

## The Swedish Pension Reform

Hitotsubashi Winter Workshop on Pensions was held on the 10th -11th January 2002 at Le Port Kojimachi and the National Center of Sciences, Kanda, Tokyo. Mr. Bo Könberg (Leader of Liberal Party, Sweden), who ran the Swedish pension reform as Minister of State, presented the keynote address as the guest speaker.

On the 10th, Mr. Könberg and 24 members of Japan's parliament had a debate which shed light on the strength of the Swedish reform. The "direct link between benefit and contribution" and the automatic balancing mechanism are fundamental to the new Swedish pension system. The details of the 10th January meeting is published as the *PIE Proceedings* No. 5 (English version).

Many pension researchers participated in the 11th January workshop. Among those present, were Professors T. Ithori, K. Tanabe, and J. Kato (all from Univ. of Tokyo). Discussions focused on political aspects. Mr. Könberg particularly stressed the significance of a small-number working group of parliamentarians-only (excluding any persons with vested interests), and the leadership of the Minister of State himself.



Mr. Könberg, members of parliament and Prof. Takayama

## Experiments on Global Warming Gases

On the 10th January 2002, the 10th regular research symposium on "intergenerational equity and principles of cost-sharing in the context of global warming" was held at Hitotsubashi Univ., Kunitachi, Tokyo. Prof. Debraj Ray of New York University reported on the evaluative framework of conflicts caused by the polarization due to religion, geography and income. He further introduced an axiomatic approach to the measurement of the level of polarization, as well as a behavioral approach for clarifying the correlation between polarization and conflicts.

Then, Professors Tatsuyoshi Saijyo and Takao Kusakawa, both from Osaka University presented a series of experimental results concerning the transfer of rights to emit global warming gases. They discussed the cost-efficiency from the viewpoint of emissions trading system, emission reducing investment, and the system of liability, showing that if the buyer must bear the liability for the emission of global warming gases, it is more efficient to give priority to the duties on sales transactions rather than reduction-duties of the Kyoto protocol.

## The Future of Corporate Pensions

On the 18th February 2002, a seminar on retirement benefits was held at Le Port Kojimachi, Tokyo. Mr. M. Usuki (NLI Research Institute), Mr. H. Urata (NISSAY), and Prof. O. Mitchell (Pennsylvania Univ.) gave in-depth reports on the future Japanese and American corporate pensions. Lively opinion-exchange on 401k type pensions, hybrid pensions, etc., took place. Also, insightful questions were asked on the Bush Strengthening Social Security Commission's report. Prof. Mitchell participated as a member of the Bush SSSC. The questions included those on the proposed change of past income revaluation. Presentation sheets and report papers are available from the website (<http://www.ier.hit-u.ac.jp/jprc/>).



Prof. Mitchell (right)



Prof. Islamov



Dr. Kowalska

## Transition Economies

An international workshop on intergenerational equity in transition economies was held on the 23rd February 2002 at Sano-shoin, Hitotsubashi Univ., Tokyo. The topics ranged from population movements, labor market and pension reform of the former Soviet Union and Middle/Eastern European Countries that are aiming at a shift to market economy. Reporters were: Dr. A. Simonovits (Institute of Economics, Hungary), Mr. M. Vilitova (Czech Labor and Social Affairs Research Institute), Dr. I. Kowalska (Warsaw Research Center of Population and Statistics), Mr. B. Tafradjijiski (Bulgaria Club ECONOMIKA 2000), Prof. R. Shadiev (Uzbekistan University of World Economy and Diplomacy), Prof. B. Islamov (Uzbekistan Banking Academy), Mr. Y. Sorokina (Russia National Statistics Committee), Prof. S. Tabata (Hokkaido Univ.), and Prof. S. Otsu (Kobe Univ.).

## Measuring Intergenerational Equity

The 11th regular research symposium on "intergenerational equity and principles of cost-sharing in the context of global warming" was held on the 1st March 2002 at Hitotsubashi University, Tokyo. Prof. Volker Boem of the University of Bielefeld presented a paper on the measurement of intergenerational equity in the context of the theory of economic growth. After reporting on the relationship between the Pareto optimum and the steady state in a dynamic model, he discussed intergenerational externality and pointed out that the current-to-future sequential structure of generations causes an intertemporal externality among the overlapping generations. Furthermore, Dr. Reiko Gotoh of the National Institute of Population and Social Security Research discussed the normative aspect of public good and the social decision-making system.