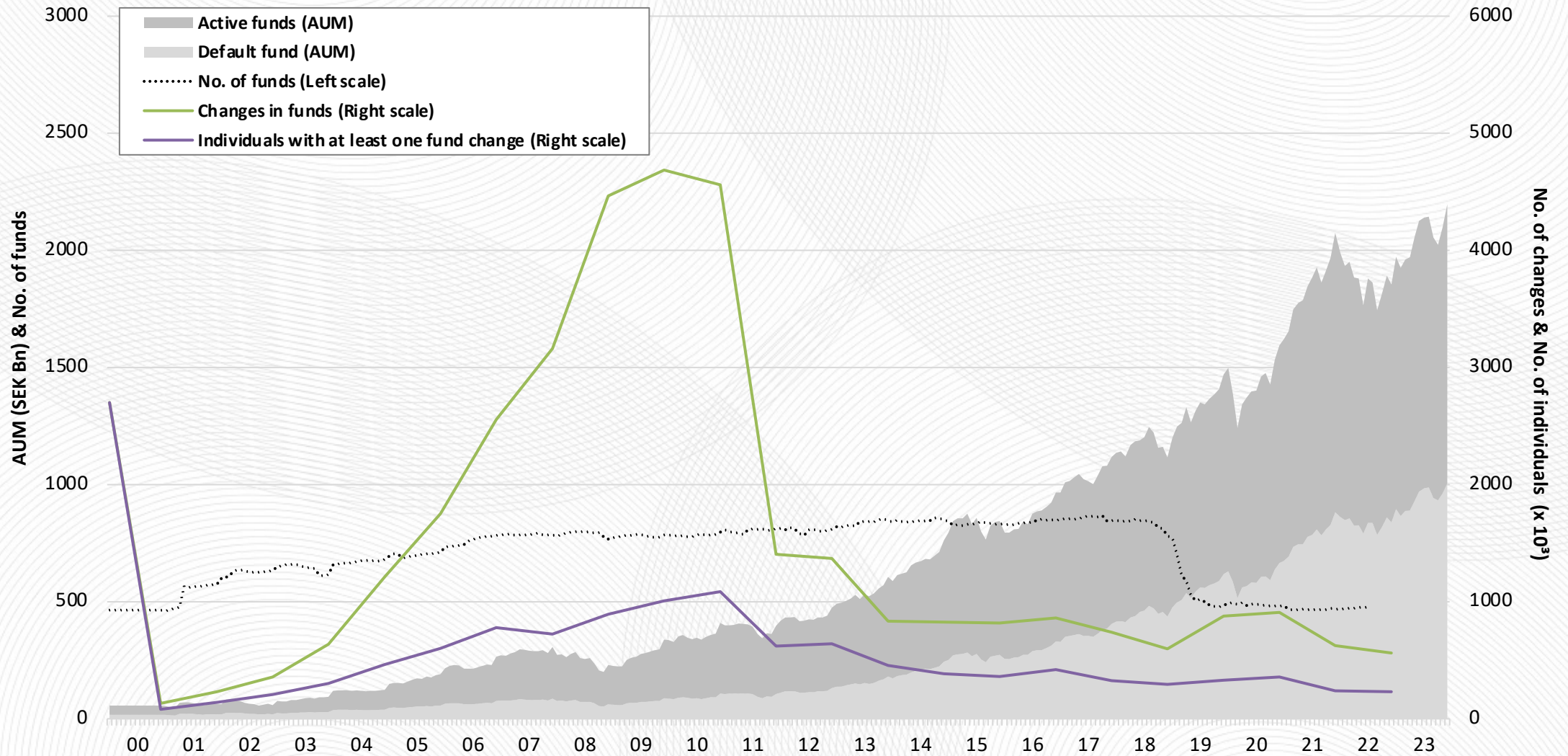


Choices in the Premium Pension System

