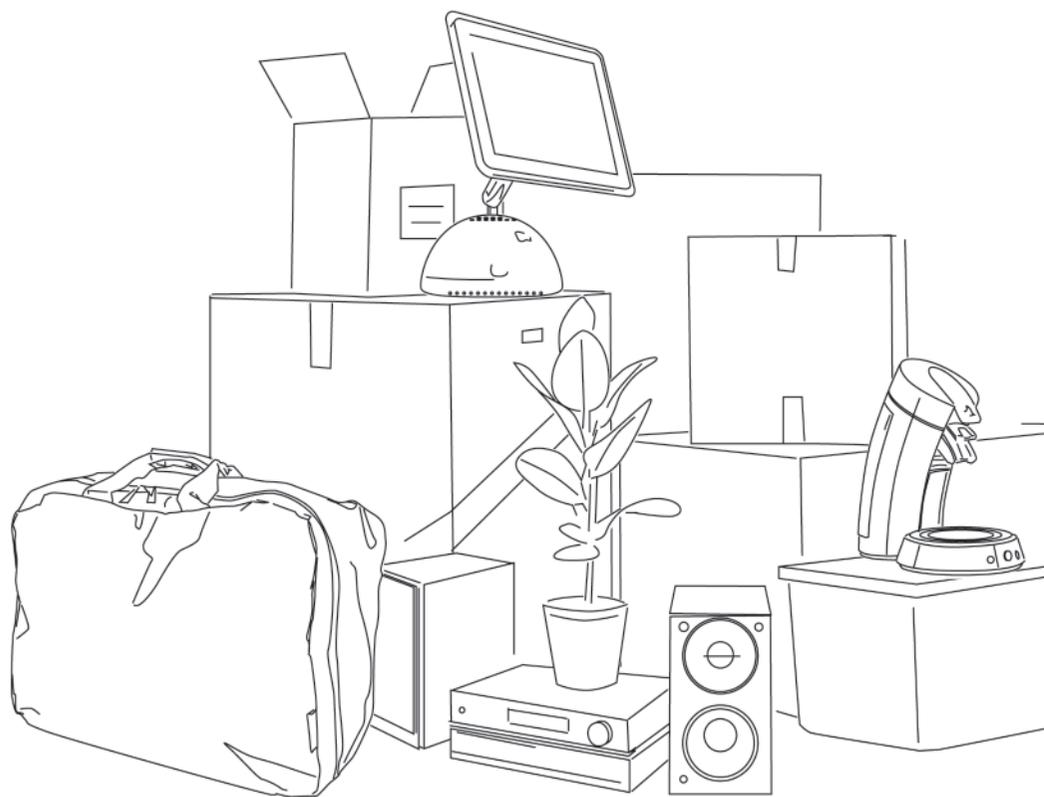


Mobility without Security?

The Debate on Retirement Pensions in the European Higher Education and Research Area





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Dear Readers,

For students in Europe, the common Higher Education Area by and large is a reality today. More students and upcoming researchers than ever before are gaining experience at higher education institutions abroad in the course of their studies. Now it is all the more important to broaden this vibrant mobility – particularly in the areas of teaching and research. Our European goal for the next stage of development is to establish virtually barrier-free possibilities for higher education employees to work at institutions abroad.

This raises issues of social security and especially old-age provisions. Whether a young researcher, teaching assistant, post-doc candidate or tenured professor, those aspiring to be mobile face complex challenges, not least because higher education careers are commonly linked with civil-service employment, which is not necessarily geared towards promoting mobility. In general, payments to pension plans are portable only under complicated conditions or not at all, particularly when concerning cross-border portability. Entitlements to pension benefits can be lost altogether. Despite all the achievements in opening borders, the area of social security continues to be organised and regulated predominantly within national borders. A standardised and simplified path for mobile academics to move from one country to the other is yet to be established.

As part of a Bologna Seminar, the German Rectors' Conference (HRK) in 2008 raised awareness on this issue by bringing together a wide range of actors and institutions: representatives from higher education institutions as well as education policy-makers and experts on social security. The conference met with an



Prof. Dr. Margret Wintermantel
President of the German Rectors' Conference (HRK)

immense response, revealing how much needs to be done in this area at both national and European level. Our findings and recommendations were forwarded to the 46 Ministers of Education from the Bologna member states so that this issue was taken up in the Communiqué of the Conference of the European Ministers responsible for Higher Education, Leuven and Louvain-la-Neuve, 28-29 April 2009, "The Bologna Process 2020 – The European Higher Education Area in the new decade".

With this volume of articles, the HRK would like to build on that discussion. We present different perspectives on mobility in the context of social security as well as possible solutions and a variety of examples from several countries. Through their daily work and experience, academics and researchers can surely attest to the need for more and better information on this complex issue. In offering a forum for a diversity of viewpoints in the following pages, we hope to contribute new impulses to this discussion. For indeed, one thing can be deemed certain: a solution to the pressing challenges addressed here ultimately represents a requirement for building a competitive, internationally oriented and inspiring European Higher Education and Research Area.

