

Van Rijn: Seniors in Need of
New Forms of Arrangements

CPB Seeks Least Convolved Way
to New System

FNV Learns from the Pension Fight

Netspar Celebrates 10 Years:
Old Age Is the Future

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NETSPAR CELEBRATES 10 YEARS: OLD AGE IS THE FUTURE

Netspar, founded in 2005 by Lans Bovenberg and Theo Nijman, is celebrating its ten-year anniversary. That's cause for briefly looking back, but also looking forward. After all, old age has a bright future: **personalized, transparent, for yourself, shared, for now and later on.**

United in Netspar, industry, government and academia work toward ensuring that the debate about pensions is well-informed. It is a debate that, in the wake of the discussions about the pension system, increasingly revolves around individuals and their retirement. And you will find the scope of that debate, and the Netspar network, reflected in this anniversary issue. You will hear from representatives of employers, the pension industry, government, young people and policy advisers, not to mention the State Secretary of Health, Welfare and Sport. Each person presents his or her vision of the future of the Dutch pension system. What are their views on solidarity, personal responsibility and freedom of choice? Are pensions an idea that can still be justified? What influence will the growing diversity in the labor market have? Healthcare and housing already appear to be inextricably bound up in the debate about pensions; how can we prevent it from becoming overly complicated? But also, how can our pension system contribute to the stability of the Dutch economy? And how do you ensure that it doesn't collapse under its own complexity?

Netspar tackles the evolving issues. Research and knowledge-sharing are aimed more at what the developments in pension policy and practice mean for the individual. This has meant a growing interest in disciplines such as sociology, psychology and communications, alongside the more traditional Netspar discipline of economy.

We asked the interviewees in this special issue to also take a critical look at the role Netspar should play in discussions about the future of retirement. After all, Netspar does more than provide information, it unifies viewpoints – and translates these into applications. Netspar is there to provide analysis and brainpower and offer some a platform for learning from other countries. In addition, Netspar acts as a guide in the debate and keeps it moving forward.

In summary: the need for an informed debate about pensions is as alive as ever. Given the diversity of ideas and desires expressed by the people interviewed in this magazine, Netspar has plenty of work ahead in terms of facilitating the discussion by amassing and sharing knowledge and unifying viewpoints – for the next ten years, as well.

Casper van Ewijk, Director of Netspar



Martin van Rijn

SENIORS ARE IN NEED OF NEW FORMS OF ARRANGEMENTS

If anyone knows about the connection between pensions and healthcare, it is Martin van Rijn. The Social Democrat (PvdA) was chairman of the management board of the Dutch pension asset manager PGGM for many years before becoming State Secretary of Health, Welfare and Sport for the Netherlands. "Pension funds are going to face new types of questions from retirees," he says.

Healthcare and pensions are starting to overlap more and more as seniors are forced to bear a greater share of their healthcare costs and the provision of some public services is curtailed. It is in that context that, in its recommendations for pension reform, the Dutch Social and Economic Council (SER) calls for tying pensions more closely to healthcare and housing. The advisory body also reiterated the importance of allowing citizens to take more responsibility and control.

The SER recommendations align well with Van Rijn's own views on healthcare. He, too, is a big believer in providing good basic services, in combination with having citizens arrange certain matters on their own. "When you look at the interrelationship between these domains, it makes a difference what level you look at," Van Rijn says, during our interview in his office at the Ministry. "On an individual level, the pension, healthcare and housing arenas are already intertwined. People decide how they are going to spend their income just as they did before retirement, with parts of it going to pay for housing, groceries, energy and recreational activities. That spending pattern changes as you get older."

Van Rijn warns against being too overly optimistic about life as a retiree. "The idea that retirement means lying on a sunny beach enjoying your much-deserved rest is too simplistic and unrealistic. Even if you have additional pension savings above standard social security (AOW), you are going to have to make decisions about your expenditures," says the State Secretary.

Organizations such as Netspar are studying whether this natural link at the individual level can also be extended to the institutional level, and if so, to what extent. "For many years, it was ideal if you had your house paid off when you retired. The drawback to that, though, is that all your wealth is tied up in your home, and you might need some extra money to spend on healthcare services. We need new arrangements to make that possible."

According to Van Rijn, the above scenario shows how closely pensions, healthcare and housing are interwoven. "In this case, banks might be able to offer a solution. They could develop cash-out products that

would allow you to take money out of your house. Banks will inevitably start catering more to this."

Big Changes

The politician does not expect big changes any time soon. "There are huge transformations underway in the pension industry and the housing and healthcare markets. These industries have their hands full just conceptualizing and executing those reforms. It would be extremely complicated under those circumstances to then also seek to form interrelationships with other domains."

Van Rijn believes some links are already possible on an individual scale in the present system. "From my days at PGGM, I remember that many people do not realize they already have quite a few options under their pension schemes," he points out. "They are much more flexible than many members think. For instance, you can decide for yourself, within limits, when to take retirement benefits. Members often also have a choice in how they structure the survivors pension. We should not lose sight of the existing possibilities."

He does not have a blueprint in his desk drawer for how to tie pensions and healthcare more closely together. "It is a topic that comes up regularly in deliberations with the other ministries," he stresses. And the SER recommendations also explore and present several options, with qualifications.

While Van Rijn may not have any fixed plans, he can provide some general outlines and conditions. "For one thing, I do not expect that pension funds will provide healthcare in kind. Such a provision would have to be really very attractive for members to be willing to exchange lower benefits for it," he muses.

The State Secretary foresees something more along the lines of funds assuming a role in terms of allowing greater flexibility in the payout phase. Van Rijn envisions this occurring, initially, for money needed for incidental healthcare costs, such as in-home care or modifications to the home. "A fund could enable retirees to hire in certain kinds of care when they need it through a flex pension plan, for example," he says.

He also makes a distinction between incidental and major long-term healthcare costs, just as the SER does. The latter category pertains to costs that occur when an older person can no longer live on their own and requires a great deal of medical care. Since the start of the year, that kind of care falls under the Chronic Care Act. "That is one of the three pillars of healthcare," he explains. "Along with it, you have care that falls under the insured person's own physical care and the Social Support Act (Wmo), which is administered by the municipalities."

"We, as the government, guarantee a very good base level of care for old people. Anyone who wants more service, say in terms of their living arrangement, can pay more. That applies to living in a different setting, too." Older people might choose to continue living in their homes and have more care there or to live in an assisted living facility.

According to Van Rijn, the debate about combining healthcare and pensions is converging on the notion of setting aside money for additional healthcare costs. "It is conceivable that you would pay a separate premium to save for those costs," he says. "That is an idea that needs to be further explored. The factors being taken into consideration include whether it should be mandatory and should or shouldn't be built into existing pension schemes."

