Ebbinghaus

Because of the progressive retreat of compulsory public pension schemes, supplementary pensions will become increasingly important for maintaining income after retirement. This presentation will present and analyse the way supplementary pension schemes are organized in various European countries, the coverage they provide and the main differences in their governance. In particular, it will discuss the role played by the market, the social partners and the State in the regulation and management of these schemes.

Regulating supplementary pension funds

Giuliano Bonoli

The regulation of pension funds is a complicated business. Governments want pension funds to play a social policy role: i.e. to guarantee decent pensions to as many people as possible. This objective is sometimes at odds with the profit making orientation of the actors involved in the provision of non-state pensions: employers and financial institutions. This presentation will focus on the regulatory issues that have emerged in Switzerland and on the solutions that have been adopted.

11.00 – 11.15

Coffee Break

11.15 – 13.15

Overcoming early exit from work.

Bernhard Ebbinghaus

Since the late 1970s, many governments and the social partners have used early retirement as a tool to adapt in a socially acceptable way to the economic restructuring pressures. Since the mid 1990s, a policy reversal from the early exit route has been advocated in order to increase the employment rate of people aged 55-64. What are the various early retirement regimes? How successful are different countries in activating older worker? What are the positions of employers, workers and social partners?

Flexible today, secure tomorrow?

Karl Hinrichs

The term “flexicurity” refers to strategies aimed at combining labor market flexibility with workers’ social security. By explicitly taking a life course perspective on the consequences of changes in labour markets and of pension reforms have been explored in a comparative study. The results show that financial security in old age might become endangered in some European countries while in others the growth of “atypical” employments patterns and careers will be less harmful.

13.15

Lunch

Restaurant La Petite Chaise