

The Center on Capitalism and Society at Columbia University, the Faculty of Economics and Business Administration and the Institute of Economic Studies at the University of Iceland announce a conference on:

## **Aging Baby Boomers, Pensions and Medical Benefits, and Consequences for Dynamism, Prosperity and Growth**

16-17 June 2005

Reykjavík, Iceland

The subject of the conference is the consequences for dynamism, prosperity and growth from the anticipation of the huge bulge of pension and medical benefits created by the retirement and old age of the baby boom generation in the typical OECD country. Will most of these countries - and the world economy - come sailing through with little adverse effect? Or will the prospect be a challenge to capitalism and in fact a test of every sort of market system?

### **Program**

**Thursday, 16 June**

**12:00 - 12.15**

Welcome: Gylfi Magnússon, Dean of the Faculty of Economics and Business Administration

Opening remarks: Edmund S. Phelps, Columbia University

**12:15-15:15 Session I (Chair: Þráinn Eggertsson)**

Robert A. Mundell, Columbia University: "TBA"

Laurence J. Kotlikoff, Boston University: "*The Coming Generational Storm*"

Hian Teck Hoon and Edmund S. Phelps: "*Channels and Mechanisms Linking Future Budgetary Shocks to Real Prices and Present Activity.*"

Session Discussant: Pentti Kouri

**16:00-17:30** Reception at the American Embassy in Reykjavík

**18:00** Dinner by invitation of the President of Iceland

**Friday, 17 June**

**9:30-12:30 Session II (Chair: Jónas Haralz)**

Jeffrey D. Sachs, Columbia University: “*TBA*”

Jeremy Siegel, University of Pennsylvania: “*The Impact of Demography on the retirement age and world trade flows*”

Jason Furman, New York University: “*Coping with Demographic Uncertainty*”

Session Discussant: Agnar Sandmo, Norwegian School of Economics and Business

Lunch at the Hotel Saga 12.30-14.00

**14:00-16:00 Session III (Chair: Gylfi Zoega)**

Torben Andersen, Aarhus University: “*Ageing and the Welfare State*”

Tryggvi Thor Herbertsson, University of Iceland: “*Disability Pensions in Iceland – A Story of Misplaced Incentives*”

Session Discussant: Andrzej Rapaczynski, Columbia University

**16.00-16.15** Coffee break

**16.15-17.15 Panel discussion**

Torben Andersen, Luigi Paganetto, Agnar Sandmo, Geir H. Haarde (Minister of Finance).

Dinner at the Sjavarkjallarinn 19.00-22.00

Local organizers: Gylfi Zoega (University of Iceland) and Tryggvi Herbertsson (Institute of Economic Studies, University of Iceland).

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