He fears that it will not be easy to integrate healthcare saving and pension saving. "Pensions are more collectively regulated, whereas saving for healthcare costs is done more on an individual basis," he explains. Another point of concern is the transition from a pay-as-you-go system to one that would be partially financed through capitalization. "Healthcare is financed on a pay-as-you-go basis. If some of those costs were defrayed through capitalization, you could benefit from the investment yields. The other side of the coin, though, is that you

expose yourself to investment losses. Furthermore, you have to take into account that any transition to a different system will be slow and gradual," he adds.

Investing

Of course, the link between pensions and healthcare operates on a level beyond that of pension plan participants. As large institutional investors, pension funds can have a great deal of influence by investing in health facilities. "Funds could be more discerning in terms of their investments in the Netherlands," Van Rijn points out, "though, of course, the combination of return to risk must remain attractive for the fund." He hopes that the National Investment Institute (NII) established last year by a group of private Dutch institutional investors will make some headway on that front. "Many individual projects are too small for a pension fund," he continues. "If NII were to pool those types of investments together and standardize the process, it would be easier for funds to invest in, for example, health facilities."

The cabinet member believes, in any event, that the type of research Netspar performs will be sorely needed in coming years. "A great deal of attention is being devoted to the technical aspects of pension systems. A pension system is not an end unto itself. It exists for its participants. In the near future, we need more research on the desires of those participants and plans that fit their needs," Van Rijn stresses.

He is the first to acknowledge that this will be no simple task, since it is difficult to estimate the healthcare-related expenses you will face in the future. "People rarely think about those things. But that is going to change. It took years before the pension industry managed to provide people with more insight into their pensions through the national pension register. Healthcare, too, will become more transparent," he concludes.

Martin van Rijn

Martin van Rijn (1956) left a government job in The Hague in 2008 to become chairman of the management board of PGGM in Zeist. Before that time, one of his many positions, following his degree in Economics from Erasmus University in Rotterdam, was as Director General for Health Care in the ministry he now heads as State Secretary. Previously, he had worked at the Dutch Ministries of the Interior and Kingdom Relations and Housing and Spatial Planning. In 2012, the Social Democrat returned to national politics to assume a position as State Secretary in the Rutte II Cabinet.

Jean Frijns:

"PENSION SYSTEM IS AT RISK OF COLLAPSING UNDER ITS OWN COMPLEXITY"

Netspar's role in the debate about the Dutch pension system has become increasingly prominent. This is due not only to the research it performs, but also its ability to bring parties together. However, Jean Frijns, Chairman of the Netspar Supervisory Board, warns that the academic institution needs to guard against getting too mixed up in topical issues.

"Netspar has succeeded amazingly well in inspiring an interest in pensions among a wide circle of researchers," states the former ABP Director of Investments. "Just look at its impressive list of publications. Equally importantly, Netspar has managed to reign in the debate between researchers and policymakers."

The network has become an intrinsic part of the National Pension Dialogue initiated by Dutch State Secretary for Social Affairs and Employment Jetta Klijnsma. All of the parties involved rely on research performed by Netspar members. The Dutch Social and Economic Council (SER) has characterized the new type of personal pensions with collective risk sharing proposed by Lans Bovenberg and Theo Nijman, for instance, as an interesting, yet unknown, option.

"It's surprising how quickly opinions about our system have switched recently," Frijns says. In 2010, he was the chair of the committee that warned about the financial vulnerability of pension funds. "Things were going well

for years. Members received their contributions back four to five times over. 'Everyone's doing great under this system,' we thought. There was little reason for complaint."

Since the financial crisis, though, the picture has changed. Pensions have been cut and premiums have risen sharply. "The realization started to sink in that one group's profits were another group's losses," Frijns continues. "That had never been a topic of discussion in the nineties. You'll find no mention of it, for example, in the statements of accountability issued by boards."

The hidden streams of money flowing from young to old, for instance, or the lower to more highly educated were prime research topics for Netspar. Everyone wanted to know how things worked. "Despite a tremendous amount of research, it is not possible to unravel all those redistribution mechanisms. We are unable to explain precisely how the profits and expenses in the current system are distributed," Frijns says.

Jean Frijns

Stranded Reform

The last attempt to reform the system stranded. The real contract that was supposed to liberate pension funds from having to do the so-called investment balancing act never got past the drawing board. "It went wrong because pension managers were expected to shoulder all the responsibility for the transition," the economist suggests. "They were stuck assuming all the legal risks of shoe-horning the old pension rights into the new system. Another obstacle was that policymakers were unable to adequately explain how that transition would result in a more balanced representation of interests."

He attributes this to the system's complexity. "Pensions are not, at their core, complicated. You are saving up for later. But it has been made pretty darned complicated, so complex that even economists and econometricians can't figure it out. The current system is imploding. It's collapsing under its own complexity."

Another problem that the Frijns Committee identified in 2010 is that the power of pension funds to recover from setbacks is being eroded by an aging population. "We called it 'sinking giants syndrome,'" he recalls. "If a fund falls below the 80 percent funding ratio, it will have insufficient resilience to get back to the desired level. Because of the aging membership base, using contributions to correct things is no longer an option. That removes the certainty that everything will turn out all right in the end."

Frijns argues that these problems lead to permanent tensions between young and old. "Older workers think they are having to give something up for the younger ones. For their part, younger workers are worried there won't be anything left in the pot."

Consequently, pension funds are now saddled with stricter regulations so that their nominal pension commitments can be guaranteed. "You could say that the new Financial Assessment Framework (FTK) at least provides some clarity. For managers, it's a beacon, but it could also turn out to be a will-o'-the-wisp," Frijns asserts. For one thing, he has his doubts about the tighter buffer requirements. "Those buffers don't help anyone," he says. "It's asking for problems. You'll have to assign those buffers to groups of members ahead of time to prevent discord." Although Frijns is a proponent of more straightforward ownership rights, he is not thrilled about the notion of a system with strict individual rights. "In a new system like that, the individual feels lost and it will be difficult to arrange even basic forms of risk sharing, such as mortality risk," he points out.

Technical Discussions

On looking back, Frijns thinks Netspar may have allowed itself to become a bit too closely involved in the FTK discussions. "Netspar may have been somewhat overly enthusiastic in participating in the highly technical discussions upon which the new FTK is based," he admits. "We must always weigh the focus on topical policy issues against more fundamental research. In the future, we will be expanding our domain and performing

more research that addresses the issues faced by pension managers. In addition, we need to reinvestigate the problem of choice for the individual in this tougher society with its rapidly changing relationships in the labor market."

Frijns has noticed how this collective thinking about a new system has generated a great deal of enthusiasm and creativity among academics and policymakers. "That's great to see, but we also need to address the transition problems. There was a reason that the last attempt to change the system derailed on those very issues."

According to him, the two big hurdles to transition that need to be removed are: abolishing uniform contributions and incorporating the old rights. "I don't have the answers either," he begins. "It's a bit like a division of assets. The end result will depend on a variety of factors, such as interest rates, the level of the funding ratio and assumptions about future returns."

