

Flexible and partial retirement for Norwegian and Swedish workers

With a commitment to full employment, both countries encourage older workers to ease the transition from work to retirement; in Sweden, employees can begin at age 60, while in Norway, workers qualify after reaching the normal retirement age of 67

HELEN GINSBURG

Nearly a century and a half before passage of the Social Security Act, Thomas Paine advocated a partial pension. All persons were to receive six pounds annually starting at age 50; a full pension of 10 pounds was to be paid annually from the onset of old age, considered by Paine to be 60 years.

Paine was not only prophetic in recognizing the economic problem posed by old age in industrial societies. Equally significant was his observation that the decade prior to what was considered the beginning of old age was often one of proliferating workplace problems:

At 50, though the mental faculties of man are in full vigor, and his judgment better than at any preceding date, the bodily powers for laborious life are on the decline. He cannot bear the same quantity of fatigue as at an earlier period. He begins to earn less, and is less capable of enduring wind and weather; and in those more retired employments where much sight is required, he fails apace, and sees himself, like an old horse, beginning to be turned adrift.¹

Although Paine supported full pensions at age 60 because of the harsh conditions workers faced, he did not advocate mandatory retirement. Rather, the pension was to improve workers' freedom of choice of retirement age. "At 60 his labour ought to be over *at least from direct necessity*. [emphasis added]. It is painful to see old age working itself to

death in what are called civilized countries, for daily bread. . . .'²

Gradual retirement rare

Old-age and retirement pensions have become standard in the United States and throughout the developed world. While some flexibility of retirement age is part of many social insurance programs, including that of the United States, explicit programs for tapered retirement are rare. However, the issue of gradual retirement has often been raised by specialists in industrial gerontology. Philip L. Rones has observed that in the United States, "when older workers no longer wish, or are unable to work full time, few options short of total retirement are available. Part-time 'phased retirement' is rarely offered, and those jobs that are open to retirees tend to be of the low-skill, low-pay variety."³ And one of the recommendations at the North American technical meetings held prior to the 1982 United Nations World Assembly on Aging called for alternative work programs for older workers, including phased retirement.⁴ Because there is little domestic experience to draw on, examination of some foreign programs can provide useful information regarding gradual retirement.

In the 1970's, both Norway and Sweden incorporated partial pension plans into their social insurance schemes. These plans, which were designed to encourage phased-in retirement, differ considerably. The Swedish plan encour-

Helen Ginsburg is Professor of Economics, Brooklyn College, City University of New York.

ages partial retirement *prior* to normal retirement age, while the Norwegian plan encourages it *after* attaining normal retirement age. Both systems are examined in this article, with emphasis on the Swedish plan because of its greater popularity, more widespread use, and because it is part of a total pension system that offers an unusual degree of flexibility in both age and extent of retirement.

Recently, attention has focused on problems associated with older Americans. Persons age 65 and over make up nearly 12 percent of the U.S. population. In Sweden and Norway, the respective figures are 16 and 15 percent,⁵ proportions that are not projected for the United States until sometime in the 21st century. The preretirement years in these Scandinavian nations have garnered considerable attention and concern.

The goal of full employment

Part of this concern stems from Norway's and Sweden's strong national commitment to full employment and the difficulties in meeting that commitment for all persons, including older workers. By international standards, unemployment rates have been maintained at very low levels. During the 1970's, for example, unemployment—standardized by the Organization for Economic Cooperation and Development (OECD)—averaged 1.7 percent in Norway and 2.1 percent in Sweden, compared to 6.1 percent in the United States and 4.4 percent in the seven major OECD nations.⁶ By 1983, unemployment averaged 3.3 percent in Norway and 3.5 percent in Sweden, and in the first three quarters of 1984 the averages had dropped somewhat, to 3.1 and 3.2 percent, respectively.⁷ While still low by international standards, these rates are high for both countries. But even in the 1970's, with lower unemployment, joblessness was a problem, especially in Sweden. In the 1980's, with less vigorous economies, unemployment among older workers was exacerbated.

Another concern is the strong social welfare philosophy that complements the full employment ethos common to both nations. Generous income support is provided to persons who cannot work. But the full employment philosophy makes jobs the main societal goal for those who want to work. If that goal cannot be met, income support will be provided. But when there is higher unemployment, income transfers are a greater national economic burden. Equally important, in both countries, income transfers alone are not considered a solution for persons, including those who are older who want to work.

The Norwegian system

Pension eligibility. Until 1973, the general pensionable age in Norway was 70. Since then it has been lowered to 67, which was higher than in Sweden, the United States, and most other nations.⁸ (Some occupations have lower pensionable ages; for example, seafarers, 60; fishermen, 62;

and forestry workers, 63.) When the pensionable age was lowered, flexible retirement and partial pension possibilities were also introduced. The aim was to enable workers to choose their retirement age between 67 and 70 with the option of tapering off work gradually if they wanted to do so. Thus, persons between 67 and 70 may take 0, 1/4, 1/2, 3/4, or all of their old-age pension. However, the pension plus earnings cannot total more than 80 percent of previous earnings.

Until April 1984, persons age 67 to 70 who did not take a full old-age pension earned a "waiting" supplement of 9 percent annually (.75 percent a month) for that portion of the pension that they did not collect. Regardless of earnings, workers age 70 receive a full retirement pension, including any waiting supplement that may have accrued. (Since 1984, the United States has granted full social security old-age benefits without any earnings test or other restrictions to eligible persons age 70 and over.)

When the pensionable age was reduced to 67 years, and flexible retirement and partial pension possibilities were first offered, it was hoped that the options available to older workers would increase. That was not always the case. Many firms reduced their mandatory retirement age to 67.⁹ Since 1977, Norway's Worker Protection and Working Environment Act has provided additional protection to older workers. In principle, mandatory retirement policies are illegal to age 70, the same age as under the 1978 amendments to the U.S. Age Discrimination in Employment Act. Unlike the U.S. law, the Norwegian act requires an employer to investigate the possibility of part-time work, or other arrangements, if any employed worker approaching age 67 requests it. In practice, the law is not universal. Workers in occupations in which a lower retirement age is stipulated by law are not covered. It is also possible for a firm to establish a mandatory retirement policy at age 67, if the company and the union agree, and if the company has a supplementary pension plan with full rights payable at age 67. This usually implies that a worker will not lose income through earlier retirement. In fact, those who have not been employed by the particular company long enough (normally 30 to 35 years) do lose. Nonetheless, they are still subject to mandatory retirement at age 67, according to a recent court decision, which is currently under appeal.¹⁰

Labor force participation. Although 67 is the pensionable age, a substantial proportion of Norwegians withdraw from the labor force at younger ages. Labor force participation starts to decline gradually among the 50- to 59-year-olds, sharply among the 60- to 66-year-olds, and even more precipitously thereafter. While the proportion of 60- to 66-year-old workers remained a constant 56 percent between 1977 and 1982, this stability masks a slight decline among men and slight increase among women. (See table 1.) Except for those age 67 and over, middle-aged and older women increased their labor force participation during this period.

