

# World Social Security development trend after the international financial crisis

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**Abstract:** 2008 After the outbreak of the International financial crisis , High-income countries , Development of social security in middle-income and low-income countries The is now the main trend : The international financial crisis in some countries to promote the social security system to accelerate the development of the momentum of the , in some countries produce a cut reduce the pressure on benefits security , the huge social security gap between countries in the world is showing signs of narrowing. , but the gap is still huge . from the overall , view Pre-World Social security has extended coverage , features such as diversity and multiple pillars , This is a variety of forms of employment under the conditions of economic globalization The inevitable response of the and the diversity of socially responsible subjects .

**Keywords:** World Social Security ; Development Trend ; Social Security policy ; Social Security measures

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New International Labour Organization study ① Displays , Mesh before , Almost all countries in the world take different types of clubs security measures , But the level of protection between countries is greater than the large , Only a few countries ( total ) offers a more comprehensive social will guarantee , Total global population 27%, rest73% People Port has only partial coverage or does not enjoy any security . have access to the population of old Age security for the global population 52%, enjoy medicalCare for the account 61%, Guaranteed unemployment protection for global Labor by 28%,108 Countries have implemented special children and families security Policy . Global Social Security from coverage , security level to There are significant regional differences between financial input, etc. .

## 1. The development trend of Social security in high-income countries

High-income countries represented by European welfare States in Social security Handicap \_ straight global leader , Its Social Security program is the most all , coveragewidest , The guarantees the highest level , Financial input up to .

but , from 2008 Since the onset of the International financial crisis , High-income countries The overall social security of the family presents a shrinking trend . financial crisisThe European welfare State has generally adopted an economic stimulus policy , and make Social security an important stimulus area , Increase social protection Sex input . statistics show , in the first phase of the crisis (2008-2009 year ) , about High-income countries are spending a total of 24 0(8) billions of dollars to stimulate the economy ,about four of which \_ is invested in the club The will protect the domain . from year, with European sovereign debt crisis machine outbreak , European governments ' fiscal woes , in this case, economic austerity measures in The EU as a whole , European countries anti- come here with deficit reduction , Fiscal Policy replaces previous economic sting stress policy , gradually reduce public expenditure in the ratio of GDP in% . to This background , Social Security spending cut , Welfare expansion policy the benefit tightening policy replac-

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es .

## 1.1 Fiscal Imbalance : sharpen the deficit , fiscal stability , Shrink

### Welfare

from century age from , represents a European country - Some high-income welfare countries are in an ageing population , Home continue with fewer children , The economy is weakening , Trap into welfare and social security imbalance dilemma , Welfare loss The, in turn, affects the state's financial situation .. 2008 Year international financial crisis and Year sovereign debt crisis for these countriesThe financial capabilities of constitute a new impact , causes its financial status to - step worsens . so , from Year , All welfare states to reduce fiscal deficits all the time , ensure fiscal soundness , implement budget level value as major policy measures , has replaced previous with austerity expansion policy , minus income , To increase revenue and expenditure as a trend Trend ; Welfare increases are correspondingly also the continuation of the welfare tightening instead of, tightening covers retirement , Medicare ,unemployment , Family Policy ( woman women and child benefits ) Social Security fields . International Monetary Fund Organization forecast , 2015 year , Developed countries will further reduce the public total expense GDP % , The benefits of the European countries after reduction spending will generally be lower than the level before the financial crisis .

European welfare state deficit reduction , A means of fiscal stability \_ is Open source from the supply angle . main measures include :(1 ) raise pay rates . For example ,Germany , France , The Netherlands and other countries raise pensions the payment rate ; Germany raised the Medicare contribution rate . (2) Improve Payment age . For example , Greek , France and other countries up to enjoy the full payment period for pensions . (3) extend the scope of the levy , tighten Temporary employment , for part-time employment and " Mini " "" for people in employment old tax levy . For example , Germany decision to mini "" Employment person Group Levy 9% ( Statutory Endowment Insurance ) , the Netherlands implements the Pension payment management for part-time employed people , extends old-age Gold revenue . (4) increase tax and so on . For example , France raised Capital tax , Portugal , Spain , UK etc raising value + rate , Portugal Tax on high-income people . also , and other \_ Some measures to increase social security revenue .