"The question here is how much you want to be led by current prices and values derived from the financial markets. We all know how volatile those are. It also does not make sense to me if every pension board has to figure it out for themselves. We will need to make collective agreements about these things. It means, in any event, a long transition period. And that's another reason to not ditch our collective system too quickly."

Uniform Contribution Rate

The Netherlands Bureau for Economic Policy Analysis (CPB) has calculated that getting rid of the system of uniform contributions will cost an estimated 100 billion euros. Frijns, who used to work at the CPB, has no idea where the money to cover that, equal to approximately 10 percent of the funding ratio, is supposed to come from. "I learned at the CPB to break these kinds of problems down into parts," he says. "One part of the solution is higher social security."

According to Frijns, higher social security benefits would be a good idea from several vantage points. "That is also a way of solving the issue of that 'poor' segment of independent contractors who save very little for retirement. You might then be able to avoid having to institute mandatory retirement savings for the

self-employed. A considerable group of self-employed people would be opposed to such a thing."

Another advantage of increasing the state pension is that it changes the relationship between the first and second pillars (state and occupational pensions). "We have a great deal of capital amassed in the second, the private, pillar," Frijns continues. "That is a big advantage, but it also makes the Netherlands highly vulnerable to the volatility of the financial markets, and that can lead to instability. You could lessen that vulnerability by making the first pillar stronger at the expense of the second."

Pension Managers

Frijns hopes Netspar manages, moving forward, to get more inside the heads of pension managers and pension plan participants. "Our relationship with policymakers in The Hague and the social partners is good, but the contact with pension managers could stand to become closer and friendlier," he admits. "Much of the research we now perform can be rather remote from the day-to-day experience of managers and insurers. That means we should conduct more research from the perspective of individual participants and the boards that have a fiduciary duty toward their members."

Will there still be a need for Netspar ten years from now? "I hope not, but I fear that there will be," Frijns replies. "The world of social institutions continues to change, to put it mildly, especially in Europe." The next question is whether Netspar still has added value, then. "I can give you a much more definitive answer to that: absolutely."

Jean Frijns

Jean Frijns (1947) is a familiar name in the pension industry, in association with the eponymous committee that recommended in 2010 that investment risks in the industry be reduced. The economist himself spent many years steering investments at ABP Pension Fund (for Dutch public servants). Frijns currently sits on a number of boards, including Delta Lloyd (chairman) and Kas Bank (vice chairman), and is a professor by special appointment at VU Amsterdam. He is Chairman of the Supervisory Board of Netspar.

The Netherlands Bureau for Economic Policy Analysis (CPB) is a powerful figure in the debate on pensions. Nevertheless, Director Laura van Geest says she doesn't want to drive it in any particular direction. "We expand the discussion at times and demand consideration of matters that are being overlooked," she explains.

CPB SEEKS LEAST CONVOLUTED WAY TO NEW SYSTEM

In particular, the CPB studies of the uniform contribution system and differences between a collective and an individual pension system caused a big stir. Both reports hit a nerve. People accused the bureau, among other things, of putting too much trust in models and viewing the world through a macro lens.

Van Geest, who became director of the institution in The Hague in summer 2013, did not take the attacks personally. "People at the top are an easy mark," she says, "and fortunately, we're not made of fondant. It would be much worse if our reports were shoved into a drawer without being read. We show what the economic advantages and disadvantages of certain choices are. Policymakers can then make well-founded decisions based on that information. They might even go on to choose an option with economic disadvantages, but then they should be aware of that."

It does not bother Van Geest that some parties selectively pick and choose from among CPB's reports. Indeed, both proponents and opponents of a collective system have found arguments supporting their position in those CPB

studies. "Everyone is free to interpret our research in their own way," she points out. "Anyone who reads our reports will see that we expressly compare all of the advantages and disadvantages side-by-side. The purpose of the Central Planning Bureau (as it is called in Dutch) is best summed up by its English name: the Bureau for Economic Policy Analysis."

Van Geest does feel that the criticism about relying too heavily on economic models that provide a false sense of security is unjust. "We always include sensitivity analyses in our analyses," she points out. "We examine whether or not the results would be completely different under different scenarios. When that is not the case, the conclusions can be considered robust. And if there are uncertainties at work, we indicate that."

She denies that pension studies performed by the CPB are far removed from the real world because they take a standardized pension fund as their subject. "That fund is based on the funds you have in the Netherlands," she says. "Of course you have funds that deviate from that, but most funds are very similar to our standard

fund. Plus, in our sensitivity analysis, we also examine the green and gray funds that have lots of either younger or older members."

Van Geest sees the report on the economic differences between a collective and an individual pension primarily as a snapshot of the situation at a given point in time. "We do not express a preference for one or the other system," she stresses, "which doesn't mean I don't have my own opinion, at home on the couch, based on a report's findings. Facts and analyses are simply more convincing than recommendations and opinions."

As a result of the Dutch Social and Economic Council's (SER) recommendations on reforming the pension system, the degree to which investment risks should be shared has become an important theme. Critics of sharing those risks warn of unintended income redistribution between young and old workers. "We looked into all sorts of forms of solidarity," Van Geest says. "Risk sharing has some distinct profit advantages, but you give up transparency. It is not true that young workers, say, are necessarily disadvantaged in favor of older ones. With the latest increase in life expectancy, the transferences between the two groups cancel each other out." On the other hand, the CPB concluded that the benefits of a collective system versus an individual one have greatly decreased, providing more ammunition for opponents.

"It is clear that something has to change," Van Geest believes. "The existing system is increasingly out of step with developments in the job market. That causes support for it to erode, which is a shame. That could be prevented by adapting the system to the dynamics of today's job market."

Some stakeholders, such as the labor unions, see increasing social security as one way of making the system more robust. For one thing, it would provide more income for independent contractors, who as a rule have very little pension savings in the second pillar (occupational pensions). It would also be a way to compensate those adversely affected by the elimination of uniform contributions.

"We mustn't lose sight of the fact that, compared to the rest of the world, the Netherlands has a solid first pillar (state pension system). The risk of poverty among retirees is much lower than among workers. Whether you should use such a strategy to solve the problem of self-employed workers with moderate pensions is up for debate. In any event, the relationship between the first and second pillars is something we plan to explore further this year."



Laura van Geest

Van Geest urges planners to look more extensively at the second pillar in terms of reforming the system. "That is one of the roles of the Crown-appointed members in the SER," she continues. "We approach topics differently than the social partners, one example being the call for more freedom of choice. You could introduce more options into the second pillar, but you could also shrink it. The third pillar (individual retirement plans) would then automatically grow in size. That is the arena where people have a great deal of choice."