Table 1. Proportion of persons in the labor force in Norway, by age and sex, 1977 and 1982

| Age | 1977 | | | 1982 | | |
|----------------|-------|-----|-------|-------|-----|-------|
| | Total | Men | Women | Total | Men | Women |
| 40 to 49 | 82 | 97 | 67 | 88 | 96 | 79 |
| 50 to 59 | 74 | 91 | 57 | 79 | 92 | 66 |
| 60 to 66 | 56 | 75 | 40 | 56 | 72 | 42 |
| 67 to 69 | 27 | 38 | 16 | 24 | 35 | 14 |
| 70 to 74 | 14 | 22 | 7 | 10 | 15 | 5 |

SOURCE: Norway, Central Bureau of Statistics, *Arbeidsmarkedstatistikk, 1982* [Labor Market Statistics, 1982] (Oslo, 1982), table 14, p. 58.

Almost all of the increases in the total labor force participation rates among workers age 40 to 49 and 50 to 59 are caused by greater female participation.

Job problems and unemployment. Although older Norwegian workers may experience job difficulties well before the normal pensionable age, they are less likely than younger workers to lose their jobs. But unemployed older workers remain jobless much longer than others and job loss may lead to withdrawal from the labor force. In 1982, workers age 50 and over accounted for 28 percent of the Norwegian labor force but only 19 percent of the registered unemployed. However, the number of weeks of unemployment rises with age, from 6.4 weeks for those under age 20 to 22.3 weeks among those age 67 and over.¹¹ (See table 2.) Although the pattern is more pronounced for men, women are generally out of work longer than men, except for those 67 and over.

Many problems faced by older workers are caused by labor-market developments emphasizing productivity, competition, and demands for advanced technology and new methods. These developments have worked against older workers and "persons above 50 years of age often find it difficult to get a new job."¹² Jobless older workers also run into employment problems because they usually have had fewer years of formal education and their work experience has often been in declining industries such as textiles, shoe manufacturing, and woodpulp. In recent years, these in-

Table 2. Average number of weeks of unemployment among the registered unemployed in Norway, by age and sex, 1982

| Age | Total | Men | Women |
|-------------------|-------|------|-------|
| All ages | 9.9 | 9.2 | 11.0 |
| Under 20 | 6.4 | 6.2 | 6.7 |
| 20 to 29 | 8.6 | 7.8 | 10.1 |
| 30 to 49 | 10.4 | 9.4 | 12.0 |
| 50 to 59 | 12.2 | 10.7 | 14.7 |
| 60 to 64 | 14.2 | 13.4 | 14.1 |
| 65 to 66 | 20.9 | 20.4 | 22.6 |
| 67 and over | 22.3 | 22.9 | 21.0 |

SOURCE: Norway, Central Bureau of Statistics, *Arbeidsmarkedstatistikk, 1982* [Labor Market Statistics, 1982] (Oslo, 1982), calculated from table 79.

dustries have been hurt by the international recession and by their lack of technological competitiveness, thus compounding the woes of their aging employees.

Special protection. A good deal of emphasis under the Worker Protection and Working Environment Act has been directed toward job and workplace redesign to enable older workers to keep their present jobs. Also, special benefits for older workers are usually carefully constructed to prevent any adverse effect. Since 1976, workers who reach age 60 have been entitled to an extra week of vacation in addition to the statutory 4 weeks. This is financed by the National Insurance Program to relieve individual employers of costs which might further weaken older workers' chances in the labor market.¹³

When dismissals occur, older workers receive additional protection under the Worker Protection and Working Environment Act, which grants all employees at least 1 month's advance notice of dismissal. This increases with age to at least 6 months for a worker age 60 who has been with the same firm for 10 years. Beginning at age 50, some older workers are also entitled to severance pay under a 1966 agreement, amended in 1980, between the Norwegian Confederation of Labor and the Norwegian Employers' Federation.

Initial efforts are generally made by the government labor market authorities to place jobless older workers in regular employment. If efforts prove fruitless, various measures may be applied, including vocational rehabilitation and different forms of subsidized employment at regular wages: temporary public-service employment jobs, originally intended for youths and women, are now also targeted to cover jobless persons age 50 and over who have been unsuccessfully registered for employment with the government labor exchange for at least 3 months; in sheltered workshops, about one-third of the workers are over age 50; jobless workers age 60 and over are assisted by a program which provides jobs with local government and state enterprises; still another subsidy is available for employers who hire workers age 50 and over who have been registered as unemployed for at least 3 months. However, this program, which offers a 50-percent subsidy for wages, vacation pay, and employer contributions to the social insurance fund, has had a very limited effect.¹⁴

Despite these programs, some unemployment persists. Jobless benefits are generally payable in Norway for up to 40 weeks a year. But unemployed workers age 64 to 67, who are especially susceptible to permanent joblessness, can collect benefits for 52 weeks a year—and if no work is available—until age 67, when old-age benefits begin.