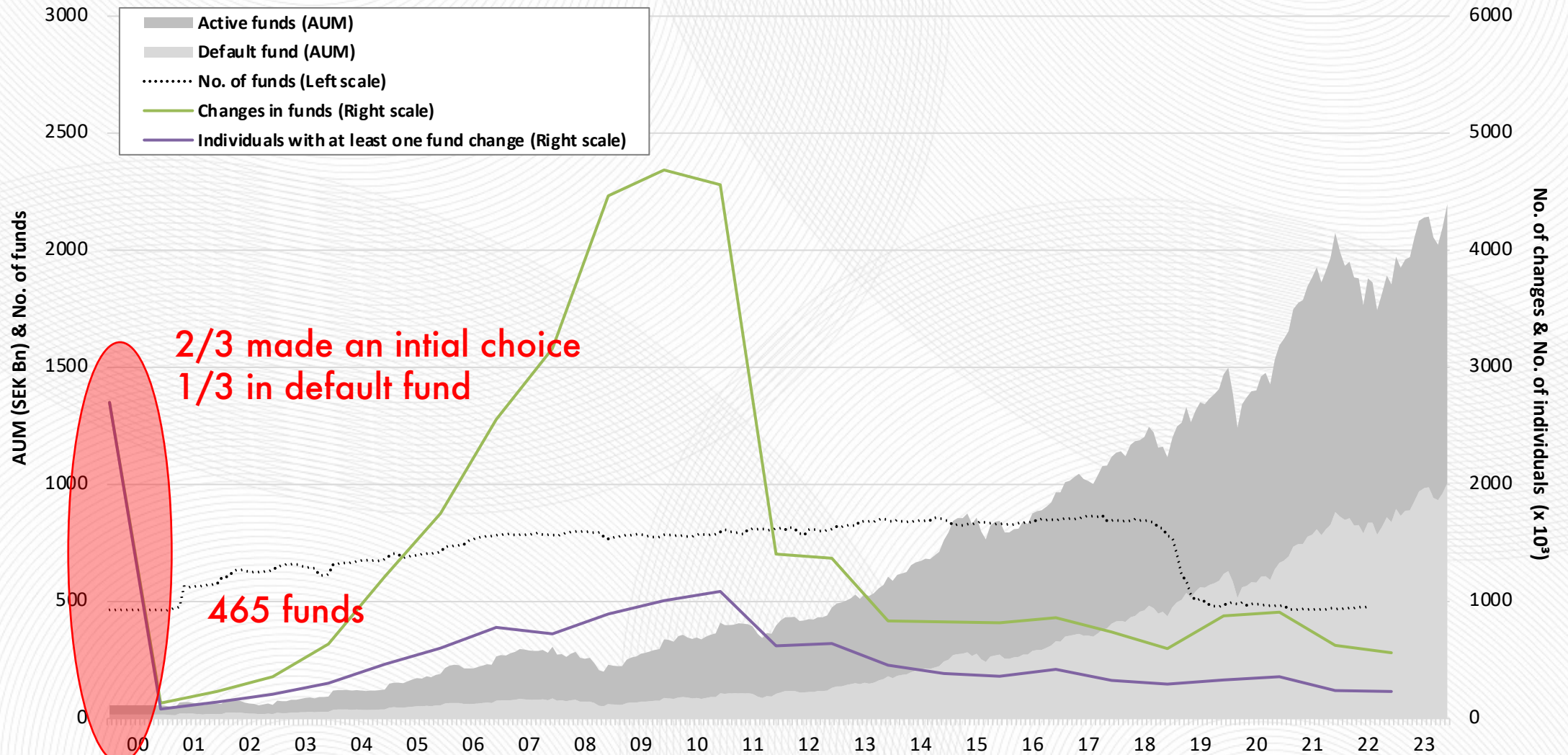
Anders Anderson
Swedish House of Finance

