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IMF Working Paper

Public Pension Reform: A Primer

Alain Jousten

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Fiscal Affairs Department

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Abstract

This Working Paper should not be reported as representing the views of the IMF.

The views expressed in this Working Paper are those of the author(s) and do not necessarily represent those of the IMF or IMF policy. Working Papers describe research in progress by the author(s) and are published to elicit comments and to further debate.

The present paper reviews key issues in pension design and pension reform encountered all across the world. The paper heavily refers to the recent U.S. Social Security reform debate in general and to the Personal Retirement Accounts proposal in particular. A particular emphasis is put on annuitization and risk-taking in the economy. Our discussion signals some inadequacy of the proposed measures with respect to the goals of viability of the system and individual financial security during retirement.

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