One advantage of lowering the mandatory savings requirement is that it would be a way of forging a link to housing. "If private citizens didn't have to forfeit as much in contributions, they could use that money to buy a house," Van Geest points out. "I doubt whether any solution taken in the second pillar will be very productive. People who need additional money to buy a house early on in their careers will not receive that much in terms of the pension money paid out to them." She believes it is the mission of the CPB to point out issues that are not receiving the attention they deserve. "It strikes me that there is all this talk about pensions and the self-employed but very little consideration of employed people who aren't building any retirement savings," she says. "That is a sizable group of people, possibly just as big as the group of self-employed. It seems logical to me to include that issue in the discussion, too."

"With many pension plans, the tricky part is how you transition gradually from the current system to the new system. There are both legal and economic ramifications to that transition. We concentrate on the latter. One example is whether or not existing rights should be tampered with and made less fixed. That would have huge economic implications. If the rights are not converted, they will remain behind in 'sealed' pension funds. We are investigating what the least convoluted way is toward a new system."

It is crucial, according to Van Geest, that a new system not be disruptive to the economy. "In that regard, the trend toward more stable premiums is an improvement," she notes. "Those are less dependent on interest rates, which no one can predict. And that makes the system more stable."

"With many pension plans, the tricky part is how you transition gradually from the current system to the new system."

The CPB director hopes that the pending changes receive widespread support. She does not imagine that the pension topic is going to disappear from her desk in a few years, once a new system is finally in place. "The issue of income for seniors is going to remain relevant. It is like standing in a river: you are never standing in the same water. Certainly, if you also look at the matter of health-care. We will still be studying pensions, but that research will have a different emphasis, such as perhaps the behavioral economics of real options models."

"And this applies not only for us, but also for Netspar, with whom we regularly collaborate in the field of pensions, as evident from the studies we perform as part of the Netspar program and our collective brief last fall. The CPB thinks it's useful to share knowledge with university researchers, as well as with people working at pension funds. And having an international network is essential if we are to learn from the experience of other countries. Netspar provides a good platform for this," she concludes.

Laura van Geest

Laura van Geest (1962) succeeded Coen Teulings as director of the CPB Netherlands Bureau for Economic Policy Analysis in 2013. She studied general economics and public administration at Erasmus University in Rotterdam. She then worked at the Dutch Ministry of Finance and did a stint at the IMF. Her last position at the Ministry of Finance was as Director General for the Budget. In her capacity as CPB director, Van Geest is a Crown-appointed member of the Dutch Social and Economic Council (SER).

Michiel Hietkamp:

"TACKLE THE UNIFORM CONTRIBUTIONS PROBLEM SOONER RATHER THAN LATER"

Young people have rapidly become an active force in the discussions about the future of the Dutch pension system. Michiel Hietkamp, chairman of the CNV Jongeren labor union for young workers, was an essential part of that transformation.

Hietkamp (28) thinks the shift in thinking about the system of uniform contributions is a good example of the greater influence now wielded by young people. He looks back to the gathering of the PensionLab on February 13, 2013, as a turning point. The PensionLab is a think tank established in 2012 by a coalition of youth organizations from several Dutch unions (CNV along with FNV and MHP), with the support of the pension insurance agency FVP and the Federation of Dutch Pension Funds. The director of the pension federation, Gerard Riemen, was also in attendance at that gathering in Zeist.

"That meeting was the first time Riemen said that the uniform contribution system did, in fact, have adverse effects and that it made sense to study alternatives," Hietkamp recalls. That was a breakthrough. For years in the pension industry, uniform contributions were considered untouchable and it was taboo to even think of messing with them. If that system were to fall, other pillars of the existing order, such as its mandatory nature and solidarity, would be undermined.

For their part, Hietkamp and other young pension experts were thrilled that their lobbying efforts against uniform contributions were finally starting to pay off. "This item is still high on our agenda," he adds. "The redistribution that results from the uniform contribution rates is out of date. It is one of the holes that has been shot in the system in recent years.

"Riemen was berated by half the industry back then, and that was only two years ago. A lot has changed in a very short time." Nowadays, even the Dutch Social and Economic Council (SER) is on board. Its recommendations on reforming the pension system mention the need to reconsider uniform contributions. However, the government's most eminent advisory body is not yet sure of the best way to overcome the drawbacks of the system.

As a member of the SER, and through his seat on the Labor Foundation's youth council, Hietkamp was involved in compiling those recommendations. "Our perspective was taken into account from the beginning," he says. "You are there, first and foremost, as a member of the

Labor Foundation anyway. That means you must represent a balanced distribution of interests. My role there is less of being a representative for young people."

Netspar has helped keep the discussion about system reform moving forward, according to Hietkamp. "The recommendations concerning the future of collective contracts, for instance, supplied a line of reasoning that took the discussion several steps further. It is great that Netspar resolves social issues with brainpower."

The chairman of CNV Jongeren wants to keep up the momentum. "I would tackle the uniform contributions problem sooner rather than later," Hietkamp says. "Every year that system remains in place means more undesirable redistribution. We're talking about 8 percent less pension savings. That's an average of 800 euros less pension per year. What's more, young people will be hit harder by the pension austerity measures as long as the uniform contribution system exists."

Transition Costs

In the entrenched real world, it will probably be several years before the system of uniform contributions is gone, not least of all because the transition costs are considerable. These are primarily related to covering the cost of compensating those workers who are adversely affected. The Netherlands Bureau for Economic Policy Analysis (CPB) has estimated this at a cool 100 billion euros. "There's no getting around it," says Hietkamp. "We cannot keep passing the buck. Obviously, the transition is going to be painful. That pain needs to be spread evenly. If necessary, I will be the bearer of the bad news. It makes no sense for us in the pension industry to hide behind actuarial computations."

The second reason for the longer term trajectory is that the discussions about the new system are far from over. Dutch State Secretary for Social Affairs and Employment Klijnsma has already announced that she thinks it's too early to make a final decision on the new pension system. Expectations are that this will not happen until the next cabinet is in session. Hietkamp realizes that the uniform contribution system is not going to disappear overnight. "What does need to happen soon is to start dismantling the system. It is similar to the mortgage interest deduction. That is also being gradually

phased out. The best thing would be for the social partners to present a proposal for the best way of switching over to degressive accrual."

So-called degressive accrual, whereby contributions remain steady and accrual diminishes as workers get older, is the most suitable alternative to the present system according to Hietkamp. "Rising contributions are not a good idea," states the union leader. The fact that some multinationals already base contributions on age is not a convincing argument in his mind. "Shell can do that, but for a bus company, the older drivers would become too expensive. Then the employer will try to replace them with younger, less costly employees," Hietkamp points out.

Engagement

The rise of the PensionLab has demonstrated that there are young people who want to learn all they can about pensions. "When we started, it was unclear whether we would be able to find enough interested people," admits Hietkamp. "That did not turn out to be a problem. It's not hard to find good people."

On the other hand, much of the research out there shows that pensions are still a distant concern for many young people. "The assertion that young people are not interested is too presumptive. You notice that when you start talking to them. As soon as you start asking about how much money they think they'll need to live when they're older, you can tell it's something they think about. It is important to have a dialogue about this, whether it be in schools or companies or on the internet," he stresses.