March 2024

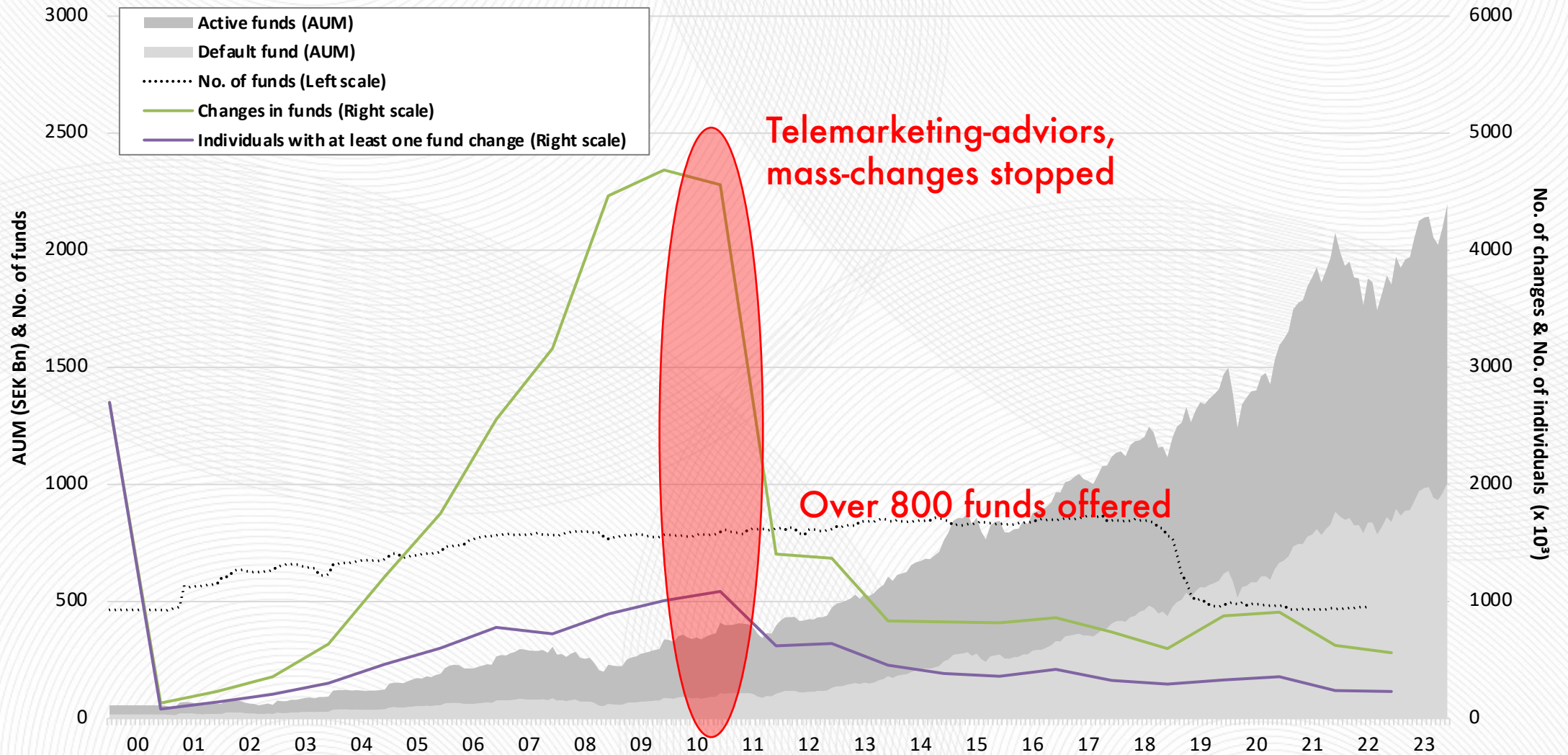
The Swedish Premium Pension System



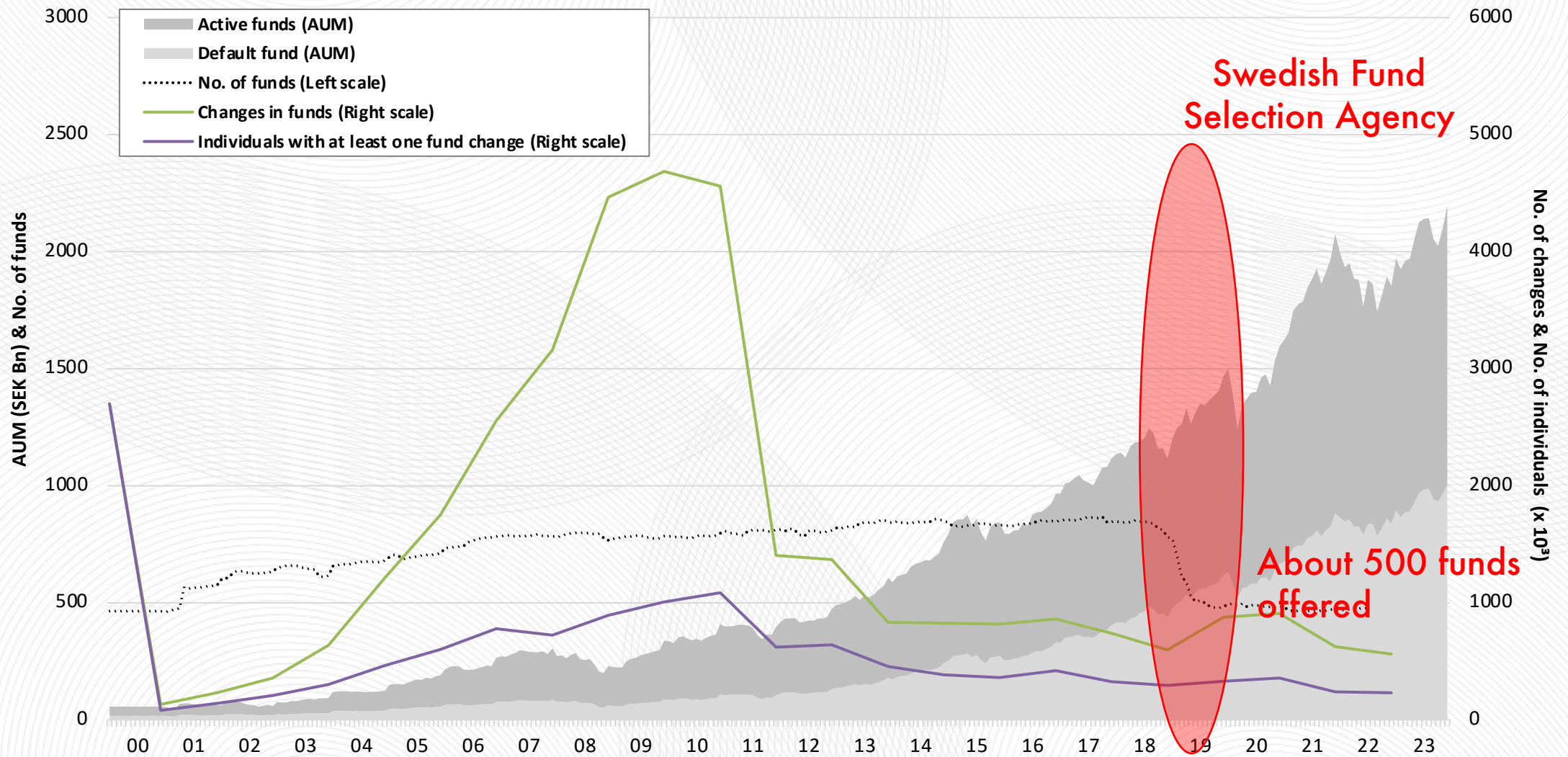