European welfare countries cut public spending by means of social security will protect each requirement link throttling . mainly has the following actions : (1) Strict Social Security eligibility . such as reward deferred Hugh , Punish early retirement . (2) reduce social directly or indirectly guaranteed revenue or benefits . For example , Lower pension replacement rate ; to decouple pensions against wage growth , and price index hook ; change pension calculation , such as France's pensions calculation standard from reference to the highest level of salary in a career ten year average month pay up to the highest year ; Reduce unemployment protection , Shorten guarantee period ;narrowing the target group for family policy , such as The method state variable-benefit family policy for household survey type , British cut Child benefits , Denmark set cap for family policy ; lowering medicine fee Reimbursement ratio ; Denmark freeze multiple Social Security benefits , etc etc . (3) Tighten supervision , Eliminate moral hazard . For example , strict Disability and medical subsidy system , reduce or avoid drilling system leaks hole . (4) streamlining mechanism , Improve management level and efficiency. example [] , Use electronic office , One-stop services and so on technology , Lower administrative cost ; United Kingdom , Greece and other countries the public service department Door recruitment , et cetera .

the policy of welfare austerity has resulted in a shrinking pension. . International IMF forecast , Future at least European countries The pension level for will continue to decline , poverty and social exclusion will have increase , bring social justice to damage , European social model broken Bad Consequences . The statistic also shows ( See figure 1), year , under welfare tightening policy , eu , all nations 1.23 billion residents face poverty and social exclusion risks , than 2008 Year added 950 million , about total population of EU 24%, Most of them are Women , children , , vulnerable groups such as old age . If fiscal tightening last ,, estimated to 2025 Year add to poor people 1million ~ 2 million people . 2005-2012 year Sweden and Poland old the poverty rate almost doubled ,, 2008-2012 Year Europe new Poor children 2007 people ; - year ,,European Union in Member States there are on Child poverty in countries is deteriorating . (P2223) All these, makes the that formed since World War Two , was extremelyLand down

poverty, promoting economic prosperity and social equity and stability European Social Security model eroded, The also proves the society from the oppositeside ensures that the redistribution function is essential for poverty reduction.

## 1.2 structural Transitions : to establish a multi pillar security system

While increasing revenue and expenditure, Universal Social Security in European countries The barrier, especially the old-age security system, has been structurally reformed. side surface, encourage, supports, promote the development of various non-public social cultures old Resources and ways, make old-age responsibility in country, Enterprise, personal and home and other actors sharing, to ease government financial pressure Force ( ) other, To make the old-age model more flexible, to accommodate non- Full time employment, part-time employment, Flexible employment options such as small micro-employment emerging, to better resolve aging, Globalization and new risks arising in the information age, Responding to new challenges, true guaranteed old-Age Security sustainable.

from century age from, developed countries in Europe or fast or slowly start to reform the costly public-security system degree, set up a multi-pillar pension system, That's the first in compression column -- Current payment system for the public pension security at the same time, Establish a second and third pillar based on corporate responsibility and personal responsibility. first UK, Sweden and other countries begin to reform public supplements

diagram 1 2008-2012 years of European growth rate of poverty risk in the country

Data Source :Eurostat ( where invoking data is year ). the quoted from International Labour Office. Wovd Socfaz back 2014/15:

Building Economic Recovery, inclusive development and Social Justice. Geneva: International Labour Office, 2014 : P129.

Old gold system, to completely or partially detach from the public pension body Department, owned and marketed by enterprises or individuals. other State follow up. For example, Holland passed mandatory law; Germany adoption of incentive policy and selectivity principle, Set up an enterprise or occupational pension plan, These programs are referred to as the old-age security of the first two pillars. current, Second pillar pensions are usually enterprise lines for, have cumulative retirement reserve, Direct Insurance and other funds way, become first pillar -- Important supplement to public pensions. except occupational annuity, European countries have also appeared in a variety of categories and names of the many personal pension plans, is collectively referred to as the third pillar of old Age Security. A personal pension plan is a real ""Personal account. national policies House through tax exemption, for partial private commercial endowment Insurance with appropriate financial assistance, reduce the investment threshold for personal pensions way, indirectly encouraging growth of the third pillar, to promote the diversity and flexibility of old-age Security tools, lowering people to public The dependency level of the total pension, easing government financial pressure. for pre, as the second and third pillars continue to grow, first pillar-pay-as-you-go public pension in the individual pension income the ratio of shrinks, like Germany down to 73%, Some countries down to 50%~ 60%, individual countries even to 20% ~ 30%. even though the, countries retain a considerable proportion of public pensions the Golden, As a forerunner of the Reformation the British had just given up with the income hanging Hook additional public pensions, still maintains a Basic public pension with social fairness as the target. public pensions as retirement benefits The department's Ballast The role of does not change.