Sincerely,

A handwritten signature in blue ink that reads "M. Wintermantel". The signature is written in a cursive, flowing style.



Prof. Dr. R. Alexander Lorz,
Professor of German and Foreign Public Law, European Law and Public International Law, Heinrich Heine University Duesseldorf, former Vice Minister for Higher Education, Research and the Arts in the State of Hesse

Everyone seems to agree on the goal: promoting the mobility of researchers and academics is a highly important issue for numerous reasons. Going abroad should, at least, not entail any disadvantages – and that applies to social security as well. But even within Germany, there are still obstacles to mobility that we need to tackle.

For example, the level of pensions has been reduced in recent years. Moreover, the financially worse off States (Länder) may experience further decreases given the considerable financial disparity among the Länder in Germany. Can they survive in the competition for the best higher education and research conditions? Another current “construction site” is salary reform with the introduction of performance-based elements of remuneration. This would lead to a partial decoupling of salary and pension since not every type of remuneration is attached to pension entitlements.

And then a typical German question becomes pivotal: Is it necessary for professors to be civil servants (Beamte)? The Technical University of Darmstadt was one of the first higher education institutions in Germany to make a deliberate transition from civil service conditions to hiring higher education staff under regular employee status. That facilitates mobility, though anyone who is already a civil servant will hardly choose to leave that status. And that inhibits changing from higher education and research to the private sector. Hence, the obstacles to mobility are not just a cross-border issue, but a domestic one as well.

All this in turn represents an incentive for finding a solution to the problem. Surely no one can relieve others of their decision where to do research or to retire. But in order for people to make that



Andreas Storm
Parliamentary State Secretary,
Federal Ministry of Education and Research

The globalisation of economy and science makes it necessary for young professionals and academics to gain personal experience abroad in the course of their studies and their academic careers. However, internationally mobile researchers and scholars often face particular difficulties when it comes to their social security. A career filled with a number of periods abroad, various employment situations in different social and pension insurance systems certainly leaves its mark on one's financial security, not to mention in retirement.

Given these circumstances, easily accessible and comprehensive information on entitlements and rights in social security systems are a fundamental requirement for academic mobility. In order to meet these demands, the Federal Ministry of Education and Research (Bundesministerium für Bildung und Forschung – BMBF) supports the German Mobility Centre of the Alexander von Humboldt Foundation, which is part of the European Network EURAXESS and provides information and advisory services for internationally mobile academics. But also social security insurance providers, social partners and especially higher education institutions and research institutes have an important duty to fulfil as employers and direct contact partners for foreign scholars.

The issues of international mobility, working conditions and career development in research need to be addressed on a European-wide scale. The BMBF thus welcomes and supports the initiatives of the European Union. For the establishment of a European Higher Education Area that unites 46 Bologna states that make up a wide diversity, it is of the utmost importance to conduct an extensive dialogue among these partners and with social security experts as well. One thing is clear: we are only at the beginning of this process!

MOBILITY AS A FUNDAMENTAL PRINCIPLE

Margret Wintermantel

German institutions of higher education are prepared for the competition for good researchers from around the world. However, the rules and regulations on pensions leave room for improvement – a look at the status quo in Germany

Mobility has long been a hallmark of the German system of education, contributing to its overall quality. Most States (Länder) in Germany have, for example, set rules to prevent a young academic from being immediately hired on as a professor at the same university where she or he completed the requisite post-doctoral thesis (habilitation). This long established tradition guarantees mobility within Germany and ensures at the same time that the quality of academic scholars will be assessed by at least two separate institutions – at the university where they acquire their academic titles and at the university that later employs them. A similar principle is adhered to at Universities of Applied Sciences: as a rule, an individual can only be hired on there as a professor if she or he worked for at least three years outside of academia in a leadership position. Consequently, this promotes mobility between the private and academic spheres. And that certainly enables assessment on the quality of an aspiring professor, who has had to demonstrate ability and competence in two different systems.

These experiences gained over decades are not limited to the German system and one may easily draw parallels to the European level. For instance, it can be deemed a distinction when a university lecturer succeeds with her or his



In focus: Professors with international experience, an enrichment for any lecture hall

educational background, ideas and research at a university in another European country. And that applies vice-versa to higher education institutions – it is an indicator for good reputation and performance in the global race for “brains” when they are able to attract qualified teachers and researchers from around the world.

