

EUI (PWC) – Banco de España

Mini-Conference on Social Security Reforms in Europe

April 8, 2021, 16:00 – 19:00 (CET) on-line

INTRODUCTION

Since the beginning of the 21st Century, Europe has experienced the financial and euro crises and, with the rest of the world, is experiencing now the Covid-19 crisis. The financial crisis was partially exogenous but became endogenous with the euro debt crisis. Covid-19 has been unpredictable and, to a large extent, exogenous. Countries around the world are still reacting to this shock and the European Union has launched the Next Generation EU programme. However, thinking about the next generation, and beyond, we should think about what is likely to be the next crisis. This one is endogenous and predictable: the crisis of social security pay-as-you-go (PAYG) systems due to the demographic tsunami that many countries will undergo in the next decades!

The on-line mini-conference, jointly organized by the Pierre Werner Chair of the European University Institute (RSCAS) and the Banco de España, will focus on social security reforms that can help to prevent this next crisis. In the first part, three research papers will be presented and discussed that focus on the design and financial aspects, as well as an overall alternative to the PAYG system. This (Backpack) alternative is the starting point of the second part in which a panel will discuss challenges and reforms of European PAYG systems.

CONFERENCE PROGRAMME

16.00 – 17:30 **Part I: Current research on social security reforms**

Chair: **Ramon Marimon** (EUI and UPF – Barcelona GSE)

Linda Sandris Larsen (Copenhagen Business School), joint with Claus Munk (CBS)

“The design and welfare implications of mandatory pension plans”

Ofer Setty (Tel Aviv University), joint with Kathrin Schlafmann (CBS) and Roine Vestman (Stockholm University)

“Optimal Defined Contribution Pension Plans: One-Size Does Not Fit All”

João Brogueira de Sousa (Nova School of Business and Economics), joint with Ramon Marimon and Julián Díaz-Saavedra (Universidad de Granada)

“The Austrian Backpack as alternative to the Spanish PAYG pension system”

Discussants:

Alexander Michaelides (Imperial College Business School) and

Ellen McGrattan (University of Minnesota and Federal Reserve Bank of Minneapolis)



17:30 – 19:00 **Part II:** Policy debate on social security reforms in Europe, with an emphasis in Spain.

Chair: **Oscar Arce** (Banco de España)

Panelists:

Pablo Antolín, Principal Economist and Head of the Private Pensions Unit, OECD

Javier Díaz-Giménez, Professor of Economics, IESE

Esther Gordo, Director of Economic Analysis, AIReF

Carolyn Nerlich, Senior Lead Economist, European Central Bank