## 1.3 Guidelines for Social Security reform from Social Security barrier " turn " Social investment ""

High-income countries, represented by European welfare states, have never stopped to explore the welfare theory, most representative and influential in recent years The idea of IS with Antony • Giddens, Gosta - Espin ^ ann Shepherdson etc for European scholars represented and gradually perfected " Club " Investment transition " theory, The theory is on European social Security model and the Social security system under neo-liberal economic trends Double reflection of reform, is also the last time since the outbreak of the international financial crisis The theoretical basis of tightening policy and moving towards multi-pillar security system.

generally, Social Investment theory advocates passively anti - Fan Social risk " changed to active " Social investment, change late intervention for early intervention, change mend to " not raining To -do. The theory proposes that, should be from the person's entire lifecycle not just industrial social risk perspective, re-social benefits system Design; Welfare policy objectives should not be targeted only at old age poverty etc immediate issues, instead from an early education, Home Ring border, job skills, corners of the entire lifecycle of the labor market degree, Coordinating Social input, through the economy, Education, Training areas of government investment and personal investment, make individual employees available ability to prevent competitive risks in a globalized marketplace. in other words, is to convert government input from social distribution correction to human resources funding, for future social risks Early Confirmation, Early-line move, to More proactively prevent, Mitigation due to technology obsolete, The structural unemployment that is caused by issues such as excessive liability for family care, Long-term unemployment, Home Instability, does not participate in the labor market and so on Line Risk, Achieving lifelong sustainability. This theory emphasizes, Benefits are the rights of everyone, also everyone's duty, no Liability no rights, To seek " rights and Semantics " Service, rights and Responsibilities Balance, to create a benefit that can be to maintain, But the person with the appropriate liability and risk " active "

Benefits Policy. so, European countries in the same with the benefit reduction when, General increase in human resources investment. on the one hand, through plusStrong vocational training and lifelong learning, help existing low quality labor Force update knowledge and skills, as Finnish government passes more efficient Employment Service, Education, Training and rehabilitation services, Promote Labor keep work, or actively looking for job opportunities, re - industry. on the other hand, through Child-centric "" social vote Capital Strategy, preparing high quality manpower for future knowledge-based economy resource.

## **2. The development trend of social security in middle-income countries**

### **2.1 extend Social security coverage, promote with Social security economic growth**

Contrary to the practice of tightening welfare in developed countries, In recent years, Many middle-income countries, especially newly industrialized countries, in The development trend in the Social security field is welfare expansion, extension Existing Social security system, Increase in health, education, on trade, old age, investment in areas such as housing, Extend Social Security coverage, to Pull domestic demand, To boost the economy, with Social security build for the opportunity to promote full growth, Promoting economic sustainability Development path.

actually, The trend of welfare expansion in 2008 Year International gold The appears before the crisis broke out. i century year Age, after economic and financial crisis in Asia and Latin America, Many, and other revenue countries start rethinking their foreign trade as the main engine of growth Economic development model, Re-understanding economic growth and Social security relationship, The positive promotion of social security to economic development effect is valued. Many countries are embarking on expanding domestic demand. "", for previous health, education, Retirement practices for Pension and other fields, Government increased investment in social security, Increase People's purchasing power, Promote economic development trend continue. before year, Many middle-income countries have implemented theRelatively high growth rate, broadens the fiscal space of the country and revenue base, enforces the ability of relevant organizations, to large Force extend Social security coverage created conditions, from off year, Argentina, Brazil, India, China, India jike Asia, Mexico, countries such as South Africa have their own social security systemsThe has been aggressively expanded. 2008 The outbreak of the international financial crisis Although the process was interrupted by, But previous efforts to mitigate the crisis The impact of the machine plays an active role, has caused many countries to be in a crisis. is on the road to economic recovery .. but, due to social security system is incomplete, informal employment in these countries Port,, The poor are more than before the crisis., therefore need to restart the agency will secure the reform process, by expanding existing projects and adding new items ( etc ), continue to improve the social security system.