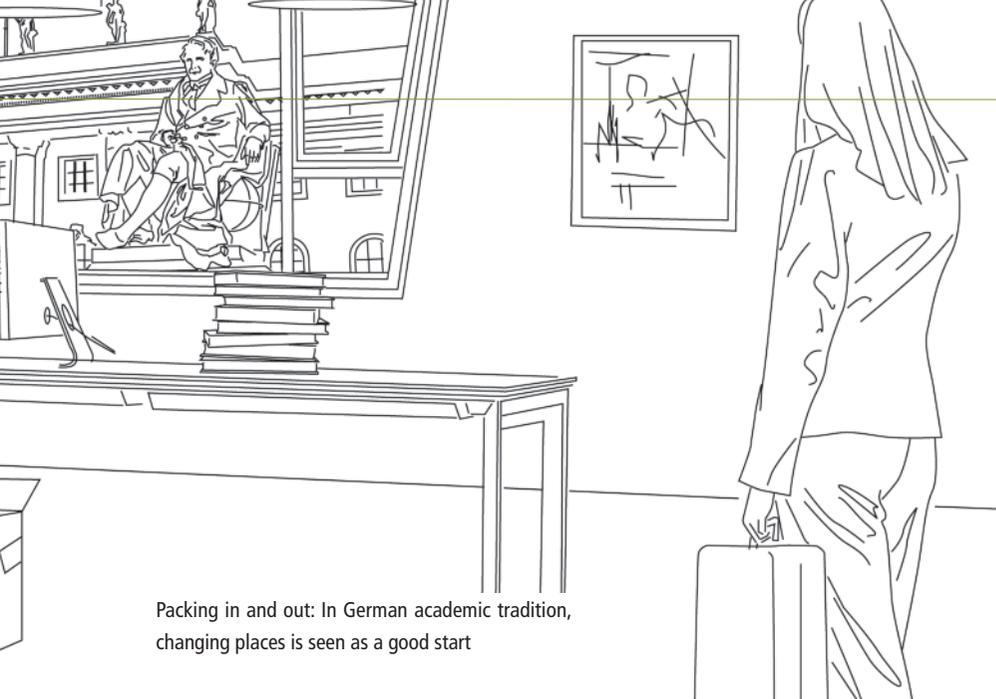
For particularly this reason, German universities are developing comprehensive strategies for recruiting highly qualified persons internationally – whether they are foreign academics and researchers or also Germans who have spent time working abroad. In light of that, the German Academic Exchange Service (Deutscher Akademischer Austauschdienst – DAAD) has called for a doubling in the number of international professors to 2,000 at German institutions of higher education within the next few years – a demand that truly deserves wide support.

To accomplish that, retirement and pension provisions will play an important role. Recently, not only Germany, but Europe in general has increased its awareness on the significance of this issue. It has become common knowledge that the traditional state system is no longer capable of guaranteeing a satisfactory living ►



standard in old age. This will particularly affect researchers and scholars who, in the course of their careers, frequently face insecure working conditions, extended qualification phases, mostly short-term contracts and relatively lower salaries. Therefore, social security issues must be taken very seriously if we are to achieve our mobility goals.

Today, German universities on the one hand enjoy an unprecedented amount of autonomy and the duties that come with that as an employer. But, on the other hand, they continue to be heavily dependent on the respective Länder governments. This applies to matters of supplementary retirement provisions as well, which for the most part are negotiated between the Federal and Länder governments and trade unions. As far as professors are concerned, the universities have even less to say with regard to salary and pension schemes since, generally, professors are members of the Länder or Federal civil service. In practice, this can lead to serious problems in terms of mobility and personnel recruitment as universities, having their hands tied to a certain extent here, cannot always win over their favoured candidates for open positions. And, frequently, university lecturers and researchers have to bear the financial consequences of their mobility.



Packing in and out: In German academic tradition, changing places is seen as a good start

One of the main problems in Germany in this context is the five-year vesting period. Whoever works – and thus pays into the retirement system – for a shorter period of time may end up taking substantial losses in pension benefits. While in theory, one could view this as an incentive for staying longer in Germany, in effect, it actually dampens mobility considerably.

In April 2009 the German Rectors' Conference (HRK) at its 6th General Meeting took a clear public stance issuing recommendations under the title "Mobility among Researchers in Europe: Tasks and Demands". For Germany, HRK singled out the following problems: The lack of portability of civil-service pension benefits and the insufficient European coordination of supplementary pension schemes for academic employees. The recommendation defined the next steps universities, insurance/pension providers and social partners as well as governments have to take. These recommendations deserve serious attention by all stakeholders in the future.