The Swedish Premium Pension System



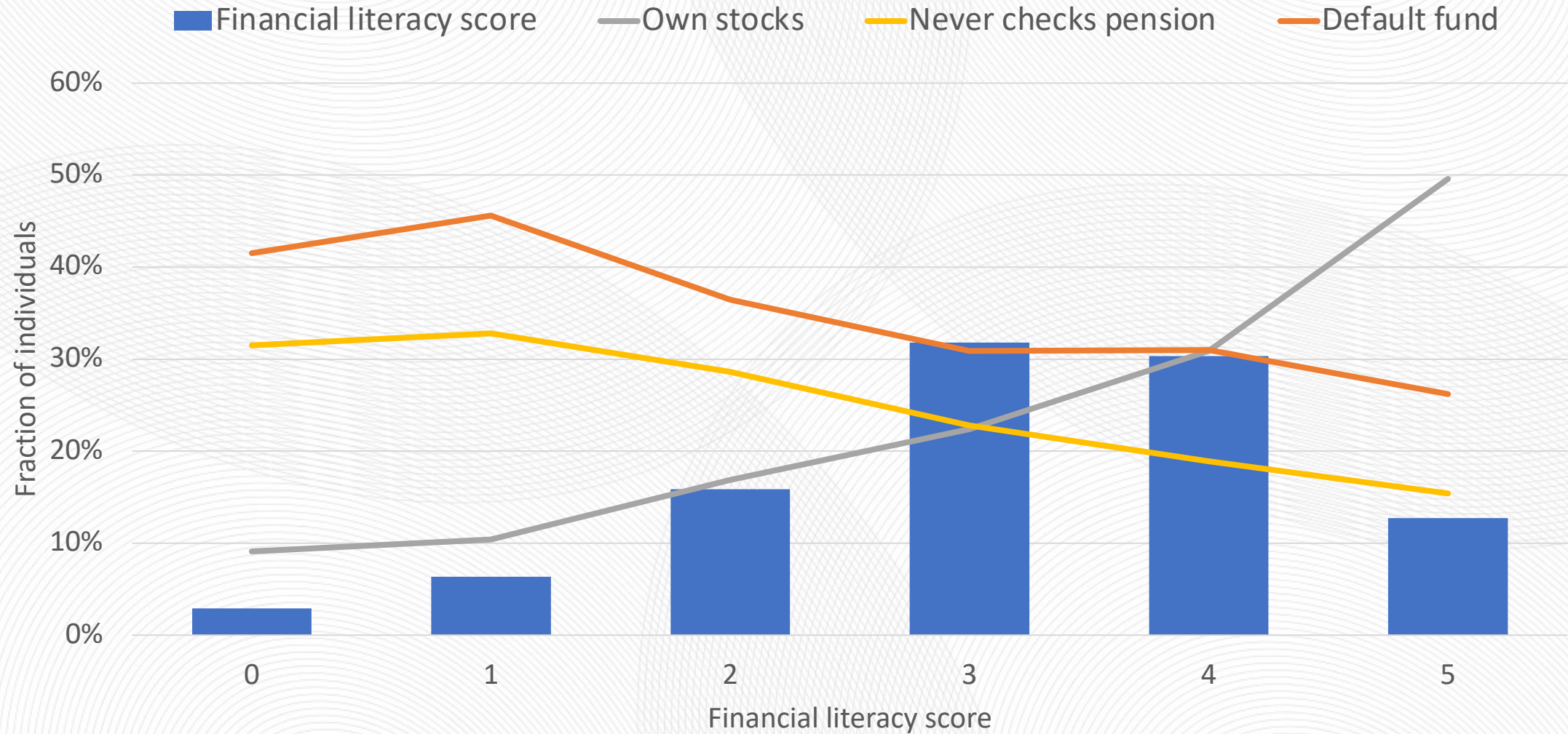
The Swedish Premium Pension System