In the softening job market, long-term benefits are sometimes unofficially used to get rid of older workers to save jobs for younger ones. That is, in some firms, union and management have negotiated agreements to "pension off" older workers with unemployment benefits supplemented

by grants from the company to tide them over until age 67. While older workers may have a nominal "choice," strong social pressure can be exerted to get them to "retire," an important factor in small tight-knit communities and workplaces that are deeply concerned with the future of younger workers.¹⁵

Not all of the unemployed elderly collect jobless benefits. Some receive disability benefits. About 8 of 10 disability pensioners are between age 50 and 67. In its 1982 report to the World Assembly on Aging, the Norwegian Government emphasized the relationship between disability pensioning and unemployment:

. . . at least 100,000 elderly who 10 years ago would have been gainfully employed are today without opportunities for work. The fact that some elderly persons are granted a disability pension indicates that the labor market of today cannot make use of their working potentialities. The disability pension implies to some extent that *signs* of difficulties in the labor market are hidden by the usual labor market statistics.¹⁶

Impact. The partial pension has had a limited impact in Norway. That is, poor labor market conditions or poor health push many workers out of the labor market before age 67, when they would be eligible for either a full pension or a partial pension and tapered retirement. Beginning at age 64, changes related to age (so-called "senile decay") are equated with sickness when determinations are made for granting disability pensions. Close to one-third of the workers are on disability pensions when they reach age 67. Most Norwegians draw their old-age pension at 67; 18 percent of men and 6 percent of women that age postpone collecting their pension, while only 3 percent of men and 3 percent of women draw partial pensions; however, by age 69 only 7 percent of men and 2 percent of women are still postponing their pension, while 3 percent of men and 1 percent of women are still collecting the partial pension.¹⁷

The partial pension's effect is also limited because it encourages partial retirement after the normal—and high—retirement age. Nor is the partial pension usually a viable alternative to retirement for industrial workers in Norway. There are few opportunities for gradual retirement in Norwegian industrial companies. The partial pension is used mostly by farmers and fisherman who are self-employed and least by industrial workers.¹⁸

Unions, to which about two-thirds of Norwegian workers belong, have taken a critical view of the options available to older workers. Their major target is the retirement age. The influential Norwegian Federation of Trade Unions, with a large blue-collar membership, gives high priority to attaining a statutory reduction of the normal retirement age to 65 years. It is actively striving to meet this priority in the near future, in contrast to the shorter workday or workweek which it supports—but only as a long-term goal. At its Spring 1985 convention, the Federation endorsed lowering the normal retirement age to 65, with a flexible retirement option starting at age 60.¹⁹ The Norwegian

Employers' Federation does not favor a general reduction of the pension age. But neither does it oppose granting government disability pensions to some older jobless workers under age 67, especially in small, isolated communities where there is no chance for reemployment.

Lowering the retirement age has emerged as an important issue in the autumn 1985 election campaign. The Labor Party has endorsed an immediate lowering of the pensionable age to 66, with a flexible retirement option starting at age 64. The present coalition government (Conservative, Center, and Christian Democratic parties) has appointed a committee to study pension age and flexible retirement questions (among others). But it has not yet issued its final report and recommendations.

Swedish program popular

In sharp contrast to the limited use of the partial pension in Norway is the Swedish experience. Phased retirement has been a reality for a significant proportion of older workers in Sweden since 1976, when an innovative partial pension became part of that nation's social insurance scheme. Since then, Swedish workers age 60 to 64 have been permitted to reduce their working hours voluntarily and to receive a partial pension that replaces a portion of their lost earnings. There is no actuarial reduction in their old-age benefits, which are payable in full at age 65, without any retirement test.

Partial pensions originated as part of Sweden's full employment policy, which was initially developed over a long period by the Social Democrats. The party has been in power since 1932 (except from 1976 to 1982) and has continued to work in close collaboration with the powerful blue-collar labor federation, the Swedish Confederation of Trade Unions (LO).²⁰ But now the full employment goal cuts across political party lines. The governments that ruled from 1976 to 1982 continued a full employment policy as well as extensive social welfare measures that had evolved over the previous decades. Swedish workers are highly organized—about 90 percent of blue-collar and more than 80 percent of white-collar workers belong to unions. And full employment is an important part of the agenda of all of organized labor, not just the Swedish Confederation of Trade Unions.

Unemployment. While Sweden's unemployment is low, the impact is widespread. Among those most affected are young people, immigrants, women, the disabled, and older workers; regional disparities compound their difficulties, with the most severe unemployment found in the north. As in Norway, older workers have a great deal of job security as long as they are working but when jobless they are more prone than others to long-term unemployment.²¹

Unemployment is lowest among 45- to 54-year-olds and rises among the 55- to 64-year-olds. The unemployment rate among the 55- to 64-year-olds has worsened relative to

the national rate in recent years. (See table 3.) Much of this reflects the longer duration of their unemployment. In 1983, unemployment was 3.5 percent, higher than in most years. Among the unemployed that year, 10 percent of 16- to 19-year-olds, 15 percent of 20- to 24-year-olds, and 25 percent of 25- to 54-year-olds were out of work for more than 6 months compared to 55 percent of 55- to 64-year-olds.²² As in Norway and the United States, long-term unemployment among older workers in Sweden often results in withdrawal from the labor force.

Job problems of older workers in Sweden intensified in the late 1960's and early 1970's, partly because of greater employer emphasis on higher productivity. The situation was also worsened by plant closings. But in Sweden, as in Norway, the 1970's was a decade of significant labor legislation aimed at improving the job security of all workers. In recognition of the vulnerability of older and disabled workers, additional safeguards were enacted to prevent them from losing their jobs. In addition to seniority, which protects most older workers, those age 45 and over must be given 6 months notice prior to dismissal. And if they are unable to perform their usual work, employers must find them less demanding tasks. Government-created relief jobs at regular wages, widely used to combat unemployment in Sweden, may be provided. Subsidized employment with private employers, job and workplace redesign, and sheltered workshops for disabled workers are also available. About 40 percent of the workers in the extensive system of sheltered workshops, which pay regular wages, are more than 50 years old. However, although Sweden relies extensively on labor market training as part of its full employment policy, unemployed workers 55 and over are markedly underrepresented among the trainees.²³

Jobless and disability benefits. Older workers in Sweden, as in Norway, can receive unemployment benefits for a longer time than others. In contrast to the usual 60-week

limit, jobless 56- to 64-year-olds can collect unemployment benefits for 90 weeks. Persons age 60 and over who have exhausted their regular benefits can receive cash labor market assistance, which pays less, until the normal pensionable age of 65. More likely, though, they would qualify for a higher-paying government disability pension. (The average worker receives about 88 percent of after-tax income and usually a supplementary union-negotiated private pension as well.²⁴) In the early 1970's, reacting to the worsening labor-market situation of older workers, the Swedish Confederation of Trade Unions successfully pressed for an easing of eligibility requirements of government disability pensions for older workers. There is no medical test for workers age 60 and over who are considered permanently unemployed and have exhausted regular benefits or collected cash labor market assistance for 90 weeks.

Worsening economic conditions in Sweden also led to an unofficial practice similar to the one observed in Norway. When faced with a cutback, a company may meet with a local union, especially in a small community, and exert strong social pressure on older workers to be "pensioned off" in order to save the jobs of younger workers. Workers as young as 58 years and 3 months have been "pensioned off"²⁵; at that age, regular unemployment benefits (sometimes supplemented by the employer), can be collected for 90 weeks; then, at age 60, a disability pension can be granted without a medical test; finally, at 65, full old-age benefits are available.