- Prof. Dr. Margret Wintermantel is President of the German Rectors' Conference (HRK)

German academics and researchers abroad in 2006, by length of stay ¹⁾ and funded groups

Length of stay	Graduates	Postdocs	Academics and re-searchers/ university teachers	No classification possible/ no info available	Total	
	Number					in % academics and researchers
1 to 3 months	1,013	88	150	3	1,254	24.7
4 to 6 months	609	57	33	1	700	13.8
7 to 12 months	997	245	74	2	1,318	26.0
13 to 18 months	130	35	17	-	182	3.6
19 to 24 months	111	153	17	-	281	5.5
25 to 36 months	58	19	134	-	211	4.2
37 months and more	1	-	155	-	156	3.1
With information to length of stay in total	2,919	597	580	6	4,102	80.9
No classification possible/ no info available	299	397	136	139	971	19.1
Total	3,218	994	716	145	5,073	100.0

1) Stays of 1 month and more are registered

Source: DAAD/HIS, Wissenschaft weltoffen 2008; HIS computation, Table 6.8.3

Foreign academics and researchers in Germany 2006 by funded groups and by length of stay ¹⁾

Length of stay	Graduates	Postdocs	Re-searchers/ Academics	No classification possible/ no data	Researchers total	
	Number					in % of all researchers
up to 3 months	672	497	2,649	817	4,635	20.1
4 to 6 months	1,123	273	467	152	2,015	8.8
7 to 12 months	3,248	1,204	506	316	5,274	22.9
13 to 18 months	668	199	119	49	1,035	4.5
19 to 24 months	2,235	677	144	152	3,208	13.9
25 to 36 months	1,391	226	284	189	2,090	9.1
more than 36 months	773	239	769	179	1,960	8.5
With data for length of stay tota	10,110	3,315	4,938	1,854	20,217	87.8
No classification possible / no data	2,030	246	433	97	2,806	12.2
Total	12,140	3,561	5,371	1,951	23,023	100.0

1) It includes stays of one month and more

Source: DAAD/HIS, Wissenschaft weltoffen 2008; HIS computation, Table 6.4.3

“HOW MUCH I WILL RECEIVE FROM MY PENSION SCHEMES? NO IDEA!”

Dr. Dagmar Meyer (41), mathematician, is a perfect example of academic mobility: She has already lived in seven countries, from the Philippines to Spain, and currently works in Ireland. And, in her own words, “this certainly won’t be my last stop”. A conversation about the appeal of living and working abroad – and the burden of paperwork

Seven countries and such a short time-span – You probably started fairly early with your world travels, didn’t you?

Yes, you could say that. I finished secondary school abroad, studying two years at a school in Canada. After that, I spent part of each phase of my studies and training, including graduate, doctoral and post-doc training, in a different country. That’s a fantastic experience!

With moving around so often, when was the first time you thought about your pension insurance or retirement funds?

Oh, when you are young, you hardly think about that, if at all – old age seems so far away! As a student, I wasn’t paying into the pension system at all. Of course, when you get older, you start to think about those things. Then I began to try to get informed and realized for the first time how complicated it is.

What was the most important thing you found out?

That every country has its own –different – system! Some countries rely entirely on state-run retirement schemes; others mostly on private pension funds. In one country, you pay tax when you pay into the pension scheme, while in others upon



Dr. Dagmar Meyer

retirement and withdrawal of a pension, and so forth. On this issue, different countries sometimes can be poles apart! I knew that beforehand in theory, but then to experience that first-hand – that’s a completely different story.

What is the cooperation between the different systems like in practice?

In general, your claims or contracts are not transferable; that means, when I move from one country to the next, I leave behind in the country I’m leaving what I’ve paid in up to that point. The various agencies do make an effort most of the time, but this issue is just so complex. Just imagine: I received a 16-page letter from the responsible agency in Germany, breaking everything down precisely. I read it several times, but I still can’t understand every detail of it – and that despite of having a PhD in mathematics!

How much money will you receive when you retire later?

What is certain as of now is that I will receive my pension in small portions from several countries simultaneously, from state schemes and from private retirement plans. As to how much I will receive ultimately when you add everything together – I wouldn’t have a clue!

“I AM MY OWN COMPANY”

The Romanian physicist and materials scientist, Dr. Petre Badica, has been researching at the Johannes-Gutenberg-University of Mainz since the beginning of 2008. After longer periods of time in Ukraine and Japan, he was awarded a research fellowship from the Alexander von Humboldt Foundation. Since then, Petre Badica has learned a great deal: about his academic field, about the European Higher Education Area – and about retirement insurance

You have had to live in a lot of countries in the course of your research career. Do you ever get homesick sometimes?

Why would I? I feel at home – wherever I am. That’s how I felt in Kiev, in Tsukuba and Sendai, Japan and now in Mainz. You know, for someone like me, a home country is not really important at all because I have had exciting work, life and cultural experiences in many places. That is why it is especially difficult for me to respond when people ask me where I come from. Mobility is an important part of my growth as a professional and a person. I realize though that I am from Romania when it comes to my roots and pension insurance. I still have that in Bucharest.

You have remained insured in Romania, but even now that you live abroad?

Yes, for a few years now, I have taken care of that through Romania. In addition to the classic pension scheme, where everyone that works there is required to be insured, we have a second system – and I can make payments to that even when I am abroad. As a result, I do not have any gaps in payment to this second optional system, which makes the matter easier to assess. This is not the case with the first, traditional one, to which – until few years ago – it was not possible for me to make direct payments while I was abroad.