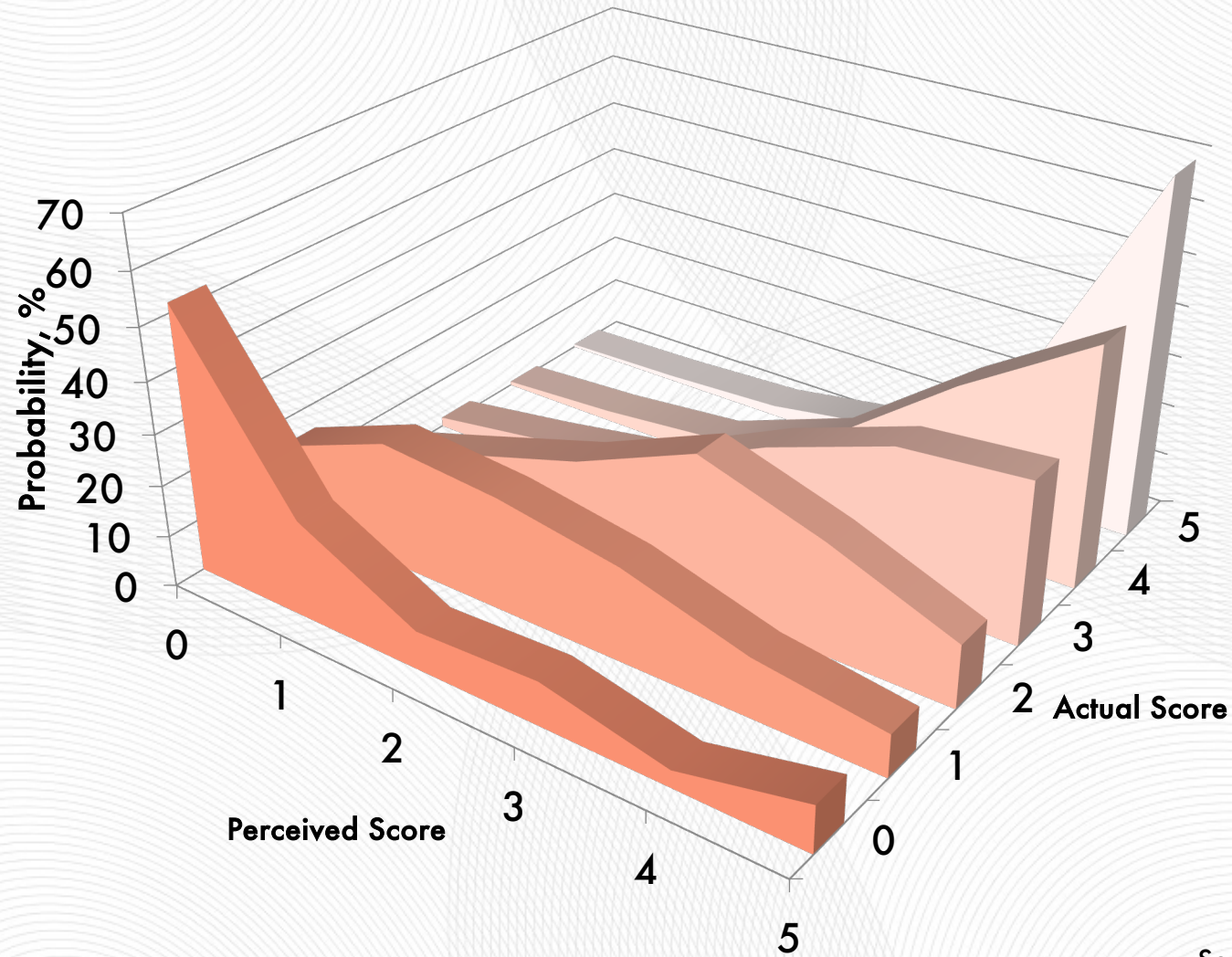
The Swedish Premium Pension System



Financial literacy and engagement