\_ Some countries that have recently become middle income are also gradually Extend the existing social security

coverage . and \_ Some countries ( such as India ) try to put most informal jobs in the crowd , in particular informal employment in rural areas , into the normal economy . afore -mentioned all efforts to make social security coverage in middle-income countries whole body Widening , Many countries have established a national level of minimum water Flat basic Social Security (Social protectionFloor), sure At least provide a basic life for the most vulnerable people . disabled . from Diagram 2 visible Social security spending in middle-income countries changes in the ratio of GDP .

## 2.2 China , To become a middle-income national society The main driver of the system expansion

China is the welfare expansion of middle-income countries since the economic crisis typical . China economy in 10% century first decade keep the High growth rate of the left is largely dependent on exports, but export guide The economy suffered a heavy blow during the financial crisis . crisis after , Chinese Government to encourage export to stimulate domestic demand , extend adherence Large domestic demand explicitly written into the 12th five -plan (-2015), for City and countryside , industry ,Widening between regions the income gap and saving rate is high , Low consumption rate , yearly plus large in medical , old-age , Education , Financial investment in areas such as housing into , to improve all Nationals , Especially for Low-and middle-income families control revenue , boosts consumer confidence and purchasing power ,prompting economy from export-oriented to domestic demand pull type . main action Packages parentheses : through the establishment of a new rural Cooperative medical system , town dwellers Basic Medical Insurance , pilot New rural social endowment insurance and City town residents old age insurance , extending Medicare and Pensionscoverage and increase security level , Put the previously not overridden the vast rural population into full , current Chinese medical insurance coverage cover rate has been significantly elevated to 96%; old-age insurance promoted to near 80%, and strive for full coverage . Additional measures are included in the When The wages continue to grow. , Increase the minimum wage , To improve pension level for enterprise retirees and special care placement object's benefit Mark . Building Hospitals in rural areas ,Adding medical facilities , Changes Promote related industry requirements with good medical environment , Promotion on industry . above measures to increase household disposable income , Support Economy take an active role in the road to sustainable development .

Another typical example of is Brazil . Same as China , Brazil

Increase plus part ( To year to the most recent year for which data is available ) B Year

diagram 2 partially middle-income countries social security spending GDP is up to ( % ) increase

Data Source : Internationallabouroffice. Worzd Socfaz (10) 2014/15: sigh EV(10)ornic (10)ery ,  
ment and Social Jus lice. Geneva : International Labour Office , 2014 : P142.

The external dependency on the economy is also quite high , so affected by international financial crisis The impact of the machine is very large , crisis period , Its foreign trade grows quickly under slip , Severe economic recession . statistics show ,2008 The last two months of the year Brazil lost the . 5 Thousands of jobs , page 4 quarterly GDPplunge 4 4%/2] (P31) for balance foreign trade loss lost , get rid of critical dependency on exports , The Brazilian government has introduced a domestic demand pull growth strategy from two pillars , To raise the home revenue , Revitalizing domestic consumption and stimulating domestic investment , launch price value billion \$ ( takes up GDPfor 1.2% Fiscal package for stimulus , contains a series of social policies , as poor as the poorest help people who are trapped , dramatically expand previously for poverty reduction " Family Subsidy Plan "( planned extension of new overrides a 130 The poorest families ) , extend crisis hit most Unemployment insurance eligibility period for serious industry ( benefit of this measure people up to to million people ) , and so on . outside the stimulus package , policy Two increase the minimum income level , make20% The population of is got basic living Security . the above measures are effectively maintained and even boosted . The purchasing power of low-income people , to promote domestic demand growth made a Contribution . The increase in domestic demand has contributed to employment and income . " , ensures a fast recovery in the economy , Year , Brazil by jinan growth 7. 5%. These measures, while boosting the economy, have also been effectively narrowing the gap between the rich and the poor with the , Gini coefficient from 2008 Year's 0.54 To % Year 0.526. Current Brazil is welfare water flat Higher emerging economies , Its social security spending has

reached

up to national level .<sup>[3] (P31)</sup>

### 3. development trends for low-income countries

and Medium , high-income countries are different , Low-income countries in the economy Low level of development , Low employment severity constraints , Social security system is very imperfect , old age and health insurance payment fee-type items ( = Employment-related social insurance ) only overrides Formal employment for public officials , Because this part of people often accounts for a minority of the population , So coverage is very limited . rest population , that constitutes the majority of the population. No formal employment relationship people , is primarily through a piecemeal, non-contributory item -- with has Conditional Cash transfer payment plan "(Conditional cash transfer