Dr. Petre Badica

That sounds convenient!

At first glance, yes, it would seem that way. But, this system clearly does not fit with the life of a mobile researcher. I do not feel professionally attached to a particular country, but despite that, due to the pension insurance alone, I have to be; just like a regular hired employee who spends his whole professional life in Romania. But I do not really work for a Romanian company – I work for science and in this sense I am my own 'company', if you like, and this company is not registered to one particular country. Ideally, rules and regulations on pensions would take career and life paths into account. One major factor in this context is that no one is taking over the employer-side of my retirement provisions. My own burden is thus substantially larger.

With regard to bureaucracy, has it been easier for you to gain a foothold in Germany than in Japan? After all, both of our countries, Germany and Romania, are part of the European Higher Education and Research Area...

Of course, a number of things are easier to resolve within the EU. But you have to give the Japanese credit: They did an excellent job taking care of me when I arrived. People who do not feel good do not work good either – that was their pragmatic motto, and indeed, many formalities were taken care of in no time at all. There were set contact persons for all questions and issues, and I haven't experienced by far that level of support yet here. But precisely that is necessary since I cannot just ask one of my colleagues for assistance – they are in a much different situation and simply cannot help me with specific problems for visiting scholars. That the Japanese were so helpful despite all bureaucratic hurdles between Europe and Asia – that is a big lesson we can learn from.

PERMANENTLY PACKED BAGS

Louise Ackers / Liz Oliver

More job changes and shorter stays – patterns in researcher mobility have altered considerably. Formerly atypical career paths have become the norm. An assessment of the situation

Her name is Anna and her biography is typical for many young academics in Europe: Anna is German and completed her PhD in England at the age of 29. As is normally the case there, she enjoyed student status up to that point and did not pay anything toward a state or occupational pension scheme. For her post-doctoral studies, Anna moved to Belgium for two years. There, “I was registered as a student” she says, receiving a stipend for the post and as a result, she again did not pay into a pension scheme. On the one hand, she is concerned about not having done anything with regard to old-age provisions, but was relieved on the other hand about the situation. “The whole bureaucracy involved for what is a relatively short amount of time” meant that it would not have been worth the effort, especially since she was only planning to stay for that brief period.

Anna’s biography is exemplary for many of the problems that social security systems in Europe face – as do all mobile academics moving within the EU, the broader European Higher Education Area or globally. These mobile researchers represent a group that has grown continuously in the past few years and has changed considerably. The traditional type of career path for a mobile academic has become more and more seldom, i.e. one who leaves the country of origin to

move abroad and settle there for a long period of time. Instead, the patterns of mobility are becoming more diverse: short-term stays, numerous changes of location, participation in international partner-programmes and even holding positions in different countries simultaneously are forms of mobility seen more frequently nowadays. Pension providers have not yet responded to this transition.

The relationship between scientific employment, geographical mobility and pensions has been explored in a study by the Association of Chartered and Certified Accountants (ACCA). Their results are unambiguous: only in a few instances did concerns about pensions hinder or limit mobility. At the same time, it appears that a great deal of those affected have little knowledge or awareness of their pension situation.

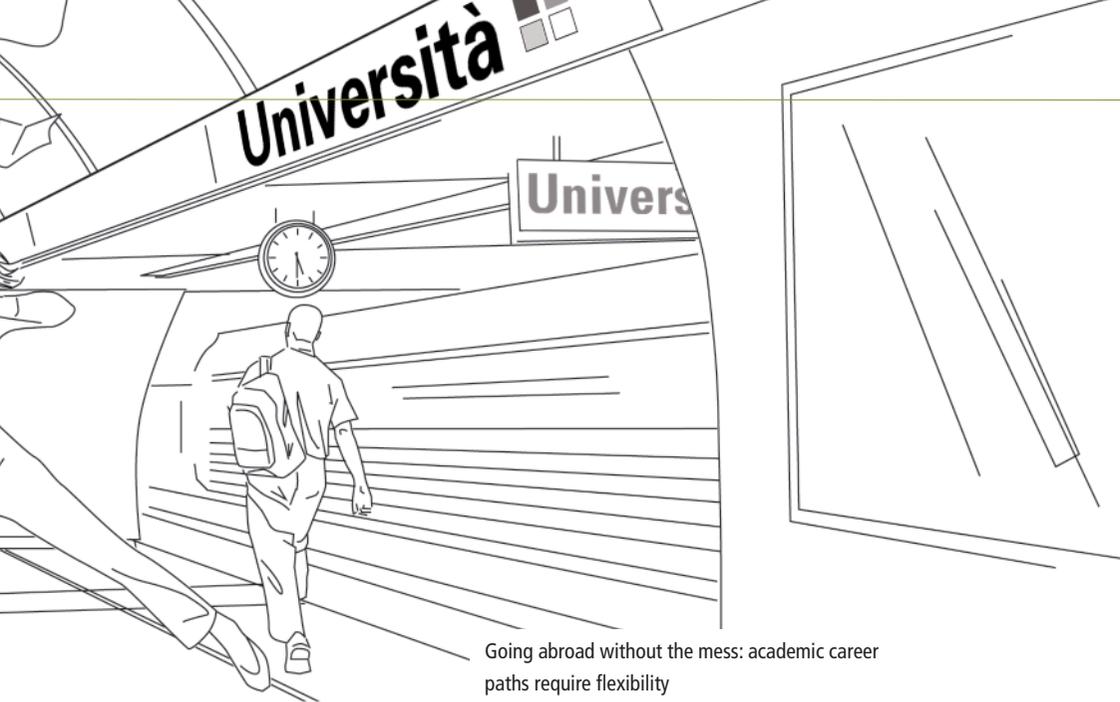
In any case, the parameters for academics have altered to such an extent that it is difficult for the existing social security systems to adjust. The qualification phases are taking longer, while in some countries like Ireland or the U.K., doctoral phases are usually not considered employment and hence there is no obligation to contribute to a pension scheme. Whoever goes abroad after that on a stipend normally has special status, which in turn requires no payments to the social security system.