"Conversations with young people reveal that they want the pension system to be more transparent. They want to see how much money they've saved up over time. We hear that time and time again. If members can see how much money has been set aside for them, it gives them a feeling of control. Plus, it makes it easier to take action on your own if you have to."

Hietkamp is not worried that greater transparency will backfire and does not believe that members will leave the system if they see, for example, that the capital they have saved gets wiped out all at once if the member



Michiel Hietkamp

dies. "That is a consequence of sharing the longevity risk. It allows everyone to have a higher pension, so you just need to explain how it works," he claims. "It's all part of being transparent."

Another thing younger workers are demanding is more input in how their money is invested. "There needs to be a standard investment mix for people who don't want to have to decide," says Hietkamp. "But others should be able to choose between a conservative, neutral or aggressive investment strategy."

How the investment risks in the new system should be shared, among whom, has not yet been worked out. "The CPB has shown that risk-sharing still has its advantages," he explains. "We haven't yet figured out how to structure it all. That is another one of the items that needs to be further researched in the wake of the SER recommendations."

Hietkamp thinks it could be an interesting job for Netspar. "There is still a lot of research to be done on the economic implications of all sorts of changes to the pension system," he says. "Researchers could do society an enormous favor by using their brainpower to figure out how to make things more personalized."

Board Diversity

The young people in the unions and at the PensionLab do more than just think and talk about the ideal pension system. They are also prepared to roll up their sleeves and get down to work, which means they might get their hands dirty. "We train people in our Incubator who want to assume positions at accountability organi-

zations. We recently sent about thirty young people to work for such groups," Hietkamp says.

As part of an effort to increase diversity on pension fund boards, young people are also being groomed to assume administrative positions. Pension fund boards are still dominated by male executives over the age of 50. "We are going to get more young people onto boards," Hietkamp asserts. "We recently interviewed two candidates, and I expect that they will end up on a board soon."

He also believes that fewer board members will be needed in the future. "The trend towards consolidation will continue. Ten is the new hundred in our eyes. It would not surprise us if there were only ten large funds left in ten years' time. That will make it easier to have everyone save for retirement. It is incomprehensible that self-employed people are not currently required to save. What matters is that everyone be able to enjoy their old age, not whether you're an independent contractor or an employee. But that requires a system that is less rigid and can provide more customization. Our motto is: collective when needed, but individualized where possible."

Michiel Hietkamp

Michiel Hietkamp (1986), born in Eelde, studied labor law and philosophy in Groningen. He became the chairman of CNV Jongeren in July 2013. Before that, he worked as a project leader for the Municipality of Groningen, among other jobs. Through his labor union activities, he came into contact with the "New Top," an initiative to bring new blood to union leadership.

Gijs van Dijk:

"PENSION SYSTEM MUST CHANGE, BUT STILL BE COLLECTIVE"

Pensions are a matter of being in it for the long run. And that also applies to adapting the system to a changing labor market. Gijs van Dijk of the FNV union federation wants to allow time for this, but has also had to watch ruefully as some employers turn their back on the pension system.



Gijs van Dijk

FNV director Van Dijk rushes from a meeting to hastily convened negotiations, all while juggling a move from Amsterdam to Texel.

He doesn't want to see that kind of rushing in the quest for a sustainable pension system.

"The most important thing is that we calmly explore which system provides the best pension results," he says. "We mustn't rush into things. You can't take any chances when you're changing an entire system."

When Van Dijk joined the FNV executive committee in 2013, he encountered a divided confederation. The internal fight about pensions at the Dutch Trade Union Federation (FNV) had left lasting scars. The trade union was deeply polarized. Proponents of the Pension Agreement had run aground on the fervent opposition

of its opponents. The latter group had torpedoed the introduction of a real-value pension by successfully campaigning against the so-called casino pension.

"My first goal was that we be able in the union movement to have normal discussions about pensions again," says Van Dijk. "It's a topic that brings up a lot of emotions. Last year, we started just talking about pensions with our membership base – without any preconceived plan. We simply asked open-ended questions and involved union officials in those talks."

The answers to those questions, along with the results of membership surveys, were used to formulate a new pension vision. That vision was presented last October and also became FNV's contribution to the National Pension Dialogue.

"Everyone agrees that an indexed pension is a good pension," Van Dijk says. "That much is easy. It starts to get more complicated as soon as you try to explain which system has the best chance of providing that."

FNV members are strongly in favor of a collective system. They also value risk-sharing. But there are limits to their sense of collectivity and solidarity. "We heard from all sides that members want to be able to see how much money they have saved up," says Van Dijk. "Pension funds have to plainly show them how much money is reserved for them in the pension pot."

Moreover, FNV is convinced that sharing costs and risks in a mandatory, collective pension system yields tremendous benefits as a whole. "Costs are lower and you get better returns, and thus a better pension in the end for members," explains Van Dijk.

Another topic that keeps coming up is the call for more say in the investment policy. "Time and again our members say that they want to know what's happening with their money. Pension funds are getting really good at corporate social responsibility. At shareholder meetings, they are always proclaiming their opposition to exorbitant salaries for top executives. And they are more vigilant about their social and environmental policies. But there's always room for improvement, and that's what we continue to push for," Van Dijk says.

According to him a major plus in the current discussions about the future of the pension system is the search for a system that produces the best results and accommodates the dynamics of today's job market. "At first, there was a tendency to argue for a certain system. But that doesn't lead to an open discussion. All of the parties are then fixated on either a defined benefits or a defined contribution system."

Van Dijk is satisfied with the recommendations made by the Dutch Social and Economic Council (SER). He would not categorize them as being divided. "The SER recommendations discuss four possible options for the pension system. There was simply too little time to calculate the results of each of those options," he points out.

Van Dijk feels that this inventory of four variants fits in well with taking a calmer approach to the pension issue. "We have time," he stresses. "State Secretary Klijnsma will present the (government's) framework memorandum this spring. That will contain the building blocks for the next cabinet to work with. That gives us time to further explore the option with personal pension accounts."

Although Van Dijk does not want any hasty decisions to be made, he does realize they're working against the clock. "Some companies are already switching to entirely individual schemes," he explains, "and that is bad news. If businesses leave the collective system, there's no turning back. In that sense, there is pressure to reach a final decision."

But he is pleased with the outcome of the discussions with the SER. "At first, there was a difference of opinion about pensions being a condition of employment," he admits. "The employers originally wanted to be less involved in pension matters. But they came around. And the SER endorses the viewpoint that a pension is a condition of employment."

Four Models

The SER outlined four potential models for a reformed system. Model 1 has a nominal-based and a real-based version. It is the model that most closely resembles the current system. Model 2 consists of a basic national scheme. Model 3 is a purely individual system.