Programme , CCT ) main ----- to get - some temporary

Rescue , These non-contributory items form the \_ security level is greater than Low Temporary Social security net , This is low-income countries in the club protects the general state of the domain . after the outbreak of the International financial crisis , Many low-income countries have expanded the above-mentioned temporary social safety net , to improve the health of poor groups such as children , Nutritional status and enrollment . But this is the guarantor for the main content of the bailout

is not enough to provide basic social security for the wider population disabled , and therefore challenged by people .

#### 3.1 Extension of temporary safety nets

restricted by factors such as large areas of poverty and unemployment , Low Income countries cannot widen their society as large as middle-income countries guaranteed Coverage , instead of limited financial resources , human , Material to improve health for specific populations such as the special hardship group , teach Fertility status etc , To contribute to the reduction of the United Nations Millennium Development Goals Poor purpose . International Labor Organization reports , Bangladesh country , Kenya , Malawi ,Pakistan etc countries implemented facing Special hardship family " Conditional Cash transfer payment plan , help Its health improvement , Nutrition and education level ; Mozambique has developed a helping poor families, especially poor families with elderly and children Cash Transfer Payment schedule ; Kenya for HIV-infected Infants and toddlers roll out related cash transfer payment items ; Bangladesh developing girls who aim to eliminate gender differences in education secondary School Assistance Program ; Bolivia and Kenya designed to pre anti- Primary School Assistance Program ; Rwanda will health services coverage extends to 90% above Nationals , significantly lower The maternal and child mortality rate .<sup>4] (P31)</sup>

As a whole , A significant proportion of low-income countries make a big mention of High Social security expenditure as a percentage of GDP ( See diagram 3). This positive change comes first from low-income countries will protect the change of mindset . before many low-income countries from the front benefits , View Social Security as an unbearable negative Tam , But then these countries gradually realize that social security is actually the to people Investment , is the building of human resources is to improve the skills of people a way , about country's future and long-term development . do no Fiscal Expansion Space Limited , lack of institutional performance , tax receipt System not sound , external aid funds instability and other factors ring , Most low-income countries can only focus on building coverage set People's safety net , so overall ,Low-income countries Social Security show Small scope , Temporary , emergency , Real Check , low level features , lack of universality and longevity , Not enough to provide consistent and reliable protection for the wider population . on crisis period , Limited by financial constraints , These features are more obvious . Only a few countries have conditions before further , seek Create a more comprehensive social security system .

#### 3.2 beyond the temporary network , to establish a minimum of , available basic security

cannot deny , Expansion of the above Social Security program to promote Economic and social development in low-income countries and United Nations Millennium

diagram 3 Social Security spending in some low-income countries GDP is up to ( % ) , add

Data Source : International Labour Office, 2014 : P145.

Uciionkepori 2014/15 : Building economic Recovery, inclusive Development and Social Justice. Geneva : International Labour Office, 2014 : P145.

The implementation of the outreach goals plays an active role , also promotes low-income countries The home has an increasingly broad consensus on investing in social security . but not at the same time This contingency security network is also subject to the following quality suspect : first , Poor people in low-income countries have a large area , So this is the main target for people with extreme poverty Will put a large number of other poor and disadvantaged groups that need to be in the same line except under basic safeguards ; Second , due to lack of relevant laws and Stable and reliable financial support , These piecemeal safeguards plan non -Sustainable, difficult to achieve poverty alleviation in a fundamentally long-term manner purpose . fact also proves , After temporary bail-outs , many people fall back into poverty . for this the International Labour Organization recommends , beyond This emergency type of , target population Narrow social assistance network , Combine Contributory and non-contributory items , through package Scheme to create a sustainable , Basic Social Security at the national level barrier , Or the Social Security line . the International Labour Organization has also created a special discussion , Low-income countries should co-ordinate the economy , Employment and social policy , to improve the knowledge and skills of people , make people pass the charge sub-employment obtain stable income , and establish a stable social security system on the basis of stable employment income , Eliminate poverty fundamentally behavior . in other words , in low-income countries , It is imperative to convert the Direct poverty reduction negative security into active development of the labour market Farm , with teach people to fish replaces to teach a person to fish , from Security People's revenue security start , Pull consumption , then pull through ji , to establish an economic base for a more stable social security system The same as , to achieve benign economic and social interaction and lasting development .

