

“Distributional Consequences of Retirement Policies.”

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Abstract

Are we saving enough for retirement? This concern of households and policymakers is warranted. This is because the two distinct life-cycle stages, the working stage and the retired stage are characterized by uncertainties such as uninsurable income shocks (e.g. health shocks, temporary job loss) and uncertain duration of the retirement stage. Policymakers design policies such as superannuation and voluntary retirement contributions to mitigate these uncertainties and enable households to allocate enough resources for retirement. The objective of this project is to study these interactions for the Australian and US economy using a quantitative macroeconomic framework and examine the distributional consequences of retirement policies.