These fundamental changes are occurring at a time in which many academic employees are deciding not to pay into a pension scheme during stages of their career abroad. In addition to uncertain financial conditions due to poorly paid and limited employment contracts, this pattern may stem from a growing mistrust in the pension systems. Often, an alternative investment concept will be preferred such as private saving plans or real estate. "The whole context is a complete mire. Having an international career is a good way of achieving starvation when you are due for a pension" – the succinct conclusion of a mobile scientist. That statement is also part of another larger finding from the study: only a handful of academics may be deterred by the deficient social security that a mobile career entails, but when retirement age approaches at the latest, they have to pay for that freedom – their financial status in retirement is often



significantly lower than what should be expected in relation to the career path.

Many of these problems were familiar to Kiril already. The 37 year old from Bulgaria left his home after gaining his master's degree and a short period of work to go to Spain. At 25, he entered a five-year PhD programme there. He financed his studies through a stipend without any insurance contributions. "At the time it didn't bother me", he says. "It was important to my future – a career step", so he made no payments to a pension plan. When he was 30, Kiril moved to Austria for a three-year post-doc programme, which he left however after one year. He had found something more permanent in the U.K.: he received a Marie Curie Fellowship in industry, which became a permanent position. During that time, he joined the company pension plan, planning to draw his "British" pension later from Bulgaria. "I think I will be able to transfer but even if I transfer it will mean that one day in Bulgaria I will get two thirds of my Bulgarian salary so it doesn't make much sense. I will freeze it and claim it from here. The pensions there are very low (about 50 € per month)." But above all, his wife has been hit hard: she is a lawyer and had not received work permits for Austria or Spain. Then she had a child in the U.K. She added, "I am



Going abroad without the mess: academic career paths require flexibility

31 now and I haven't made any contributions for 7 years – I sacrificed my pension to be with my husband". Soon after their start in the U.K., they decided to return to Bulgaria. It is still uncertain how their years of mobility in Europe will affect their retirement benefits.

Today, careers like those of Anna and Kiril have become typical in the European Higher Education Area. They also illustrate some of the largest challenges: creating a system for old-age provisions that is adapted to the specific needs of mobile researchers. Besides the relatively high age upon entering their careers, they often face insecure employment statuses, a comparably low salary and a general lack of reliable information. Europe needs the intense exchange among academics and researchers – which is exactly why they need the right social security conditions.

- Prof. Louise Ackers is Chair in Socio-Legal Studies with the School of Law at the University of Liverpool
- Dr. Liz Oliver is Research Fellow with the School of Law at the University of Liverpool

COOPERATION – THE MOST IMPORTANT ELEMENT FOR SUCCESS

Anneli Pauli

The problems researchers face cannot be met by ministries of education and science alone. Social agencies and pension providers are likewise called to task – a new cooperative initiative at EU level could provide the necessary impetus

In the past few years, there has been progress in the efforts toward making Europe more attractive for academics. For instance, the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers propose measures that could improve the working conditions and the social security rights of this group at all stages of their careers. Numerous higher education and research institutions, including the German Rectors' Conference, have declared their support for the principles set forth in the Charter and the Code of Conduct. But, as actual progress has only slowly occurred, the process needs to be advanced further.

As of recently, there have been new, concrete initiatives created for the European Research Area. In order to further develop the latter, the EU Competitiveness Council has decided to launch the Ljubljana Process. In 2008, the Commission also started five new initiatives including its communication on a new "European Partnership for Research". As part of that, the EU countries should commit themselves to achieving visible improvements to researchers' careers and mobility by 2010 in four core areas. Firstly, the needs of mobile academics with regard to social security and supplementary pension rights are to be met. Secondly, attractive working and employment

conditions should be enhanced. A third point concerns the systematic transparency of hiring procedures and finally, improving training, skills and experiences of academics.

