VOLUME 12

Journal of Pension Economics & Finance



JOURNAL OF PENSION ECONOMICS AND FINANCE

Published in association with the International Organisation of Pension Supervisors (IOPS) and the Organisation for Economic Co-operation and Development (OECD)

Senior Editors

Lans Bovenberg, Tilburg University, the Netherlands Olivia S. Mitchell, The University of Pennsylvania, USA Mike Orszag, Towers Watson, UK

Managing Editor André Laboul, OECD and IOPS, France

Julie Agnew, The College of William and Mary, USA Monika Bütler, University of St. Gallen, Switzerland Courtney Coile, Wellesley College, USA Steven Haberman, Cass Business School, City University

London, UK **Book Review Editor**

John Piggott, The University of New South Wales, Australia

Editorial Board

Pablo Antolin, OECD, France

James Banks, University College London, UK Hazel Bateman, The University of New South Wales, Australia

Axel Börsch-Supan, University of Mannheim, Germany Jeffrey R. Brown, University of Illinois at

Urbana-Champaign, USA

Agar Brugiavini, University Ca' Foscari of Venice, Italy

Laurent Calvet, HEC Paris, France

James Choi, Yale University, USA

Robert Clark, North Carolina State University, USA Joao Cocco, London Business School, UK

Richard Disney, University of Nottingham, UK

Carl Emmerson, Institute for Fiscal Studies, UK

Gary V. Engelhardt, Syracuse University, USA

Eric French, Federal Reserve Bank of Chicago, USA

Leora Friedberg, University of Virginia, USA

Vincenzo Galasso, Bocconi University, Italy

Christian Gollier, Toulouse School of Economics, France

Richard Hinz, The World Bank, USA

Jennifer Huang, CKGSB, China

Tullio Jappelli, University of Naples Federico II, Italy

Alain Jousten, University of Liège, Belgium

Christian Keuschnigg, University of St. Gallen, Switzerland

Geng Li, Federal Reserve Board, USA

Michael Haliassos, Goethe University, Germany

Joshua Rauh, Stanford University, USA Juan Yermo, OECD, France

David Love, Williams College, USA

Editorial Manager

Nina Paklina, OECD, France

Jean-Marie Lozachmeur, Toulouse School of Economics, France

Alexander Ludwig, University of Köln, Germany

Annamaria Lusardi, Georgetown University, USA

Brigitte Madrian, Harvard University, USA

Nicole Maestas, RAND, USA

Kathleen McGarry, UCLA, USA

Alex Michaelides, University of Cyprus, Cyprus

Pierre-Carl Michaud, Université du Québec à Montréal,

Moshe A. Milevsky, York University & The IFID Centre,

Toronto, Canada

Kevin Milligan, University of British Columbia, Canada

Naohiro Ogawa, Nihon University, Japan

Leslie E. Papke, Michigan State University, USA

Pierre Pestieau, University of Liège, Belgium

Jonathan Reuter, Boston College, USA

Andrew Samwick, Dartmouth College, USA

Clemens Sialm, University of Texas at Austin, USA

Kent Smetters, University of Pennsylvania, USA

Fiona Stewart, Global Capital Markets, USA

Arthur van Soest, Tilburg University, Netherlands Guglielmo Weber, University of Padua, Italy

Joachim Winter, LMU Munich, Germany

SUBSCRIPTIONS

Journal of Pension Economics and Finance (ISSN 1474-7472; electronic ISSN 1475-3022) is published four times a year in January, April, July and October. Four parts form a volume. The 2013 subscription price (excluding VAT) of a volume, which includes print and electronic access, is £206.00 (US \$324.00 in US, Canada and Mexico); £35.00 (US \$53.00) for individuals, which includes print only, ordering direct from the publishers and certifying that the journal is for their personal use. The electronic-only price available to institutional subscribers is £185.00 (US \$295.00 in US, Canada and Mexico). Single parts are £55.00 (US \$88.00 in US, Canada and Mexico) plus postage. EU subscribers (outside the UK) who are not registered for VAT should add VAT at their country's rate. VAT registered members should provide their VAT registration number. Japanese prices for institutions (including ASP delivery) are available from Kinokuniya Company Ltd, P.O. Box 55, Chitose, Tokyo 156, Japan. Special rates are available to a number of linguistic societies and associations.

Orders, which must be accompanied by payment, may be sent to a bookseller, subscription agent or direct to the publisher: Cambridge University Press, The Edinburgh Building, Shaftesbury Road, Cambridge CB2 8RU; or in the US, Canada and Mexico: Cambridge University Press, Journals Fulfillment Department, 100 Brook Hill Drive, West Nyack, New York 10994-2133, US. Periodicals postage paid at New York, NY and at additional mailing offices.

This journal is registered with the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923, US. Organizations in the US who are also registered with the C.C.C. may, therefore copy material (beyond the limits permitted by, sections 107 and 108 of US Copyright law) subject to payment to the C.C.C of the per copy fee of \$16.00. This consent does not extend to multiple copying for promotional or commercial purposes. Code 1474-7472/13. ISI Tear Sheet Service, 3501 Market Street, Philadelphia, PA 19104, US, is authorized to supply single copies of separate articles for private use only. Organizations authorized by the Copyright Licensing Agency may also copy, material subject to the usual conditions. For all other use, permission should be sought from Cambridge or from the American Branch of Cambridge University Press.

Journal of Pension Economics and Finance and all other Cambridge journals can be accessed via journals.cambridge.org

© Cambridge University Press 2013

ISSN 1474-7472

Printed in the United Kingdom by MPG Printgroup Limited