

Abstract

Pension Systems in European Countries and Croatia: Crisis, Reforms and Perspectives

RESEARCH PAPER

Vlado Puljiz*

This paper deals with pension systems in Europe and in Croatia. First it provides an overview of the beginnings of pension systems, their expansion after World War II and their crisis that started in the mid 1970s. Today pension systems are facing enormous challenges, such as demographic regression, financial pressures to enable competitiveness on the globalized market, transformation of economy, particularly of the labor market, and strong resistance of citizens to pension reforms. The paper discusses the various measures undertaken by European countries to adjust pension systems to the new social and economic environment. The paper also describes the Croatian pension system and its transformations in the past decades, pointing out the current issues facing the Croatian pension system and its probable directions of change. It is concluded that long-term sustainability of the pension system depends primarily on economic growth and a diversified financing structure.

Keywords: pension system, pension system crisis, pension reforms, Croatian pension system

JEL classification: G23, H55, J32

* Vlado Puljiz, Professor Emeritus, University of Zagreb, Faculty of Law, Zagreb, Croatia, e-mail: vlado.puljiz@zg.htnet.hr.