Through this European partnership, two key areas are being united which, until recently, were addressed separately: mobility, on the one hand, and researchers' careers on the other. It has indeed become broadly recognised that both aspects complement one another and are of great significance for improving the performance of the national and European research systems. The Commission's communication represents the first time that the problems of academics in the areas of social security and supplemental pension rights have been addressed in a strategy paper with recommendations for specific measures at all levels. Certainly, the initiatives proposed must be undertaken in accordance with the division of responsibilities between the European Union – who can only play a coordinating role – and the member states, who ultimately have the primary responsibility in these areas.

Which measures are necessary? Up until now, the Community provisions on the coordination of social security benefits have promoted the long-term ▶



Moving forward together: The EU can provide the necessary impetus

mobility of employees. But these rules, adopted several decades ago, cannot be equally effective for a highly mobile professional group like researchers who frequently work with subsequent, short-term contracts. Hence, a new set of measures has been developed. This includes improving access to specific information on social security rules and regulations and to already existing information sources at EU level and in the member states like the Mobility Portal for Researchers and the EULisses internet site. This new package of measure is also geared toward a more useful application of EU-provisions regarding cross-border mobility. While in first instance a better usage of the rules and possibilities at hand are being called for, it will also remain important to keep an open eye for new legal improvements within the wider framework of modernising the coordination of social security systems to reflect new and specific forms of mobility. Moreover, initiatives are being supported that should ensure that all academics receiving publicly funded scholarships or grants can get adequate social security coverage.

A number of recommendations for this partnership may apply potentially to non-EU countries that are part of the Bologna Process. This could mean adopting specific clauses for academics in cases where member states and third states have bilateral or multilateral agreements on social security issues. Such clauses would allow an individual to remain in the social security system of the country of origin during a period of employment abroad, to accumulate periods of payment in various systems and, upon return to the country of origin, to retain the accumulated benefits.

With regard to supplementary pensions, pension providers should be encouraged to develop EU-wide pension arrangements. As a result, internationally mobile researchers and academics, who work in various countries, could pay into a single supplementary pension fund and still comply with the



social, labour and pension laws of the respective countries at the same time. The Commission will also work on efforts to facilitate the portability and transferability of supplementary pensions.

In sum, the European Commission is proposing a wide spectrum of ambitious measures for resolving current problems. Most of these initiatives will require substantial involvement on the part of a variety of actors, some of which are outside of the education and research sector. For the most part, they are pension providers, social partners as well as the national and regional agencies responsible for social issues. In light of that, EU Commissioner for Science and Research, Janez Potočnik, has emphasized his support for the idea of organising a joint meeting during future Council presidencies among ministers responsible for competitiveness and ministers responsible for employment and social affairs.

This cooperation however can only then become reality if universities, students and academics as well as education and research agencies begin a constructive dialogue on national and regional levels – a dialogue, which would enable them to speak with one voice in the area of social security and supplementary pensions. A common perspective on the technical and political issues would lend the necessary credence and weight to these proposals for resolving the current problems.

- Dr. Anneli Pauli is Deputy Director-General for Development of the European Research Area of the DG Research of the European Commission

SO MANY QUESTIONS, SO FEW ANSWERS

Lesley Wilson

The demand for portable social security coverage has been growing at several levels for the past few years. A great deal has been achieved – but a number of key aspects still remain unresolved



It is a new reality: on average, the majority of academics spend time working, studying and researching in three different countries in the course of their careers. During this time, they are confronted with a variety of national systems of social security. With a particular view to old-age provisions, there remain a number of obstacles to mobility.

Unfortunately, little has improved in this context, despite a series of attempts to adapt the European Regulation 1408/71 to the changing circumstances. This regulation, which stems from 1971 in the time of the European Economic Community, bears the cumbersome title of “the Regulation on the Application of Social Security Schemes to Employed Persons and Their Families Moving within the Community”.

For the past few years, the interest and awareness on this issue has been growing within the individual member states and on the European level, as demonstrated by the various recommendations by the Commission of the European Union. The decisive questions are: What do we really want from whom? Do we want changes in EU legislation and perhaps the establishment of a pan-European retirement fund? And are we even using the exiting possibilities to their full potential?

The first step toward helping mobile academics is to bring all affected and concerned parties to the discussion table: various ministries, universities, unions, research associations, and the private sector. Clearly, a dialogue is necessary that raises awareness of the problems that academics face with regard to their pensions and in dealing with local authorities. The overall responsibility must also rest on multiple shoulders, from the political decision-making stage to the practical implementation, including all partners that are organised in the Bologna network.