The employer pays a premium. It is then up to the employee to invest that money with a pension provider. Finally, Model 4 is rooted in the ideas of Lans Bovenberg and Theo Nijman. Members accrue pensions individually, but share such things as longevity risk and certain investment risks with one another. "This variant is interesting, but there are still many unknowns about that model. The SER will be further looking into that. Netspar will have to perform some of that research," Van Dijk says.

Models 1 and 2, which are both benefits agreements, rely on the controversial system of uniform contributions. "We can see that there are disadvantages associated with uniform contributions," he continues. "But that does not lead us to conclude that they should be abolished. Anyone calling for things to be totally different has an obligation to show how that is supposed to happen. It is easy to just say that uniform contributions have to go." Van Dijk realizes that this system is interlinked with the current pension system. "For some of the proposed changes, the uniform contribution system is a show-stopper – in terms of freedom of choice, say. Degressive accrual offers one solution, but then you still have the transition problem."

Independent contractors are a whole other matter. "The first point is that there is no one type of independent contractor. Some self-employed people can take care of themselves, but there is another group, on the margins of the labor market, that is saving almost nothing. Something has to be done for them. On the other hand, many independent contractors are opposed to mandatory participation in a pension scheme. We haven't yet decided whether you should entice or force the self-employed to enroll in a basic scheme."

The SER has not issued any clear advice on that point either. "That wasn't possible yet, anyway, because we are still awaiting the IBO report (from the government's Interministerial Policy Review) on independent contractors," Van Rijn continues. "That study is taking a more in-depth look at the position of self-employed workers. It will cover not only retirement, but also disability and unemployment. It's best to view this topic in the context of the whole picture. Retirement is just one of the issues."

The FNV director believes that the politicians must avoid presenting yet another incomplete proposal. "When the Pension Agreement was introduced, just a few sentences were devoted to the problem of conversion. The pension funds would take care of that. In the end, though, the complete introduction of the real-value pension broke down on that issue."

"There are still many more matters that need to be explored, such as the best way for investment risks to be shared. Part of that also involves defining the appropriate solidarity circles. That's why it is so essential for the pension industry to have Netspar as an academic institute. The interests are so vast that you want to be sure to make decisions based on independent research." Van Dijk cannot hazard a guess as to what the pension system will look like in ten years. "What I do know is that the value of a good pension goes beyond that of providing seniors with sufficient income. It is important for the Dutch economy of the future to have a large group of retirees with purchasing power. And a sustainable pension system is a precondition for that."

Gijs van Dijk

Gijs van Dijk (1980), former vice-chairman of the Dutch National Student Trade Union (LSVb), joined the Executive Committee of the Dutch Trade Union Federation (FNV) in 2013. He has a degree in sociology from the University of Amsterdam (UvA) and worked previously for the Dutch Council on Higher Professional Education and the General Union of Education. In addition to pensions, his portfolio includes healthcare and national insurance. Van Dijk has been a member of the Netspar Supervisory Board since November 1, 2014.



Gerard Rutten

Gerard Rutten:

"WE TAKE A FIRM STANCE ON RISK COVER AND STIMULATE WEALTH CREATION"

Employers see a pension as an important condition of employment.

But they also believe that it needs to be adapted to the enormous range of forms of employment. "We need to get going. The existing regulatory framework is becoming oppressive," says Gerard Rutten, director of DSM Pension Services.

As the director of DSM's company pension organization and a board member of the Federation of Dutch Pension Funds, Rutten is in the middle of the pension debate. He is involved in implementing new rules, such as the Financial Assessment Framework (FTK), as well as being thoroughly immersed in the future of the system as part of the federation.

"The changes in the labor market and call for clear rights of ownership are the main reasons for modifying the pension system," says Rutten. "We are seeing the rise of a growing number of different forms of employment. Workers also change roles more frequently. They might work as an independent contractor for a few years and then as an employee somewhere."

"We notice that as an employer, as well. All those forms of employment are treated differently for fiscal purposes. That's actually a form of unequal treatment. There needs to be more uniformity. Having a neutral fiscal framework regardless of employment form would be a step forward."

According to Rutten, pensions should fit all stages of life. "Today's greater diversity needs to be acknowledged. After all, pensions are a product meant to serve the needs of society," he points out.

He asserts that it is not employers' intention to increasingly distance themselves from providing pensions. "Employers do not want to turn their backs on their workers. They want a modern-day articulation of the partnership. And the pension condition of employment is part of that. Broadly speaking, you could say that we take a firm stance on risk cover and stimulate wealth creation."

As an example of that engagement on the part of employers, Rutten cites the way in which some businesses are dealing with the salary cap of 100,000 euros on pensions. The pension contribution for sums above that amount can no longer be deducted from the employees' taxable income. Employees who earn more than 100,000 euros are eligible to participate in a separate net pension scheme. "At DSM, we set up a net pension scheme for this group," he says. "Other employers, too, are arranging various matters for their employees."

"The net pension is still a small product for a small group, but it is conceivable that it will become attractive for a larger group in the future. With a net pension scheme, you have that combination of risk cover and saving. The coverage of the surviving dependent's pension is standard. In addition to that, employees are encouraged to set money aside for later."

"Netspar holds a unique position in the pension industry. With its innovative ways of thinking, the institute is also helping shape the modernization of pension products."

Haste Needed

In Rutten's view, haste is needed in reforming the pension system. "The new FTK is going to start taking a toll," he says. "If interest rates remain low, cost-effective contributions are going to rise. The question is whether the current system can survive long-term low interest rates. In that regard, I would like to see a greater sense of urgency."

He also hopes that, along the way, all of the parties will agree on the best pension system for the Netherlands. "If we designate a few spots on the horizon to set our sights on, we can then continue working out all the details," says Rutten.

But, according to him, the parties cannot even agree on the contours of the new system. He finds the SER's line of thinking (personal pension accounts with collective risk sharing) to be an interesting option deserving of further study.

"The consequences for certain generations of, for example, eliminating the uniform contribution system are unclear," he points out. "There is still a great deal to be calculated, explored and analyzed. And that is the perfect task for Netspar. We do need to acknowledge, though, that not everything can be captured in numbers. You can also compute a problem to death," says Rutten, a mathematician by training.

He believes Netspar is about more than computational power, though. "Netspar holds a unique position in the pension industry. With its innovative ways of thinking, the institute is also helping shape the modernization of pension products. In that way, it acts as a guide."

Rutten believes that calculating and exploring the various options can help everyone arrive at an objective that the social partners, politicians and regulators can all agree on. "If we study all sorts of options," he says, "then the decision that is eventually taken will be more accepted. If we can then close ranks, we can work toward adopting a new system from a position of strength."

The DSM man warns that we must not lose sight of the European context in making any big changes. "We are subject to European laws. Moreover, we have seen how workers are orienting themselves more toward the European job market. I do not feel those dimensions are being adequately addressed in the discussions about the pension system. That perspective is particularly important for multinationals."

