

Abstract

This paper explores the underlying factors which explain the diversity in public opinion of EU citizens on the preferred way of financing pensions and the implications for international policy coordination. We find that preferences are mainly determined by the current pension provision and unspecified nation-specific effects, while personal characteristics only play a minor role. Furthermore, some countries have substantial regional differences, others have rather homogeneous regions. Overall, our results suggest that policy making on pension financing at the EU level is not feasible, the more so when taking regional differences into account. Policy coordination within several subgroups of countries whose citizens share similar opinions would be a more realistic option.