

**Title:** *Work history, retirement choices and incomes in old age: A case study of Sweden*

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The paper studies the relationship between work experiences, experience of an early transition from work to retirement and people's pension incomes. The research focus is on an empirical evaluation of explanatory factors underlying income disadvantage in post-retirement phase of life. In particular, the research seeks to shed light on working-life and early retirement experiences that lead to income disadvantage in old age and thus the information obtained is highly relevant to how future trends in employment, family demographics, and decision towards early retirement will have an impact on retirement incomes.

All empirical work is undertaken for Sweden using the 1978-1999 SWIP (SWedish Income Panel), which provides access to 22 years of panel data on income, labour market and demographic attributes of the Sweden-born and foreign-born Swedish population. The dataset offers us a unique opportunity to carry out this research mainly because of its panel length, its large sample size (especially for the foreign-born Swedish population) and the quality of its income data.

The analyses are performed using descriptive results as well as multivariate regression analysis. Our initial findings suggest that unemployment has perverse effect on retirement incomes only when it is experienced prior to age 58. Social assistance experience has a strong negative impact on family pension income, and the effect is stronger for men than for women and for high-educated pensioners than for low educated pensioners. Early retirement for 1-5 years has little or no impact, but early retirement for more than 5 years clearly affects negatively pension incomes. There is also clear evidence that those who had rising earnings trajectory later in working life end up with higher retirement incomes. Surprisingly, the results for foreign-born Swedish are very similar to that for the Sweden-born (when controlling for other relevant factors), and this can be attributed to the strong redistributive element in the pre-reformed Swedish social insurance system.