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Tasarruf Politika Aracı Olarak Bireysel Emeklilik Sistemi: Türkiye Örneği / Private Pension System As A Saving Policy Tool : The Case of Turkey

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ABSTRACT

World population increases day by day and our resources remain limited. Increasing population and needs draw attention of forward-thinking individuals first on their own futures, then the future of society. Considering the increasing ratio of elderly population, it can be said that governments will not be able to desired level of welfare for individuals. Therefore, it is vital for individuals to take steps other than state guarantees. Individual retirement can come into play at this point. In our country, the state established its own social security system together with certain measures as a natural consequence of being a social state, and individuals are not paid salaries proportional to their contributions; adequate benefits cannot be attained in this system due to reasons such as economic fluctuations, early retirement etc. At the same time, reduction in savings rate causes increase in investment deficit, thus, leads to high current deficit. In order to reduce people's concern for the future and to contribute to the development of financial system, the law of Individual Retirement and Investment System was accepted by the Grand National Assembly of Turkey on March 28, 2001, and published in the official gazette on November 21, 2001. In this study, first the development and current situation of the individual retirement system is assessed, and then its effect on the domestic savings as a tool of savings policy is discussed.

KEYWORDS Pension; Individual Pension; Saving

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