Pension options

Older workers are not a homogeneous group. Economic factors as well as health, occupation, working conditions, health and work status of a spouse, the presence of an elderly parent, and personal preference may influence decisions about work and retirement. Sweden's national pension system offers workers age 60 to 70 years a wide range of pension options. While those who are faced with unemployment have little choice in the matter of work or retirement, they are assured a disability pension. So are disabled workers. They need not take permanently reduced old-age benefits because nothing else is available, as could happen to an American worker (starting at age 62) who has exhausted jobless benefits or has been denied disability insurance.

In addition to disability payments, the pensions available to Swedish workers are:

- (a) A full old-age pension at age 65, without any earnings or retirement test;
- (b) A delayed old-age pension with benefit increases of .6 percent for each month (7.2 percent annually) that pension receipt is deferred past age 65, up to age 70; (under the U.S. social security system, a 3-percent annual delayed retirement credit currently applies at the same ages);
- (c) An early old-age pension, available at age 60 (compared to age 62 for workers under social security); benefits are permanently reduced by .5 percent for each month they are collected

Table 3. Unemployment rates in Sweden, by age and sex, 1980, 1982, and 1983

| Age | 1980 | | | 1982 | | | 1983 | | |
|------------------------|-------|-----|-------|-------|-----|-------|-------|-----|-------|
| | Total | Men | Women | Total | Men | Women | Total | Men | Women |
| 16-74 ¹ ... | 2.0 | 1.7 | 2.3 | 3.1 | 3.0 | 3.4 | 3.5 | 3.4 | 3.6 |
| 16-19 ... | 7.6 | 6.5 | 8.8 | 10.6 | 9.6 | 11.6 | 10.4 | 9.9 | 10.8 |
| 20-24 ... | 3.7 | 3.5 | 3.9 | 6.1 | 6.3 | 5.8 | 6.8 | 6.7 | 6.9 |
| 25-34 ... | 1.8 | 1.5 | 2.2 | 3.1 | 2.9 | 3.3 | 3.4 | 3.3 | 3.5 |
| 35-44 ... | 1.1 | .9 | 1.4 | 1.8 | 1.5 | 2.0 | 1.9 | 1.8 | 2.1 |
| 45-54 ... | 1.0 | .9 | 1.1 | 1.6 | 1.6 | 1.7 | 1.7 | 1.8 | 1.5 |
| 55-64 ... | 1.6 | 1.6 | 1.6 | 3.1 | 3.1 | 3.0 | 3.9 | 4.0 | 3.8 |
| 65-74 ² ... | 0 | 0 | 0 | 0 | 0 | 0 | .2 | .2 | .4 |

¹The unemployment rate for 16- to 64-year-olds is nearly always the same or practically the same as for 16- to 74-year-olds. The total unemployment rate for 16- to 64-year-olds was 2 percent in 1980, 3.2 percent in 1982, and 3.5 percent in 1983.

²Unemployment appears nonexistent because virtually all jobless in this age group drop out of the labor force.

SOURCE: Sweden, Central Bureau of Statistics, Labor Force Sample Surveys. The unemployment rate is the percentage of the labor force that is unemployed.

before age 65. The reduction amounts to 6 percent annually compared to about 6.7 percent under U.S. social security;

(d) A split pension; this unique system allows a worker to collect half of the old-age pension before age 65 at the reduced rate and to delay receipt of the other half until age 65; at that time, the part of the pension that was not previously drawn would also be paid, without any benefit reduction; because there is no earnings test, a person can receive either an early (reduced) old-age pension or a split pension while working;

(e) A partial pension; this enables a person to reduce his or her working hours, receive *full pay* for the time worked and also receive a partial pension that *replaces part of the lost earnings*; there is no actuarial reduction in the old-age pension at age 65, which makes the partial pension especially attractive.²⁶

Origin of the partial pension

Perhaps the most interesting option for a Swedish worker is the partial pension. The impetus for this pension came from organized labor. Proposed at the 1973 Congress of the Metalworkers, then the largest union affiliated with the Swedish Confederation of Trade Unions, it was viewed more as a social reform than as a labor market reform. The aim was to provide a bridge between work and full-time retirement and to ease the abrupt shock of retirement after a lifetime of work.

In 1974, a Parliamentary Commission was established to investigate the matter further. By 1975, legislation was enacted. The partial pension became effective in 1976, at the same time that the normal pensionable age was reduced from 67 to 65. Prior to enactment, members of the medical profession and some psychologists supported unions in their desire for a more gradual transition to retirement. It is important to note that, officially, the partial pension was not proposed as a measure to combat unemployment. Rather, its stated purposes are: (1) to increase flexibility and freedom of choice about retirement; (2) to provide for a smoother transition from work to retirement; and (3) to ease working conditions during the last years of work.²⁷ Swedes do not view pensions as a "solution" to unemployment for persons who want to work. For example, the main argument against disability pensions for older unemployed workers in Sweden is not based on economics. Instead, it is based on concern that such pensions lead to social isolation, a self-identification as disabled, and as Professor Eskil Wadensjö of the Swedish Institute of Social Research puts it, to the feeling that "the members of this group, usually pensioned for medical reasons, will only feel sicker and perhaps will even worsen physically and mentally."²⁸ The Swedish version of the partial pension avoids those possibilities as well as the possible stigmatization of being disabled. Those were also important reasons for the introduction of the partial pension and for the split (reduced) old-age pension. The benefits of the latter are too small to compete with other pension forms, except for those ineligible for the partial pension. The partial pension is also available to workers not threatened by unemployment and might enable some workers who are unable to function full time to avoid disability

pensioning. Thus, extending freedom of choice is an important part of the logic of the partial pension. Although the partial pension was not officially presented as a means of countering unemployment, growing concern regarding joblessness was part of the milieu in which the idea took root.

In Sweden, employers are also highly organized. The Swedish Employers' Confederation (SAF), the dominant organization of employers in the private sector, did not support legislation to provide partial pensions. Instead, the Confederation preferred to work out a plan through negotiations with unions, an approach with a long precedent in Swedish industrial relations. However, once legislation was enacted, the Confederation issued a recommendation to affiliated members to take a cooperative attitude toward part-time work for those who met other conditions for entitlement. Other employers' associations issued similar directives. Timing facilitated cooperation. The partial pension was introduced at a time when it was advantageous for many companies to reduce employment. Despite low unemployment, the tight labor markets characteristic of the 1960's were no longer the rule. Nor have they since returned. And with extra legal protection for older workers, a reduction in personnel would normally mean a loss of younger workers.