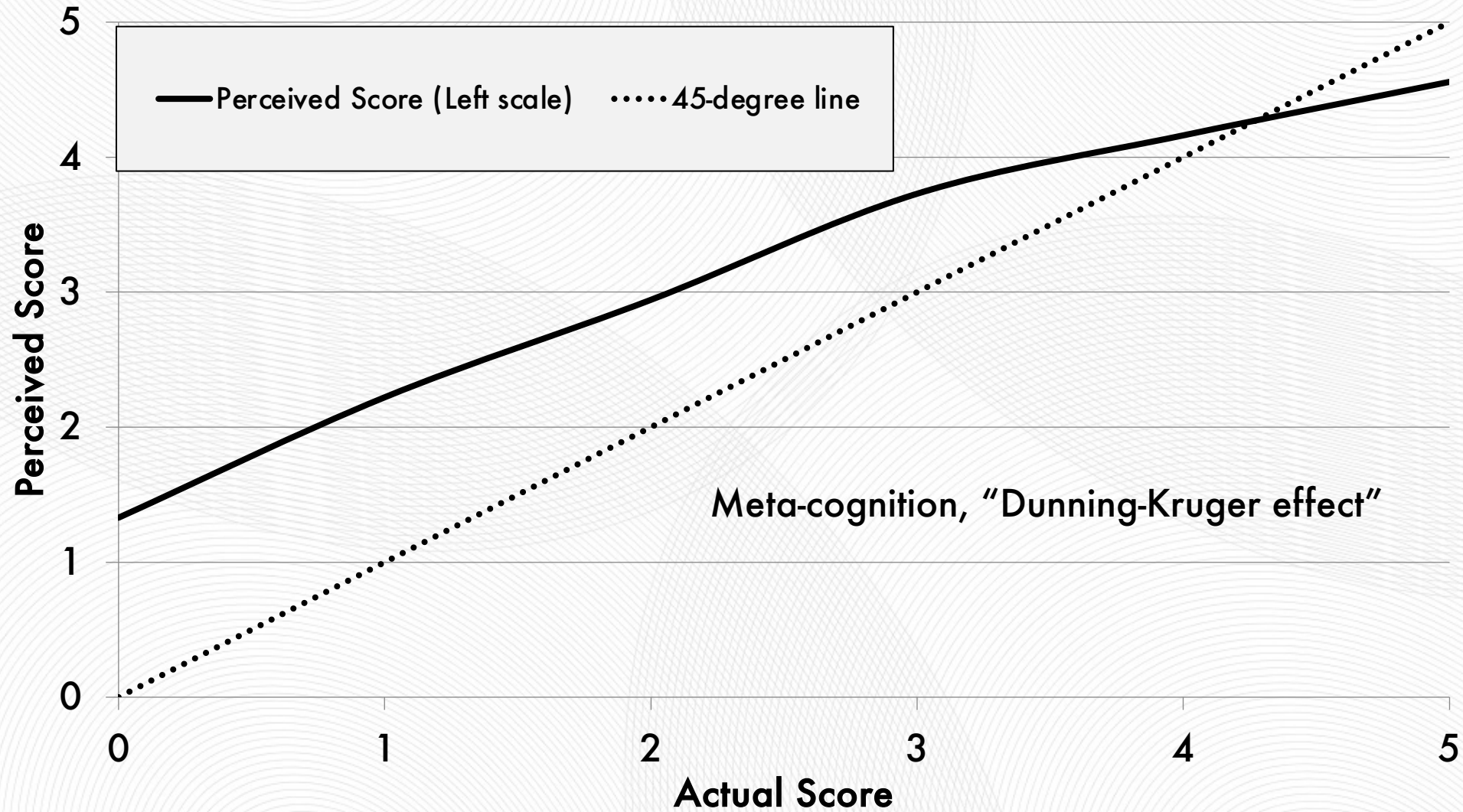


Self-perceptions of knowledge



Source: Anderson & Robinson (2018)