## 4. general trend of World Social Security Development

is visible by the above comb , 2008 Year International financial crisis after , World Social Security presents the following development trend :

### 4.1 Social Security coverage expands overall , medium Revenue Country , in particular emerging economies is World Social Security development main pull Force

Although the majority of the world's population has not yet enjoyed comprehensive social security disabled , But the coverage of social security is showing an overall widening of the trend . take old-age security as an example :year , Global retirement Protection coverage reached 90% above countries are , coverage not foot 20% is The ; to 2010-2012 Year , The former rises to , The latter drops to . <sup>51</sup> (P87) Middle income countries , Special to a New economy represented by China, Brazil etc , in social will guarantee the domain of the concept of change and continuous investment is the world's social Security The main pull of the development of . Legal Endowment coverage from 4% Fast up to 4, Development very impressive . Brazil , China , South Africa etc countries also implemented minimum income guarantee system and continued to raise minimum revenue level , include large numbers of the poorest people in the country scope , Thus greatly improving the basic coverage of social Security and basic security level . The contribution of low-income countries is also not to be done no . still take old Age Security as an example , Bolivia's statutory endowment insurance barrier coverage from terms year No . 7% raise to 2009 Year [] 5, Lesotho from % year 8 4% extend to old All older people are covered by, Thailand from % Year 5% to ,, year bayi. 7% ( overwrite @ Age

and above population), Westland from off year 1. 8% to Year No. 3% (overrides population). [61]

## 4.2 The Social Security gap remains clear in all countries, But the gap narrowing down

under tightening policy, High-income countries social Security level whole body tends to decrease, especially in the old-Age Security field. opposite, in Low-income countries through continuous reform and investment, in particular Promotion of social security bottom line of low income, shrinking and developed countries Home gap. But even so, overall, low-and middle-income country due to start late, Base difference, power weak, More people in poverty etc factors, with a maturity of more than half a century of development history Advantage comparison, The Gap remains clear, This is in Social security Barrier coverage, security level and expense level are all show. statistics show, Social Security spending for domestic production one 32-

The proportion of total value, Low-income countries have only 4% around, Medium Accept into country about 10%, High-income countries up to 19%<sup>[7] (P87)</sup> Two major items in social security one by one medical and old-age security overrides, gaps are also visible: Western Europe Medicare coverage up to 7, only in Africa 7% (See diagram 4); Western Europe, Endowment coverage for North and Central Europe rate all on 90% above, only in Africa 23%, Sub-Saharan Africa only 17% (See figure 5).

Data Source: International Labour Office. [www.worwsocfazfvo-](http://www.worwsocfazfvo-)

iccion Kepori 2014/15: Building economic Recovery, inclusive Development and Social Justice. Geneva: International Labour Office, 2014: P102, P83.

in the context of economic globalization, market power dictates All aspects of economic and social life, This gives traditional The welfare state brings the tough challenge, force them to add Strong international competitiveness for the purpose of tightening benefits, Weakening the state of the public Total security function, Transfer part of social responsibility to the market and society et non-public Force, is responsible for filling gaps; On the other hand make the welfare state gradually change its mind, turn from negative post security to becomes active upfront intervention, to help citizens with intelligence (covers knowledge and skills) investment, to increase employment Force, Meeting globalization challenges. at the same time, Economic and trade global Extension spreads market economy and social welfare ideas to the world all around, promote Social security awareness in the global Bud and pay To implement. More and more countries are aware of the, facing economic all Globalization of social risks brought by the Globe, not only build \_ Road Basic Social Security bottom line, to ensure no in globalization the people at the bottom of a competitive advantage have a secure life. , Thus easing The The social tension caused by poor and rich-poor disparity Zhang and even turbulence, and should be turned from distributive justice to chance fairness, lift personal and technical skills to boost individual and entire country's competitive, through support for family revenue to maintain domestic elimination Fee level, Promote personal and national sustainability. Change to a statement [], to build social security from two levels of protection and development system. broad consensus and practice above promote global social Security gap narrowing down.