How the pension works

Persons age 60 to 64 must meet certain qualifications to become eligible for partial pensions. Because the pensions are geared to part-time work, hours must be reduced by an average of at least 5 a week and, after reduction, must still average at least 17 weekly. A worker must also have had pensionable earnings for at least 10 years after age 45, and have had gainful employment for at least 5 of the last 12 months. (Under Swedish law, unemployment benefits and sickness benefits are considered pensionable income, so collecting them during those 12 months would not disqualify a person from a partial pension.) The partial pension pays 50 percent of lost earnings up to a limit, which covers the earnings of nearly all blue-collar workers and about 80 percent of those of salaried employees. Although covered by the partial pension, earnings of executives and middle management generally exceed the covered amount.²⁹ Like all pensions in Sweden, the partial pension is taxable income. Because of Sweden's high marginal taxes, actual disposable income from the combined partial pension and part-time earnings is substantial. Many workers receive from 80 to 85 percent of their prior net earnings. Until 1981, the pension paid 65 percent of lost earnings and workers in the commonest tax brackets received about 85 to 90 percent of prior net earnings.³⁰

The partial pension is financed by a payroll tax of .5 percent, higher than at the onset of the program. Additional funds come from general revenues. This has not been a major issue. Partial pensioners are only one of several groups of 60- to 64-year-olds with some type of early retirement

benefit. In 1982, about 25 percent of 60- to 64-year-olds received disability benefits; by contrast, 13 percent received partial pensions and 3 percent collected early retirement (reduced old-age) pensions.⁴⁰ (In that age group, widows as well as some wives of old-age and disability pensioners also receive various payments.) The present government has declared that when the economy permits such a reform, it will give high priority to restoring the replacement rate of the partial pension to 65 percent, which is not considered an expensive reform. This is strongly supported by unions and has aroused only minor criticism by others. Most of the debate questions whether the proposed measure should get priority over other reforms, such as improving help to the aged, the sick, and the handicapped. The more intense controversy centers on the extent of disability pensioning of older workers. Critics contend that the government should give greater emphasis to policies that lead to more jobs rather than more pensioning.⁴¹

Who takes the option

With so many options, it is significant that many older workers have elected to work part time and take the partial pension. The number of partial pensioners increased rapidly in the first years of the program's existence (table 4). The program became so popular that to curb costs the nonsocialist government reduced the replacement rate to 50 percent. The program's extremely rapid growth in 1980 and the sharp rise in the number of applicants represents the rush of persons to get the pension on the more favorable 65-percent replacement rate. The 50-percent rule, effective for new applicants in January 1981, has resulted in a decrease in the number of beneficiaries and has also made it more difficult for low earners, among others, to afford to take the pension. A study conducted by the Swedish National Social Insurance Board and Stockholm University, when the replacement rate was 65 percent, found that the majority of pensioners surveyed had not experienced any appreciable reduction of expenditures. However, single pensioners were more cognizant of a loss of income. Economic

reasons were often cited by workers who expressed a lack of interest in taking the pension.³¹ The pension is indexed for inflation, as are all social insurance benefits.

A person applying for a partial pension at the social insurance office must be informed about other possible options, including a disability pension, if eligible. In addition to full disability pensions, there are half and two-thirds pensions for those with lesser disabilities. Both of these can be combined with work.

But most of the disabled (or permanently unemployed) older workers receive full pensions. Because it is relatively easy for 60- to 64-year-olds to get a disability pension based on medical reasons, an applicant for a partial pension could end up with a disability pension. The partial pension has a higher status and is more acceptable in Sweden than a disability pension. Therefore, some workers who are eligible for both choose the partial pension, even if the income is a little less.³²

Women. It is more difficult for women to qualify for the partial pension. The pension was designed to enable full-time workers to cut their hours and many Swedish women normally work part time. Women are also less likely to have had 10 years of pensionable earnings after age 45. Although the labor force participation rates of Swedish women have risen rapidly and exceed that of American women, the gap between female and male participation rates is more pronounced among those over age 55. Despite these factors, there has been a slow but steady increase in women's share of these pensions, from 30 percent in 1976 to 36 percent in 1983. (See table 4.)

Self-employed. The self-employed, not originally covered by the partial pension, have been included since 1980. However, they are less likely than employees to collect it. In 1981, 24 percent of all eligible Swedish workers were receiving the partial pension compared to only 8 percent of the eligible self-employed.³³ One reason for the latter's low participation is that they are subject to more stringent rules. Their working time must be cut by at least 50 percent and still average at least 17 hours weekly; employees, by contrast, may reduce their average weekly hours by as few as 5, as long as they still work an average of at least 17 hours weekly.

Occupation. The partial pension is especially appealing to blue-collar workers. They are more likely to be doing physical labor which often becomes more difficult to perform with increasing age. Blue-collar workers, whose jobs often are less fulfilling, typically enter the labor force at younger ages than others and the need for tapered retirement may be greater.

An interesting aspect of the Swedish partial pension is that its appeal has spread from blue-collar to white-collar workers. In 1977, for example, 35 percent of newly granted partial pensions that were awarded to men who belong to

Table 4. Applicants, total beneficiaries, percent women beneficiaries, and beneficiaries as percent of those eligible for partial pensions in Sweden, 1976-83

| Year ¹ | Applicants | Beneficiaries | | |
|-------------------|------------|---------------|---------------|------------------------------|
| | | Total | Percent women | As percent of those eligible |
| 1976 | 20,422 | 14,560 | 30 | 7 |
| 1977 | 21,445 | 31,509 | 30 | 12 |
| 1978 | 19,621 | 41,913 | 30 | 16 |
| 1979 | 21,614 | 48,654 | 31 | 22 |
| 1980 | 37,408 | 67,837 | 31 | 27 |
| 1981 | 14,026 | 64,641 | 33 | 24 |
| 1982 | 14,800 | 61,732 | 35 | 22 |
| 1983 | 5,500 | 58,082 | 36 | 21 |

¹Data as of December of each year, except for 1983, which is for June.