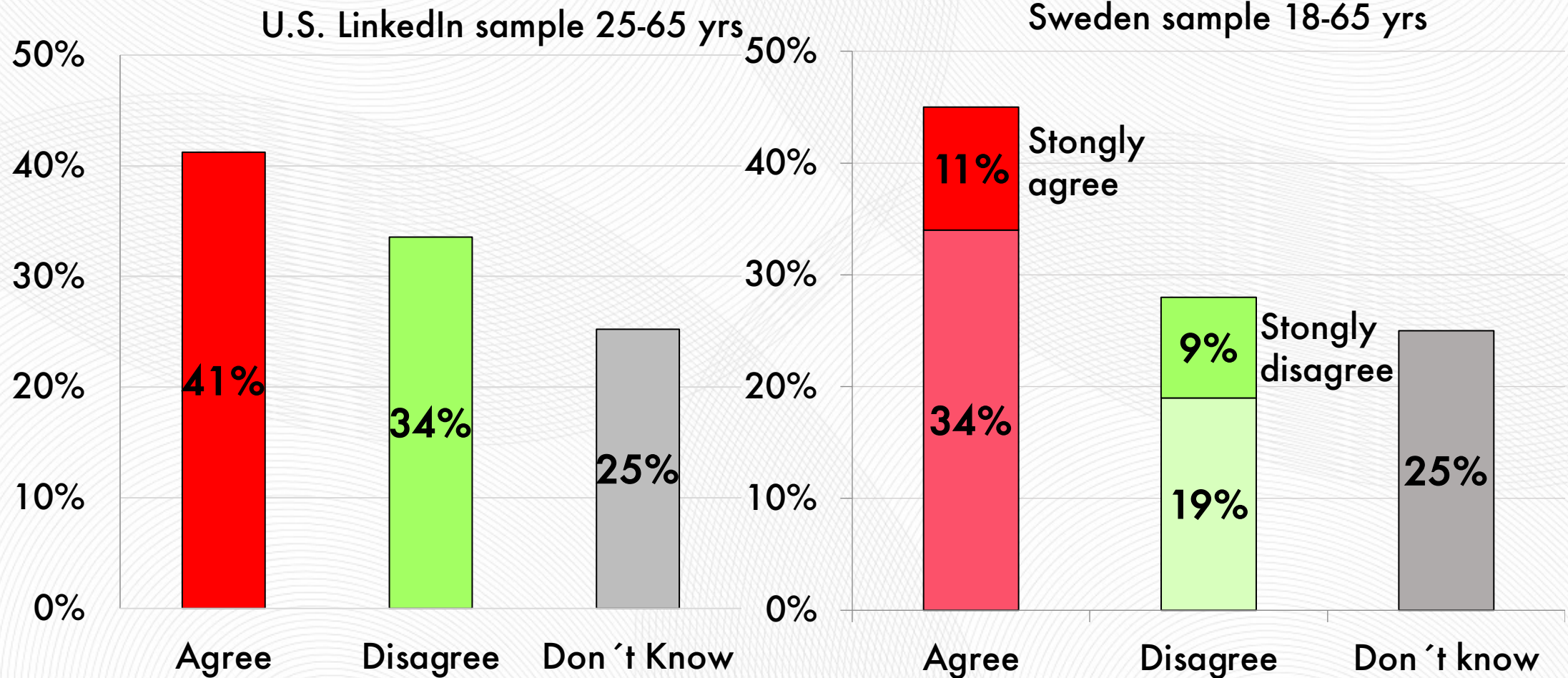
MF beliefs, knowledge and self-perceptions