Indexation

One of the matters Rutten brings up for discussion is the procedure for applying indexation. "The annual indexation of everyone's pensions is very important for the funds," he says. "But I sometimes wonder if that is equally important for everyone. It is certainly important to young workers, but someone over 80 is more concerned about not having their pension cut. We could use greater differentiation in that area."

Another area that needs to be addressed is the way in which pensions accrue. "The current system is highly focused on benefits," Rutten continues. "But I can imagine that pensions could become more of a form of capital entitlement. That is more comprehensible for participants and the ownership rights are clear. Eventually, that capital entitlement could be converted to benefits."

In the payout phase, as well, Rutten argues that pensions should be calibrated to stages of life. "In today's schemes, the surviving spouse receives a pension of, for instance, 70 percent if the pensioner dies. It is also conceivable that benefits would drop to 70 percent if a spouse dies. The person's living expenses would change then, too, from a two-person to a one-person household."

Rutten does worry about drawing too many connections between pensions, healthcare and housing. "There's a chance that those sorts of interrelationships will only increase the system's complexity. We need to be careful about that."

He also urges a measured response to introducing more freedom of choice. "Freedom of choice sounds nice, of course. But we must be aware not to undermine the most important pillar of the system, which is saving discipline, by offering people the option of contributing less. Young people, in particular, need to continue paying in their contributions, because their money can grow for a long time."

Rutten points to the experiences of his own son, who graduated last year with a degree in hydraulic civil engineering. He has now started working as a trainee at Heijmans. "He doesn't have a permanent job! I can explain how important it is to set money aside for later. But he still thinks the idea of retirement is so far off. He would rather save for a down payment to buy his own house or start his own company."

Gerard Rutten

Gerard Rutten (1958) was educated as a mathematical engineer. After a long career at DSM, he became director of DSM Pension Services, the administrator of the DSM Pension Fund. Rutten is also a member of the board at the Federation of Dutch Pension Funds and a member of the Working Party on Pensions at the Dutch Labor Foundation. At Netspar, he is a member of the Partner Research Council.



Netspar track:

Gijs Vereijken

"YOU ARE GIVEN A UNIQUE OPPORTUNITY TO NETWORK"

Gijs Vereijken just received his Master of Economics, Netspar track, from Tilburg University. He completed his thesis project at the Dutch pension provider PGGM and Rabobank on the topic of *Balance sheet alliances between Dutch banks and pension funds*. Vereijken is currently traveling through China while he decides exactly what he wants to do next.

China is a very interesting country, especially given the aging problem. Why did you choose it as a travel destination?

"It's true that it wasn't entirely coincidental," Vereijken says with a smile. "As part of my master's program, I wrote a paper on the Chinese pension system, which triggered my interest in the country. One of the major findings was that a tremendous number of people fall outside the scope of the pension coverage. Indeed,

during my trip I saw many elderly people living in poverty or still working in their old age to make ends meet." He met many other backpackers (including economists) from around the world and discovered that it is with good reason the pension system in the Netherlands is the third best in the world. "That experience gave me a broader perspective and changed my opinion of the Dutch pension system," he admits, "but I still think we need to reform it."

His main conclusion is that, in today's market conditions, it is very attractive for pension funds to invest in bank mortgages.

How do you think the pension system will change over the next ten years?

"I think there is going to be a shift in the Dutch pension system from collective pension schemes to more individual plans," he says. "As the job market becomes more flexible, there is a growing need in Dutch society for more flexible, and more transparent, pension plans. So, as opposed to collective defined benefit pensions, which were the most common type of scheme in the past, I think we are moving more toward individual defined contribution pensions." Vereijken adds another argument for this change: "There is an inherent transfer of wealth from young to old in the current system. You cannot justify that to my generation, in my opinion."

What do you think you learned with the Netspar track above and beyond what you would've gotten in a standard Master of Economics program?

It turns out it wasn't all about academics. "I learned a lot about pensions, in both theoretical and practical terms," he says. "With the company visits and possibility of writing your thesis while working at one of Netspar's partners, you see how things happen in real life, and of course, you are given a unique opportunity to network." As part of his thesis project, Vereijken researched a possible win-win collaboration between pension funds and the banking sector. The main conclusion of this was that, in today's market conditions, it is very attractive for pension funds to invest in bank mortgages. On the one hand, the banks maintain their customer relations, while achieving balance sheet reduction; on the other, the pension funds obtain a more optimal return on investment. "It could be very beneficial for pension funds, partnering with the banks, to gain control of the liquidity premiums," he points out, "since pension funds could use the banks' screening resources and thus

gain access to a category of assets with very attractive risk and return characteristics. You are already seeing an increase in activity in terms of transactions between banks and pension funds. A good example of that is the transaction between the health workers pension fund Pfw and Rabobank, in which Pfw assumed a portion of the risk for one of Rabobank's loan portfolios."

Your trip through China must certainly also be yielding new insights. What are you going to do once you're back in the Netherlands?

Vereijken ponders this seriously for a moment. "It has definitely taught me a lot and expanded my horizon," he says. "I have put off looking for a job until after my trip: I want to work in the pension industry. Due to the fact that, in my opinion, the industry is going to experience tremendous change in the next few years, I think it would be a great challenge to be part of that. I believe the pension industry in the Netherlands needs an influx of more young people to make the pension system future-proof, generation-neutral and more flexible."

RECENTLY PUBLISHED PAPERS

On this page, we present a list of the papers recently published as part of the Netspar series. Netspar publishes both Industry Papers (which target practical matters) and Academic Papers. You can find a complete list of all Netspar papers, along with the PDF versions, on our website, www.netspar.nl.

Industry Paper Series

A **Netspar Brief** spotlights certain research findings to bring them to the attention of a wide circle of pension professionals, policymakers and academicians. The point is to supply the building blocks for a well-informed debate on the Dutch pension system. In this new medium, research in the areas of pensions and aging is summarized, with a particular focus on analysis and interpretation.

Pensioen in discussie; risicodeling moeilijker/keuze binnen grenzen

Bonenkamp, Jan, Ewijk, Casper van, Lever, Marcel en Roel Mehlkopf

Netspar Brief 01 – Herfst 2014

Panel Papers provide a concise summary of the ever-growing body of scientific literature on the effects of an aging society and, in addition, provide support for a better theoretical underpinning of policy advice. They attempt to present an overview of the latest, most relevant research, explain it in non-technical terms and offer Netspar partners a summary of the policy implications. Panel Papers are presented for discussion twice a year at Netspar events. The panel members are made up of representatives of academic and private sector partners, along with international academics. Panel Papers are published on the Netspar website and also appear in a print version. Starting in April 2015, the Panel Papers will be given a new name under the Industry Paper Series: Survey Papers.

