

Brits and Germans have very different views on the future of state pensions

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British and German citizens have very different views on whether or not their governments should continue to provide a state pension in the years ahead, according to new research by the University of Kent.

Researchers interviewed 34 individuals from both nations in a series of 'democratic forums' where they debated the subject of pension reforms. The focus was on how pensions should be provided by governments in the years ahead in response to increasing life expectancy and a widening income divide.

In Germany, despite an understanding it is becoming very expensive to provide a state pension, there was a consensus that these payments should continue to ensure, as a minimum, there is no old-age poverty among its population.

The role of private pensions was seen as something that should be left open to individuals to choose to pay into if they wished to 'top-up' their entitlements in retirement.

However, the British forum struggled to reach a consensus, with some arguing the <u>government</u> always had some role to play in providing a state pension, while others said it placed too greater strain on the <u>welfare state</u> and private pensions should be made compulsory to reduce the burden.

Those who said it should remain argued that scrapping a state pension would be another example of inter-generational unfairness as previous



generations have benefitted from state pensions that are now being labelled unaffordable and taken away from younger generations.

Others favoured proposals also made by the Germans where a state <u>pension</u> would be available to individuals to prevent old-age poverty, but not as a right for everyone.

The research also examined British and German attitudes to the role of governments in providing state-run childcare services. Here there was greater alignment in views, with both forums agreeing government should intervene to offer state-funded childcare from ages 0-3.

However, the two groups did so for very different reasons: UK participants tend to justify the provision of childcare in economic terms, by enhancing the employability of new mothers and thereby increasing labour market participation to improve tax revenues.

In Germany the rationale was more socially orientated to ensure families had the choice as to whether or not they wanted to return to work, thereby promoting gender equality.

Lead researcher Professor Peter Taylor-Gooby from the University's School of Social Policy, Sociology and Social Research, said: 'The results show the complexities at the heart of two pressing issues facing advanced Western governments. In the UK people have an economic, market-orientated view towards these decisions, whereas in Germany there is more acceptance of the 'social good' that should be factored into certain policies.'

More information: PETER TAYLOR-GOOBY et al, Regimes, Social Risks and the Welfare Mix: Unpacking Attitudes to Pensions and Childcare in Germany and the UK Through Deliberative Forums, *Journal of Social Policy* (2019). DOI: 10.1017/S004727941800079X



Provided by University of Kent

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