Social Security and Retirement Around the World: Lessons from a Long-Term Collaboration

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The decline in the labor force participation of older men throughout the 20th century, as well as the substantial increases in participation among older men and women over the past two decades, have generated substantial interest in understanding the effect of public pension programs on retirement decisions. This paper details the work of the National Bureau of Economic Research's International Social Security (ISS) Project, a long-term collaboration among researchers in a dozen developed countries, to explore this and related questions. The ISS project employs a harmonized approach to conduct within-country analyses that can be combined for meaningful cross-country comparisons. The key lesson learned from this project is that the choices of policy makers affect the incentive to work at older ages and that these incentives have important effects on retirement behavior. We also discuss lessons from the project for the Netherlands, one of the countries participating in the project.