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NAKE Bulletin 01-09 September 18, 2001  
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## CONTENTS

1. NAKE Day 2001: Last all for papers!
2. Workshop on Ageing and International Capital Flows

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## 1. NAKE DAY 2001: LAST CALL FOR PAPERS

The NAKE Day 2001 takes place on October 12, 2001.

If you want to present a paper in one of the parallel sessions, please mail an abstract (maximum 200 words) to the NAKE secretariat (NAKE@kub.nl) as soon as possible, but **NO LATER THAN SEPTEMBER 21!**

As last year, the NAKE Day will be combined with the Tinbergen Lecture organised by the Royal Netherlands Economic Association (KVS). Location is the Dutch Central Bank in Amsterdam.

### Provisional Program

- 9.00 Registration
- 9.15 Opening
- 9.30 Parallel sessions
- 11.00 Coffee
- 11.30 Parallel sessions
- 13.00 Lunch
- 14.00 Parallel sessions
- 15.30 Tea
- 16.00 Tinbergen Lecture: Jacques Dreze (CORE)
- 16.45 Tinbergen Lecture: Frank Vandenbroucke (Belgian federal minister of social affairs)
- 17.30 Drinks

### Fee

The fee is Dfl. 50,-, which includes your lunch and drinks. Members of the Royal Netherlands Economic Association (Koninklijke Vereniging voor de Staathuishoudkunde) pay a reduced fee of Dfl. 20,-. Please pay the exact amount cash at the registration desk on the NAKE

Day.

Registration

For more information and registration see the NAKE home page:  
<http://few.kub.nl/nake/nakedayinfo.htm>

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## 2. WORKSHOP AGEING AND INTERNATIONAL CAPITAL FLOWS

Workshop on the net foreign capital income as source for old age expenditure in Europe in the coming decades

Objective

The European population is ageing for two reasons: decreasing birth rates and increasing life expectancy. This implies that an increase in the dependency ratio will go hand in hand with a decrease in the growth rate of working age population. In 2020 labour supply in Europe is roughly at its current level; on average Europe will see a zero growth in potential employment during the coming two decades. The combination of a high dependency ratio and stationary employment puts pressure on the financing of pensions and health expenditure. To relieve this pressure pensions systems could be (more) capital-funded. However, large-scale investment at home is likely to depress the return on capital to low rates, especially since employment growth is virtually zero.

Investments abroad could avoid the problem of low rates of return. Especially developing countries may offer abundant investment possibilities. Their labour force will still be growing significantly in the coming decades, and technical progress is expected to be large since these countries can exploit their potential to catch-up with developed countries. However, since developing countries are likely to account for less than 40% of world production in 2020, the funding of pensions cannot rely too heavily on capital income from emerging economies. Therefore, it is worthwhile to consider differences among developed countries. While ageing start early in Japan, the United States is expected to see an annual employment growth rate of 0.7% until 2020. That means that one might expect considerable capital flows among these three OECD areas. Also within Europe, there is scope for intertemporal trade.

In summary, the workshop will focus on current account dynamics and net foreign capital income as source for old age expenditure in Europe during the coming decades. Besides, the contrast between OECD and non-OECD as well as differences within Europe deserve attention, and the effect of domestic pensions reforms on external finance of OECD-countries also requires consideration.

The workshop is sponsored by the European Network of Economic Policy Research Institute (ENEPRI) with financial aid from the European Commission's 5th Framework Programme. Both members of the network and non-members are invited to give presentations. The programme consists of two days, with approximately six presentations each day, and will provide opportunity for discussions. The proceedings, including the presented papers, will provide input for policy discussions in the European Union and in its member states on the long-term budgetary consequences of ageing.

Date 16 and 17 November

Location The Hague, Netherlands

Chair Casper van Ewijk (CPB Netherlands Bureau for Economic Policy Analysis)

Organisers Jean Chateau (CEPII)  
Arjan Lejour and Paul Tang (CPB Netherlands Bureau for Economic Policy Analysis)

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