SOURCE: Swedish National Social Insurance Board.

union-sponsored unemployment insurance societies went to blue-collar workers represented by the Metalworkers union. Only 7 percent went to members of the society that represents white-collar workers in private industry. By 1982, the respective figures were 16 percent (blue-collar Metalworkers) and 27 percent (white-collar workers in private industry).³⁴ Among women, white- and blue-collar workers also avail themselves of the pension.

Region. Unemployment has a strong regional dimension in Sweden. One might expect a heavier concentration of partial pensioners in areas with the highest unemployment. That is not the case. The rate of disability pensioning is higher in those areas. Stockholm County, for example, has a higher proportion of partial pensioners than Jämtland County in the north, where unemployment is much more severe; but a higher proportion of 60- to 64-year-olds in Jämtland County than in Stockholm County collect disability benefits.³⁵ In the north, where unemployment is most pervasive, opportunities for part-time work are also scarce. One cannot work part time at a nonexistent job or in a plant that has closed.

In 1983, about 21 percent of all persons eligible for the partial pension were receiving it. (See table 4.) This proportion is lower than it was before the replacement rate was cut to 50 percent. But considering the various pension options available to 60- to 64-year-old Swedish workers, this figure attests to the partial pension's continued popularity. When given a choice, a substantial portion of Swedish workers have indicated their preference for a combination of work and retirement. But how was this accomplished? How have hours been reduced?

Can hours be reduced in a wide variety of industries and occupations? If so, how? The answers to these questions were crucial to the success of the partial pension. Successful implementation required management cooperation in reducing hours. This was especially important because eligibility for the pension is established according to rules concerning prior work history. But the law does not mandate that employers must grant the needed reduction in hours.

Implementation of reduced hours proceeded with surprising smoothness. The Swedish Employers' Confederation reports that it hears of relatively few problems involving implementation from its members.³⁶ In one study of 28 workplaces, each with very different characteristics, fewer than 1 percent of applications for part-time employment were denied.³⁷

The specific ways that hours have been reduced fall into several patterns. The overwhelming proportion of partial pensioners reduce them to between 17 and 24 hours a week. The most popular pattern is working fewer days a week, followed by working alternate weeks. More than 7 of 10 employees work one of these patterns. It is less common to work shorter days, although women are more likely than men to do so. Men and women have differed in making

other changes. Women are much more likely to work fewer days per week than men and less likely than men to work alternate weeks. The self-employed, who may find it difficult to stop working for long intervals, also show a different work pattern. The majority work shorter days, with fewer days next in popularity. They rarely work alternate weeks. The flexibility of the partial pension enables some Swedes to work alternate months, although only 1 percent do so.³⁸ The maximum interruption of work allowed is 1½ months.

Most partial pensioners continue to work at the same job, for the same firm. Once working hours have been reduced, it is unusual for workers to change them again. That is, rather than gradually tapering off working hours, most partial pensioners go from full time to about half time and remain there.³⁹

Impact on pensioners and labor force

The partial pension has had a positive effect on its recipients. Partial pensioners value their increased leisure and many report that they are more rested. Their health seems to improve and absenteeism declines.⁴² These factors account for a feeling among employers that partial pensioners produce more per hour than full-time workers. They are also less likely than full-time workers of the same age to become disabled or unemployed. Relatively few receive disability pensions and most remain on the partial pension until age 65.⁴³

The partial pension was not designed to be a weapon against unemployment. Nor is it very helpful to jobless older workers. It may, however, act as a form of worksharing. Although it is estimated that only about half of the reduced hours are replaced with new hiring, the partial pension also prevents dismissals in some firms.⁴⁴

According to a recent study, the partial pension has also worked against, but has not eliminated, the strong tendency for early retirement.⁴⁵ If the partial pension did not exist, more 60- to 64-year-olds might receive disability or early retirement (reduced old-age) benefits.

Even though it is not difficult for Swedes age 60 to 64 to receive generous disability or other retirement pensions, they are much more likely than their American counterparts to be in the labor force. The availability of the partial pension, legal protection, and other special efforts to maintain older workers on their jobs, Sweden's lower unemployment, as well as the ability to retire early under many U.S. private pensions, may be among the various contributory factors. In 1982, 57 percent of 60- to 64-year-old Swedes were in the labor force compared to 44 percent of Americans that age (table 5). Participation among 55- to 59-year-olds is also higher in Sweden (table 5).

The trend toward early withdrawal from the labor force has also been proceeding much more rapidly in the United States. Between 1977 and 1982, labor force participation

Table 5. Labor force participation rates of older workers in Sweden and the United States, by age and sex, 1982¹

| Workers | Age | | |
|---------------------|-------|-------|-------|
| | 55-64 | 55-59 | 60-64 |
| Total: | | | |
| Sweden | 68.1 | 79.5 | 57.0 |
| United States | 55.1 | 64.8 | 44.4 |
| Men: | | | |
| Sweden | 77.7 | 87.2 | 81.9 |
| United States | 70.2 | 81.9 | 57.2 |
| Women: | | | |
| Sweden | 58.9 | 72.1 | 46.2 |
| United States | 41.8 | 49.6 | 33.4 |

¹Swedish figures include career military personnel while U.S. figures refer to the civilian labor force. According to the U.S. Bureau of Labor Statistics, this difference in measurement has a negligible impact on participation rates for these age groups.

Source: U.S. Department of Labor, Bureau of Labor Statistics, and Sweden, Central Bureau of Statistics, Labor Force Survey.

of Swedes age 60 to 64 actually rose from 54 to 57 percent. This masked opposing trends: a slight decrease among men (from 70 to 68 percent) coupled with an increase among women (from 38 to 46 percent). In the United States, the overall rate fell sharply (from 55 to 44 percent) with decreases among both men (from 70 to 57 percent) and women (from 41 to 33 percent).⁴⁶

Despite generous delayed retirement credits and the ability to collect a full old-age pension at 65 without any retirement test, retirement at age 65 is typical. The labor force participation of 65- to 74-year-olds was only 8 percent in 1982 (13 percent for men and 14 percent for women). This is only 41 percent of the 1968 rate.⁴⁷ Most of the drop actually occurred *before* the formal reduction of the pensionable age to 65 in 1976.

