1.	Record Nr.	UNINA9910454273803321
	Titolo	Risk aspects of investment-based social security reform [[electronic resource] /] / edited by John Y. Campbell and Martin Feldstein
	Pubbl/distr/stampa	Chicago, : University of Chicago Press, c2001
	ISBN	1-282-00477-8 9786612004773 0-226-09256-9
	Descrizione fisica	1 online resource (509 p.)
	Collana	A National Bureau of Economic Research conference report
	Altri autori (Persone)	CampbellJohn Y FeldsteinMartin S
	Disciplina	368.4/3/00973
	Soggetti	Privatization - United States Social security - United States Social security - United States - Finance Electronic books.
	Lingua di pubblicazione	Inglese
	Formato	Materiale a stampa
	Livello bibliografico	Monografia
	Note generali	Papers presented at a NBER conference held in Islamorala, Florida, January, 1999.
	Nota di bibliografia	Includes bibliographical references and indexes.
	Nota di contenuto	Frontmatter -- Contents -- Preface -- Introduction -- 1. Asset Allocation and Risk Allocation: Can Social Security Improve Its Future Solvency Problem by Investing in Private Securities? -- 2. The Transition to Investment-Based Social Security When Portfolio Returns and Capital Profitability Are Uncertain -- 3. The Effect of Pay-When-Needed Benefit Guarantees on the Impact of Social Security Privatization -- 4. Can Market and Voting Institutions Generate Optimal Intergenerational Risk Sharing? -- 5. The Social Security Trust Fund, the Riskless Interest Rate, and Capital Accumulation -- 6. Social Security and Demographic Uncertainty: The Risk-Sharing Properties of Alternative Policies -- 7. The Risk of Social Security Benefit-Rule Changes: Some International Evidence -- 8. Financial Engineering and Social Security Reform -- 9. The Role of Real Annuities and Indexed Bonds in an Individual Accounts Retirement Program -- 10. The Role of International Investment in a Privatized Social Security System -- 11. Investing Retirement Wealth: A Life-Cycle Model -- Contributors -- Author Index -- Subject Index

Sommario/riassunto

Our current social security system operates on a pay-as-you-go basis; benefits are paid almost entirely out of current revenues. As the ratio of retirees to taxpayers increases, concern about the high costs of providing benefits in a pay-as-you-go system has led economists to explore other options. One involves "prefunding," in which a person's withholdings are invested in financial instruments, such as stocks and bonds, the eventual returns from which would fund his or her retirement. The risks such a system would introduce-such as the volatility in the market prices of investment assets-are the focus of this offering from the NBER. Exploring the issues involved in measuring risk and developing models to reflect the risks of various investment-based systems, economists evaluate the magnitude of the risks that both retirees and taxpayers would assume. The insights that emerge show that the risk is actually moderate relative to the improved return, as well as being balanced by the ability of an investment-based system to adapt to differences in individual preferences and conditions.