

Homeownership is the phenomenon which can be considered with reference to its social as well as economic aspects. Access to decent, affordable and adequate housing, by means of its availability and legal security is one of the fundamental human rights. As such it can be guaranteed and shaped by state policy. From the other hand, housing is a commodity that is subjected to market rules and mechanisms. This combination constitutes the dual nature of housing, that places it between the state domain and the market domain.

The main objective of the project is to explore relationships between housing and pension systems, with a special emphasis on pension system design concerning different public-private mixes and their performance (primarily generosity, which reflects the capability of pension system to reduce poverty and inequality in the elderly population). In this regard, housing will be considered mainly with reference to the extent of homeownership as well as its accessibility and affordability.

The aforementioned objective is expected to be achieved by means of combining two approaches. First approach includes investigating relationships between housing and pensions with reference to the interplay between different models (regimes) in terms of both phenomena. The second approach more specifically considers housing outcomes at the country- and individual level to explore and assess the potential of homeownership as a vehicle for pension savings.

The following hypotheses will be verified in the course of the study:

H1: There is a linkage between pension regimes and housing models based on the extent of homeownership

H2: The extent of homeownership is limited in more generous pension systems.

H3: Homeownership reduces the risk of poverty among the elderly population

First two hypotheses have more general character as they refer to phenomena observed from the country level perspective such as pension models (regimes) and pension system generosity. The third hypothesis is associated with phenomena which can be studied at both: macro level as well as micro level.

In the face of demographic changes that resulted in population ageing, especially in developed world, many countries struggle with the problem of their pension systems' sustainability and adequacy. As a consequence, in the last three decades a wave of pension reforms all over the world could be observed. According to economic projections these changes in the near future will negatively influence elderly welfare, as expected pension benefits will be significantly lower than today. To avoid a substantial drop of standards of living in the old age in society the policy-makers seek new solutions that would offset the shrinking generosity of public pension systems. These measures include primarily raising the retirement age aimed at prolongation of individuals' working lives to accumulate greater pension wealth, as well as encouraging greater private savings through strengthening the role of voluntary (or quasi-voluntary) private pensions. However, these means may not be sufficient as in many countries they meet considerable public resistance.

In the light of the above described issues there is an urge to explore some new ideas that could help to solve the problem of unfavorable consequences of deteriorating pension system adequacy, such as poverty among elderly or increasing income inequality in the society. One of such ideas is possible role of wealth accumulation, and housing wealth in particular, as a source of additional pension income. However, better understanding of this phenomenon is required to develop and introduce some policies with this respect. This can be referenced also to more suitable and adequate targeting of social policies, including those being currently implemented.