The special protection given older workers usually ends at 65 and there is no law against mandatory retirement policies at that age. With few exceptions (for example, university professors), an employer could force workers to retire. In practice, that is rarely done, because retirement at age 65 is so widely accepted and is not presently opposed by either unions or management. Some latent desire for jobs among those over age 65 is acknowledged to exist but with concern over youth unemployment, it is a low priority issue. "The right to work after reaching pensioning age should be regarded as just as fundamental as that of retirement in economic security," states the Swedish report to the U.N. World Assembly on Aging, "but this must be set off against, in particular, the equally justified demand of youth for employment."⁴⁸

Contrast

The national pension systems of Norway and Sweden both have flexibility in determining the age and extent of retirement. In Norway, these options are available only after attaining the full pensionable age of 67. This has curbed their usage. Among many persons 67 and over there may be a lack of desire or an inability to work; others are deterred

by a paucity of part-time employment opportunities for older workers. Further, unions are urging a reduction of the full pensionable age to age 65, with flexible retirement options starting at age 60. These have become major political issues and it is likely that some changes along these lines will be implemented in coming years.

In Sweden, options exist between the ages of 60 and 70. But they are mostly used before the full pensionable age of 65—and the partial pension can only be used before that age. Employer cooperation in arranging part-time schedules has helped make the partial pension a reality for many Swedish workers. But the decrease in the replacement rate has curbed its growth.

Withdrawal from the labor force before the full pensionable age is common in both countries but is less widespread than in the United States. And neither Norway nor Sweden is experiencing the sharp decline in the labor force participation of older workers in the preretirement years that the United States is currently experiencing. For older workers (beyond a certain age), both Norway and Sweden have relaxed eligibility standards for disability pensions; and both allow older long-term jobless workers to collect unemployment benefits until attaining the full pensionable age. These serve as auxiliary early retirement pensions. But they are considered inferior to jobs as a solution for those who want to work. Thus, both nations stress the need for full employment and emphasize programs that enable workers to remain employed during the preretirement years.

Implications

Some of the differences that exist between the United States and the Scandinavian societies studied in this article include size, homogeneity of the population, values, politics, the extent of unionization, the role of unions, labor-management relations, and tolerance for high taxes. Nevertheless, developments in Norway and Sweden, which already have more elderly populations than the United States, could provide the starting point for a discussion of a comprehensive older-worker policy in the United States. Policies to maintain employment of older workers, income support programs for older workers who are unable to work or to find work, and greater flexibility of age and extent of retirement are all interrelated. All are possible points of departure for discussion and further study, even if the specifics vary. Consider one example.

Sweden's partial pension is one of the most popular and innovative of the programs studied. Could it be adapted to the United States? Such a system might enable more older workers who cannot function full time to remain in the work force part time. It might also induce others to do so. Part-time work is not banned under the present social security system. While part-time work among recently retired beneficiaries is not unusual,⁴⁹ the earnings test is more restrictive for those under age 65. It may act as a deterrent

to some workers.⁵⁰ The lack of *satisfactory* part-time work is another deterrent.⁵¹ Further, it is not possible to work part time and defer part of social security benefits until age 65.

The feasibility of a partial pension option might also be considered by private and public employment pension systems and in collective bargaining. Very few U.S. companies allow workers to continue part-time employment while drawing part of their pension. John Deere is an exception.⁵² But it is not uncommon for firms to have "cordial compulsion" campaigns for early retirement. Forty percent of Fortune 500 companies have had them.⁵³ In 1983, New York State had a plan to allow workers to retire a few years earlier. The short-term goal was to balance the budget. But a negative consequence was that some agencies lost considerable numbers of their most experienced workers.⁵⁴ None was offered the option of part-time work and a partial pension.

Sweden's experience with the partial pension plan demonstrates that reductions in hours can be implemented in a wider variety of ways and in more occupations than the conventional wisdom suggests, especially when management is cooperative.

There is reason to believe that American workers would favor a partial pension plan. For example, a 1981 Harris survey found that of the 55- to 64-year-old workers polled, 4 of 5 expressed a desire to combine part-time work with retirement.⁵⁵ Thus, some form of partial pension deserves careful consideration in the United States.

In the future, the need for additional options for older workers will increase considerably. Beginning in the year 2000, the age for collection of full social security benefits is slated to gradually rise to 67 years by 2027. The Norwegian experience illustrates some problems posed by a retirement age of 67, even when unemployment is considerably lower than in the United States. Congress has already mandated a study of the implications of this future change in the retirement age for workers who may be in poor health or who may be unable to work because of physically demanding work. (Others, of course, may suffer considerable loss of income because of permanent job loss before the full social security pensionable age, as is often the case at present.) The Norwegian and Swedish experiences provide many viable alternatives for employment and pension policies for older workers that are worthy of further study. □

—FOOTNOTES—

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¹ Thomas Paine, *Rights of Man*, pt. 2, 1792.

² *Ibid.*

³ Philip L. Rones, "The retirement decision: a question of opportunity?" *Monthly Labor Review*, November 1980, pp. 14-17.

⁴ William Oriol, "Work and Retirement: Visible Issues at U.N. World Assembly on Aging," *Aging and Work*, July 1984, pp. 13-20.

⁵ U.S. Bureau of the Census, *Statistical Abstract of the United States*,

1984, 104th ed., table 31, p. 32; Swedish National Commission on Aging, *Just Another Age: A Swedish Report to the World Assembly on Aging* (Stockholm, 1982), p. 13; Royal Norwegian Ministry of Health and Social Affairs, *Aging in Norway: National Report to the United Nations—World Assembly on Aging, Vienna, Austria, 1982* (Oslo, 1982), p. 10. Data for the United States are for 1982; data for Sweden and Norway are for 1980.

⁶ *OECD Economic Outlook*, June 1984. Calculated from table R-12, p. 167.

⁷ *Ibid.*

⁸ *Aging in Norway*, p. 38.

⁹ Svein Olav Daatland, "Flexible Retirement in Industrial Companies," *Aging and Work*, Summer 1980, pp. 175-82.

¹⁰ Svein Olav Daatland, Norwegian Gerontological Institute, personal correspondence, Oslo, May 1985.

¹¹ Norway, Central Bureau of Statistics, *Arbeidsmarkedstatistikk, 1982* [Labor Market Statistics, 1982] (Oslo, 1982). Calculated from table 79, p. 180.

¹² *Aging in Norway*, p. 15.

¹³ *Ibid.*, p. 39.

¹⁴ *Ibid.*, p. 39; and Norway, the Directorate of Labor, *Annual Report, 1982* (Oslo, 1983), pp. 19, 21-22.

¹⁵ Personal interview, Per Brannsten, Norwegian Confederation of Labor, Oslo, Aug. 21, 1983.

¹⁶ *Aging in Norway*, p. 16.

