**Welfare Systems**

Prof. Silvia Platoni

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course illustrates the characteristics of social protection systems from an institutional and economic analysis point of view. The topics covered focus on the compulsory pension system and supplementary pension, with reference to the Italian situation and the coordination of social protection policies between European Union countries.

At the end of the course, the student:

* will have acquired knowledge and will have developed understanding and learning skills of the technical and economic aspects of retirement savings and pension management;
* will be able to apply and to integrate his/her knowledge, to formulate autonomous judgments, and to communicate his/her conclusions on the aspects characterizing the social security systems and the reforms underway in Italy and the EU.

***COURSE CONTENT***

1. Economics of risk and economics of savings

1.1 Risk and risk aversion, insurance, and information asymmetries (adverse selection and moral hazard)

1.2 The theory of intertemporal choices in microeconomic analysis and macroeconomic analysis

2. Social security systems and compulsory pension systems

2.1 Welfare systems: reasons for social insurance, welfare state models, financing, and sustainability

2.2 Pension systems (types, balance, and equity) and the Italian pension system (historical notes and reforms)

3. Supplementary welfare and coordination in the EU

3.1 Supplementary pension: (a) development and types of supplementary pension funds; (b) regulation and reference legislation, portfolio management, and tax treatment

3.2 Coordination of social security policies in the EU

***READING LIST***

The reference text is S. Platoni, *Sistemi di Welfare: aspetti teorici e sistema previdenziale italiano*, typescript available on the Blackboard platform <http://ilab.unicatt.it/ilab-blackboard-per-gli-studenti-accesso-a-bb-icatt>. Further reading and other reference material will be provided during the course and will be available on the Blackboard platform <http://ilab.unicatt.it/ilab-blackboard-per-gli-studenti-accesso-a-bb-icatt>.

***TEACHING METHOD***

In the class lectures the topics are first introduced from a purely theoretical point of view and then deepened through examples and/or exercises aimed at assimilating the topics themselves.

***ASSESSMENT METHOD AND CRITERIA***

Learning outcomes are evaluated through a written exam (80% of the course grade) and a group project (20% of the course grade), which in certain cases endorsed by the teacher may be replaced by an individual project.

The written exam consists of two theoretical questions and one practical question (exercise): each question carries a maximum score of 8/30 points for a total of 24/30. Both the group project and the individual project consist of a critical analysis of a scientific article; whereas in the first case the written assignment is presented in the classroom in front of all the other groups, in the second case it is discussed with the teacher; both assign a maximum score of 6/30 points.

The student will be assessed on his/her rigour when analysing the course topics, and his/her ability to reason, to summarise, and to draw autonomous and appropriate connections between the different topics covered in the course: in particular, whereas the written exam aims to verify the acquired knowledge and the analytical capacity, the assignment and the presentation resulting from the group project aim to verify the capacity of integrating and applying knowledge, of critical elaboration, and of communication.

***NOTES AND PREREQUISITES***

Course attendance, although not compulsory, is strongly recommended. Students must possess a basic conceptual knowledge of microeconomics (notions of uncertainty and insurance), macroeconomics, and public economics (notions of the welfare state).

Information on office hours is available *on line* on the teacher’s personal page at <http://docenti.unicatt.it/eng/silvia_platoni/>.