2014
Employability and the labour market for older workers in the Netherlands

Euwals, Rob, Stefan Boeters, Nicole Bosch, Anja Deelen en Bas ter Weel

Panel Paper 43 – November 2014

Project: Multi-pillar pension schemes and macroeconomic performance

In **NEA (Netspar Economic Advice) Papers**, authors outline their position on an important policy topic and provide argumentation for it. Although Netspar as a body is impartial, individual researchers have their own personal opinions, which they can express both within and outside of the Netspar network. Netspar simply provides a forum for exhaustive discussion. The authors present their NEA papers at Netspar events. NEA Papers are published on the Netspar website and also appear in a print version. Starting in April 2015, the NEA Papers will be given a new name under the Industry Paper Series: Opinion Papers.

2015
De dubbelhartige pensioendeelnemer. Over vertrouwen, keuzevrijheid en keuzes in pensioenopbouw

Dalen, Harry van en Kène Henkens

NEA Paper 58 – January 2015

2014
Een pensioenregeling voor zelfstandigen: De voor- en nadelen van opt-in

Mastrogiacomo, Mauro, Rik Dillingh en Klaas Bangma

NEA paper 57 – November 2014

Project: Second and a half pillar for the self-employed?

Persoonlijke pensioenrekeningen met risicodeling

Bovenberg, Lans en Theo Nijman

NEA paper 56 – October 2014

Innovaties in wonen, arbeid, pensioen en de rol van pensioenfondsen

Koedijk, Kees en Alfred Slager

NEA Paper 55 – September 2014

Design Papers discuss the design of a component of a pension system or product. A Netspar Design Paper analyzes the objective of a component and the possibilities for improving its efficacy. These papers are easily accessible for industry specialists who are responsible for designing the component being discussed. Design Papers are published by Netspar both digitally, on its website, and in print.

2015
Purchasing an annuity: Now or later? The role of interest rates
Markwat, Thijs, Roderick Molenaar en Juan Carlos Rodriguez
Design Paper 36 – February 2015
Beëindiging van de doorsneesystematiek. Juridisch navigeren naar alternatieven

Boeijen, Dick, Mark Heemskerk en René Maatman

Design Paper 35 – January 2015

2014
Intergenerational risk trading
Cui, Jiajia en Eduard Ponds
Design Paper 34 – December 2014
Project: Reconciling short term risks
Het algemeen pensioenfonds en de taakafbakening
Witte, Ivor

Design Paper 33 – November 2014

Habit formation: Implications for pension plans

Jong, Frank de en Yang Zhou

Design Paper 32 – November 2014

Pensioen, consumptiebehoeften en ouderenzorg

Knoef, Marike, Arjen Hussem, Arjan Soede en Jochem de Bresser

Design Paper 31 – September 2014

Verzekeraar en het reële pensioencontract. In hoeverre is een reëel pensioencontract uitvoerbaar door verzekeraars?

Brink, Jolanda van den, Erik Lutjens en Ivor Witte

Design Paper 30 – September 2014

EIOPA: bevoegdheden en rechtsbescherming

Witte, Ivor

Design Paper 28 – February 2014

De doorsneesystematiek in aanvullende pensioenregelingen:

Effecten, alternatieven en transitiepaden

Bonenkamp, Jan, Rianne Cox en Marcel Lever

Design Paper 27 – February 2014

Project: Multi-pillar pension schemes and macroeconomic performance

Illiquiditeit voor pensioenfondsen en verzekeraars.

Rendement versus risico

Driessen, Joost

Design Paper 26 – February 2014

Academic Paper Series

Discussion Papers are produced by all of Netspar's researchers and PhD students who are affiliated with one or more Netspar research programs or themes. These papers are written with a view to publication in important scientific journals. They generally pertain to the output of a research proposal funded by Netspar. Discussion Papers are discussed during Netspar activities and published digitally with a management summary on our website and via SSRN.

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Single again? Saving patterns when widowhood occurs
Rossi, Mariacristina en Eva Sierminska
DP 02/2015-004
Family pension benefits and maternal employment: Evidence from Germany

Thiemann, Andreas

DP 01/2015-003

Pricing and hedging in incomplete markets with model ambiguity

Balter, Anne en Antoon Pelsser

DP 01/2015-002

Project: Robust models for supervision

Point of no return: How do financial resources affect the timing of retirement after a job separation

Rutledge, Matthew

DP 01/2015-001

2014
The choice of sample size for mortality forecasting: A Bayesian learning approach
Li, Hong, Anja De Waegenaere en Bertrand Melenberg
DP 11/2014-072

Project: Risk management in funded pension systems

Keuzemogelijkheden binnen en tussen pensioenregelingen:

Niet voor elk wat wils

Delsen, Lei

DP 12/2014-071

A financial market model for the Netherlands

Draper, Nick

DP 03/2014–070

Social status and personality traits

Bucciol, Alessandro, Barbara Cavasso en Luca Zarri

DP 12/2014–069

Return expectations and risk aversion heterogeneity in household portfolios

Bucciol, Alessandro, Raffaele Miniaci en Sergio Pastorello

DP 12/2014–068

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Baele, Lieven, Joost Driessen, Londono Juan en Oliver Spalt

DP 12/2014–067

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The missing piece of the puzzle: Liquidity premiums in inflation-indexed markets

Driessen, Joost, Theo Nijman en Zorka Simon

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Balter, Anne, Antoon Pelsser en Peter Schotman

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Robust hedging in incomplete markets

Shen, Sally, Antoon Pelsser en Peter Schotman

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Project: Robust models for supervision

Robust long-term interest rate risk hedging in incomplete bond markets

Shen, Sally, Antoon Pelsser en Peter Schotman

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Kutlu-Koc, Vesile, Rob Alessie en Adriaan Kalwij

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Harry Timmermans

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Heuristic decision making in network linking

Harmsen – Van Hout, Marjolein, Benedict Dellaert en

Jean-Jacques Herings

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Mastrogiacomio, Mauro en Rob Alessie

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Zhenyu Li

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Honoré, Bo en Aureo de Paula

DP 10/2014–052

Divorcing upon retirement

Stancanelli, Elena

DP 09/2014–051

Spousal retirement and hours outcomes

Stancanelli, Elena

DP 11/2014–050

The retirement-consumption puzzle and unretirement

Kutlu-Koc, Vesile

DP 11/2014–049

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Consumption and portfolio choice under loss aversion and endogenous updating of the reference level

Bilsen, Servaas van, Roger Laeven en Theo Nijman

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Optimal asymmetric taxation in a two/sector model with population ageing

Fedotenkov, Igor

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Can the Dutch meet their own retirement expenditure goals?

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A welfare-theoretical perspective

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employment increase participation of older workers

Been, Jim en Olaf van Vliet

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DP 10/2014–043

Life in shackles? The quantitative implications of reforming the educational loan system

Heijdra, Ben, Fabian Kindermann and Laurie Reijnders

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Colophon

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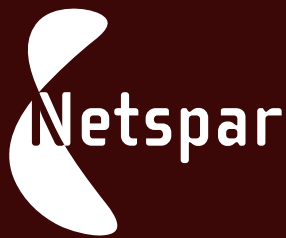
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