## 4.3 toward wide coverage and versatility, gradually forms multiple Social security system for columns

in the context of globalization, Governments are no longer on social security taibaodalan, Enhancing cooperation of various forces, incrementally form a multilevel The sub-pillar Social security system is the general trend. Europe's check has been shown, the Proportion of government forces in social security is in the same way as the step down, the security model, which was formerly a government monopoly, is heading to the administration mansion, Enterprise and personal responsibility transition, as Europe is building A multi-pillar pension system. but, noteworthy Yes, Multi-pillar system arrangement even more than single pillar more all, but does not mean 0 risk, because: First pillar take pay-as-you-go, under economic impact, faces policy integer risk; Most of the enterprise annuities in the second pillar of the and the third, columns, are protected by market operations. value, facing market risk. also, second pillar less number of enterprise annuity taking Pay-as-you-go in the Enterprise, therefore difficult Escape Enterprise



Operational Risk . 2008 International financial crisis certificate This point . during a crisis , affected by economic downturn , euro first Pillar public pensions are generally cut , ratio and rate is falling ; second , The third pillar is affected by the financial market ripple effects , Pension fund earnings expectations lower , value water heavy . International OECD about pension market 2010 A research report for indicates that , 2008 retire from OECD member States The rate of return on the Fund is generally shrinking 20%. The is severely compromised by the Latin American countries that take market-based investment strategies , Market level High in the United States and some countries and regions of Asia . EU country home also subject to varying degrees of impact , Take a market-based investment model 's Sweden " pre-pensions " loss in the middle of a crisis billion meta around ; French "" Retirement Reserve "" in 2008 Year financial hit in crisis , loss \$ billion \$ .

because of this , European countries are encouraging the development of the second , Third Pillars while , do not weaken the backing effect of the first pillar , majority of European seniors ' income (60%) still comes from public culture old gold . impact of financial crisis on social Security The fact is that the the v. People , Future supervision of the second and third pillars should be strengthened , Securing investment pension funds , to enhance its security dependability . in this area , Europe has accumulated some experience . For example , Regulation and restriction of investment through relevant laws , UK the law of the State and Spain stipulates that only government bonds can be invested ; Push Occupational and personal pension investors based on the expectations of the proceeds and on the "" Loss tolerance , Choosing the right stock and bond investment ratio Example ; Establish risk management mechanism , Set the investment limit or minimum vote return rate , such as Switzerland set 2. 75% minimum rate of return . to encourage investment diversification is also the European experience of the \_ . plus , face Huge market risk , Government and individual capacity building also mentioned on the agenda .

The trend of old-age security in Latin America also illustrates that the multi-pillar system is Future Trends . from century age from , in the general facing serious debt crisis , fiscal Crunch Background under , Chile , countries such as Mexico make the public pension system completely private with a , Conversion of Pay-as-you-go public pensions to fund product ???? . Other Latin American countries followed by , privatized or at least partially privatized reform . But in the subsequent financial and the in the next, Pension fund severely shrinks , This forces Latin America start reform again on the basis of reflection , pension system part restore " nationalization , to supplement the previously chopped public pensions , and restore its backing effect . such as 2008 year chile through endowment insurance Risk Reform Act , re-organized \_ a three-pillarold-age new system : co-pillar , payment pillar and voluntary pillar , The following practices prove , This reform for economic and financial relief Impact of the crisis and response to reconstruction after year earthquake , send swing a vital role .

To summarize , Social Security is both a societal policy , is also ji policy , Social fairness and stability , also relates to poverty reduction poverty alleviation , Employment Promotion and sustaining sustainable economic development , is true Protect the economy and society into a benign development track and achieve benign interaction The necessary tools . European experience before and after the international financial crisis also

Proof , Although the traditional welfare state is overburdened , but good Social Security for plays a critical role in coping with the crisis , Save most individuals and families from devastating blows . also is for this reason , the developed countries have passed reform of the welfare system to achieve fiscal balance , to ensure that the welfare system is sustainable ; Developing countries continue to expand coverage of the Social security system , while building the basic safeguard line , Continuous improvement protection level ,, make Social Security a new impetus for economic growth .

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