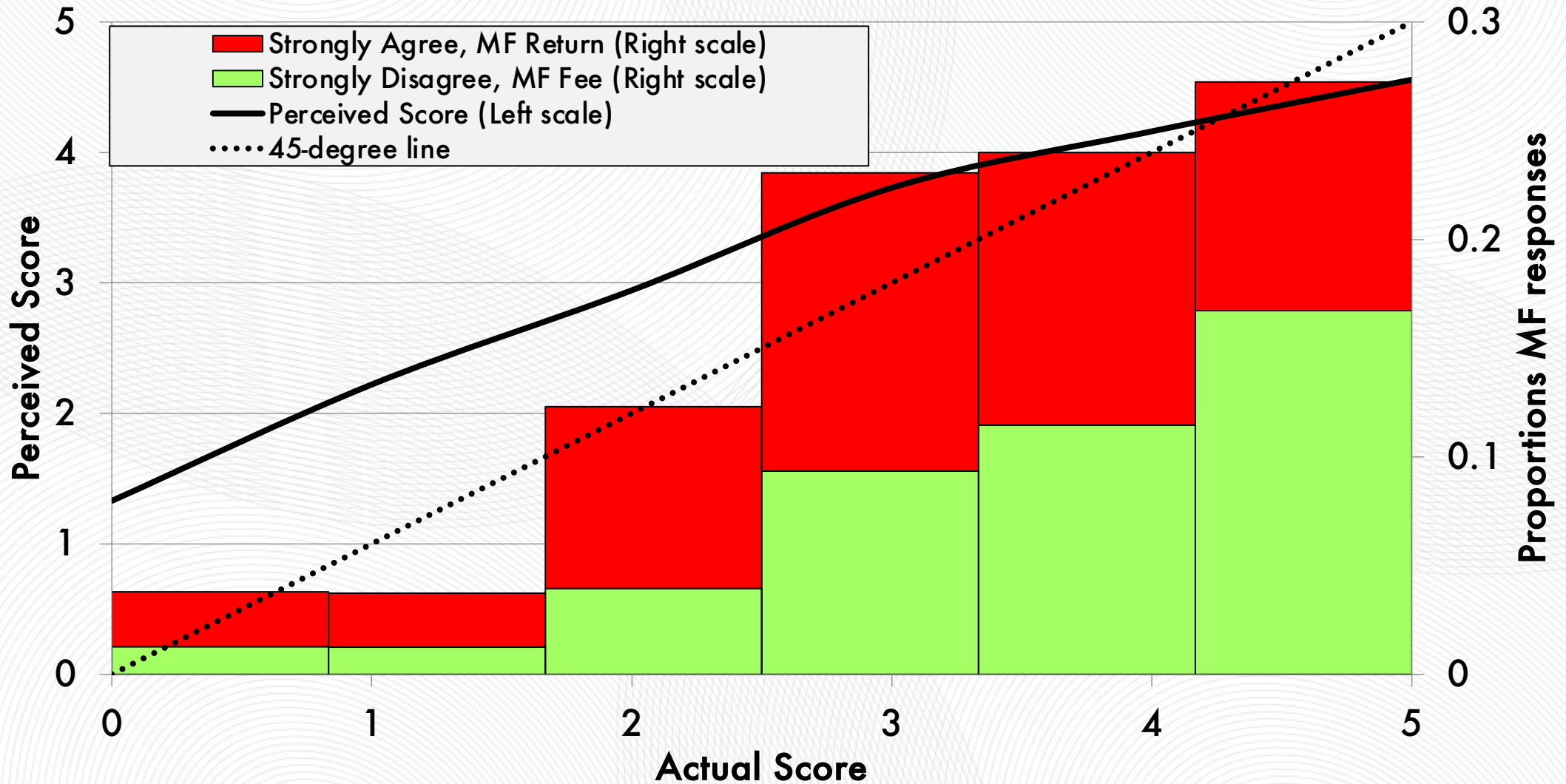
Mutual fund beliefs



"Past returns are more important than fees"

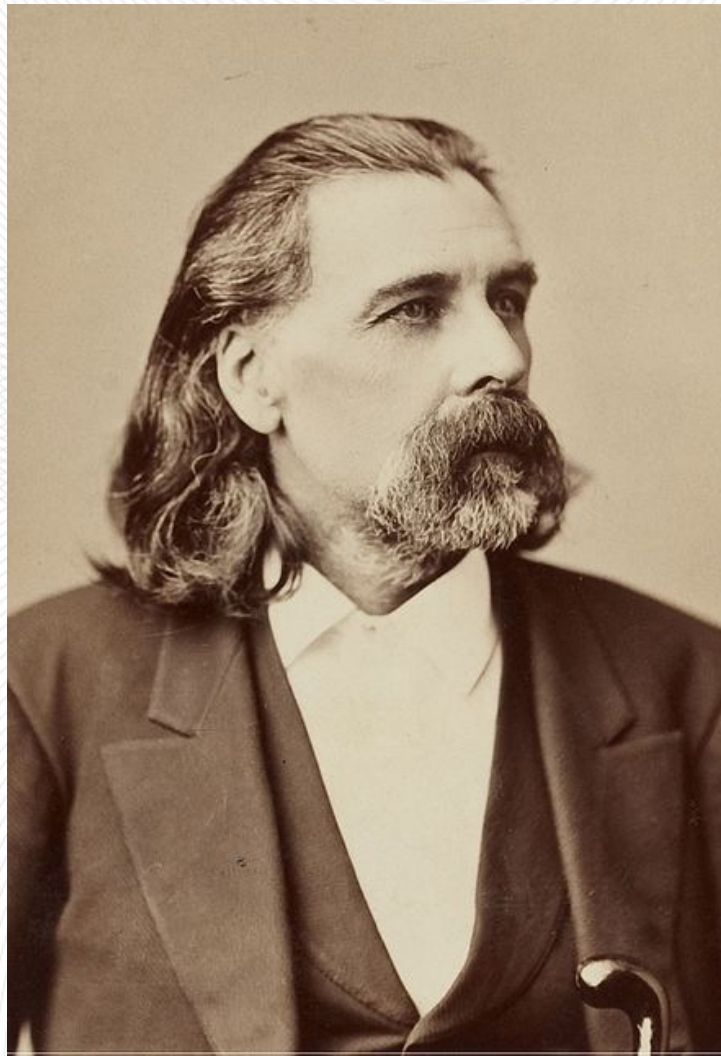


MF beliefs, knowledge and self-perceptions



- **New policies are not created in a vacuum, they change:**
 - Incentives
 - Behavior and response
- **Financial knowledge is low**
 - And so is interest in financial planning
 - Decision inertia – lack of financial engagement
- **Knowledge and behavior**
 - Confidence drives engagement
 - Mis-calibration increases the probability of making mistakes
 - Willingness to accept advice is negatively related to self-confidence

End



“It ain’t what you don’t know that gets you into trouble. It’s what you know for sure that just ain’t so”

- Josh Billings