

Retirement preparedness across cohorts in Germany

Johannes Geyer*, Peter Haan†, Holger Lüthen‡

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The risk of old-age poverty is expected to increase in the coming decades. However empirical evidence is relatively scarce. In this paper we analyze whether households approaching retirement age have accumulated enough assets to be well prepared for retirement. We compare the financial situation across different cohorts. We estimate the ability of households to replace pre-retirement levels of income after retirement and we compare the expected income to poverty thresholds. The study is based on wealth data from the SOEP (2002,2007,2012) and complemented by matched social security data from the pension insurance accounts (VSKT).

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*DIW-Berlin, jgeyer@diw.de

†DIW/FU, phaan@diw.de

‡FU/DIW, hluethen@diw.de