¹⁷ Norway, Rikstrygdeverket [Ministry of Social Insurance], *rsmødling og rekneskap for 1981* [Annual Report and Accounting for 1981], table 54, p. 125.

¹⁸ Daatland, "Flexible Retirement," pp. 175-82.

¹⁹ Norwegian Federation of Trade Unions, *Program of Action, 1981-1985* (Oslo, 1981), pp. 43-45.

²⁰ A full description of the development and current state of Sweden's full employment policy is found in Helen Ginsburg, *Full Employment and Public Policy: The United States and Sweden* (Lexington, MA, D.C. Heath and Co., Lexington Books, 1983), chs. 5-9.

²¹ For a full description of policies directed toward older workers in

Sweden, see Ginsburg, *Full Employment*, pp. 192–96. See also Helen Ginsburg, “How Sweden combats unemployment among young and older workers,” *Monthly Labor Review*, October 1982, pp. 25–27.

²²Jan Johannesson and Inga Persson-Tanimura, *Labor Market Policy Under Reconsideration: Studies of the Swedish Labor Market* (Summary of a report, *Arbetsmarknadspolitik under omprövning*, SOU, 1984, 31); (Stockholm, EFA, The Delegation for Labor Market Policy Research, Swedish Ministry of Labor, 1984), p. 23.

²³Figure for sheltered workshops is from unpublished data for 1983 provided by Samhällsföretag, the Swedish Communal Industries Group that manages the 370 sheltered workshops. Data for labor-market training is from Ginsburg, *Full Employment*, p. 194.

²⁴Eskil Wadensjö, “Disability Policy in Sweden,” in Robert H. Haveman, Victor Halberstadt, and Richard V. Burkhauser, eds., *Public Policy Toward Disabled Workers* (Ithaca, N.Y., Cornell University Press, 1984), table 14.26, p. 501.

²⁵Hakan Wallender, The Swedish Confederation of Trade Unions (LO), personal interview, Sept. 9, 1983.

²⁶A complete comparison of the economic advantages and disadvantages of each pension form is found in Michael D. Packard, “Retirement Options Under the Swedish National Pension System,” *Social Security Bulletin*, November 1982, pp. 12–22.

²⁷Göran Crona, “Flexible Retirement: The Case of Sweden,” in *Effecting Options for Income and Life Satisfaction: The Norway and Sweden Experience*, presented at the symposium, Second Annual Meeting of the Southern Gerontological Society, Atlanta, GA, Feb. 9, 1981 (Athens, GA, The University of Georgia, Center for Continuing Education), p. 6.

²⁸Eskil Wadensjö, “Labor Market Policy Towards the Disabled in Sweden,” Discussion Paper IIM/IMP 84–4c (Berlin, International Institute of Management, Labor Market Policy, 1984), p. 80.

²⁹Inge Svensson, Swedish Employers’ Association (SAF), personal interview, Stockholm, Sept. 8, 1983.

³⁰Crona, “Flexible Retirement,” pp. 5–6.

³¹Göran Crona, “Partial Retirement in Sweden,” paper presented at the XII International Congress of Gerontology, Hamburg, West Germany, July 12–17, 1981.

³²Jan Lidhard, Sweden, National Social Insurance Board, personal interview, Sept. 1, 1981.

³³Sweden, National Social Insurance Board, unpublished data.

³⁴Sweden, National Social Insurance Board, *Delpension och Rörlig Pensionålder: en Uppföljning och Utvärdering* [The Partial Pension and Flexible Pensions: A Follow-up and Evaluation] (Stockholm, 1984), tables 5.7.1 and 5.7.2, pp. 56 and 57.

³⁵Sweden, National Social Insurance Board, *Allmän Försäkring m m 1981* [National Insurance, 1981] (Stockholm, 1983), table 15:2c, p. 291, and table 16:4, p. 295.

³⁶Inge Svensson, Swedish Employers’ Association (SAF), personal interview, Stockholm, Sept. 8, 1983.

³⁷Crona, “Partial Retirement,” p. 8.

³⁸Sweden, National Social Insurance Board, unpublished data.

³⁹Social Insurance Board, *Delpension*.

⁴⁰*Ibid.*, tables B 3, B 4, and B 5, pp. 246–48.

⁴¹See, for instance, Hans Berglund, “Pension or Work? A Growing Dilemma in the Nordic Welfare States,” *Acta Sociologica*, 1978, *Supplement*, pp. 181–91, which criticizes this tendency in Sweden and the other Nordic nations, where similar patterns exist. This Nordic pattern is analyzed in Nordic Council of Ministers, “*Labor Market—Open or Closed? Employment for specific groups in the labor market*”: Report of NAUT project 160.21–1.10 (Stockholm, 1982), especially pp. 27–29, which also specifically mentions Swedish thought. Wadensjö, “Labor Market Policy,” pp. 78–82, presents the issue, as it is argued in Sweden.

⁴²Social Insurance Board, *Delpension*, p. 208.

⁴³*Ibid.*, table 5.3, p. 49.

⁴⁴Crona, “Flexible Retirement,” p. 8.

⁴⁵Social Insurance Board, *Delpension*, p. 214.

⁴⁶U.S. Department of Labor, Bureau of Labor Statistics, and Sweden, Central Bureau of Statistics, Labor Force Survey.

⁴⁷Sweden, Central Bureau of Statistics, Labor Force Survey.

⁴⁸Sweden, National Commission on Aging, *Just Another Age*, p. 56.

⁴⁹Alan Fox, “Income Changes At and After Social Security Benefit Receipt: Evidence from the Retirement History Study,” *Social Security Bulletin*, September 1984, pp. 3–23.

⁵⁰*Ibid.*, p. 4.

⁵¹U.S. Senate, Special Committee on Aging, *Aging and the Work Force: Human Resource Strategies*, Committee Print, 97th Cong., 2d sess., p. 35.

⁵²Malcolm H. Morrison, “U.S. and International Retirement Concerns,” in *Effecting Options for Income and Life Satisfaction: the Norway and Sweden Experience*, pp. 19–21.

⁵³Elizabeth Fowler, “The Early Retirement Programs,” *The New York Times*, Apr. 25, 1984.

⁵⁴Suzan Chira, “State is Finding Early Retirees Make Problems,” *The New York Times*, May 4, 1983, p. B 1. In 1984, another early retirement offer was made, again without part-time work and pension possibilities.

⁵⁵Special Committee on Aging, *Aging and the Work Force*, p. iv.