At the same time, a central problem lies with lack of comprehensible and precise information. As it currently stands, there is not one answer to the question of who should provide such information. Actually, by now there is a host of support instruments for mobile researchers via internet such as the EURAXESS Service Center, but the academics concerned are often unsure about who to turn to. This stems not least from the fact that each personal situation is usually highly specific and thus requires a different type of support.

Therefore, we need to improve researchers' and academics' knowledge of social security, pension regulations, and their respective rights – for example, through specialised training seminars, courses, and extensive advisory services. For that to work in practice, however, we need to set up easily accessible sources of information and coherent sets of data online. We should also consider developing a highly specialised network of national experts who cooperate at European level.

Together with all of our partners, we should embrace the long-term task – the challenge of strengthening European cooperation and, at the same time, offering advice for highly individual circumstances.

- Lesley Wilson is the Secretary General of the European University Association (EUA)

POSITIONS OVER SCHOLARSHIPS

Andreas Keller

Making career paths for academics more reliable provides an answer to one of the largest problems regarding old-age provisions. Whoever works early on in a regular position with social security benefits does not have to worry about gaps in their pension later. The next step is then securing the cross-border portability of retirement benefits

The promotion of cross-border mobility represents the pivotal point of the European Higher Education Area (EHEA). Indeed, it has been clear from the outset that not just the mobility of students, but also of higher education employees should be supported.

Particularly academics often have to accept a number of gaps in payments toward their pensions given their long (pre-) career paths. The first gap emerges as a result of their comparatively late start in professional life. According to German social security law since 2005, school education and studies are no longer taken into account with regard to pension entitlements. Moreover, doctoral students and the increasing number of post-docs usually work on the basis of scholarships and thus without social security provisions. From the outset, the German Education Union (GEW - Gewerkschaft Erziehung und Wissenschaft) has argued that working on a dissertation should not represent the third phase of higher education following Bachelor and Master, but rather the initial phase of professional, academic work. Fortunately, the GEW's proposal has received widespread positive reception – accordingly, the report submitted to the Leuven Ministerial Conference “Bologna Beyond 2010” calls for treating doctoral students as “early stage researchers”, providing them with employee status with full social security provisions.

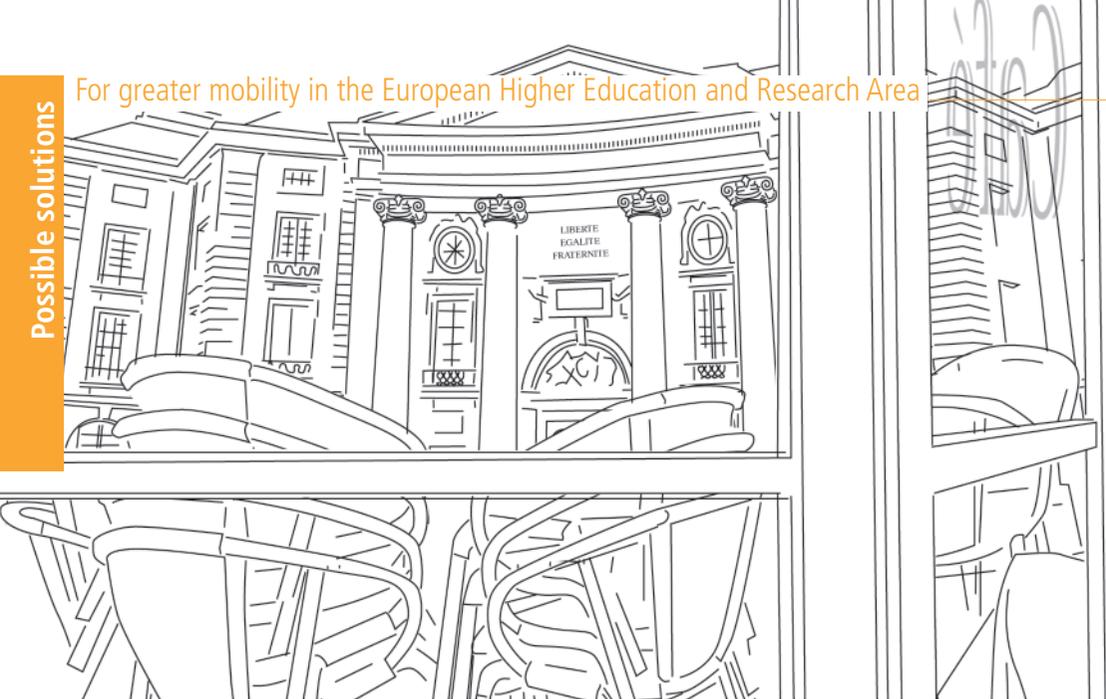


Further gaps in retirement provisions can result on account of part-time employment or periods of unemployment in the time between short-term contracts, tendencies that are especially widespread among academics. Moreover, more and more academics find themselves teaching and working on a course-by-course, lump-sum fee or service contract basis, all of which provide no social security benefits. It is for good reason that this kind of academic work is increasingly viewed as precarious labour.

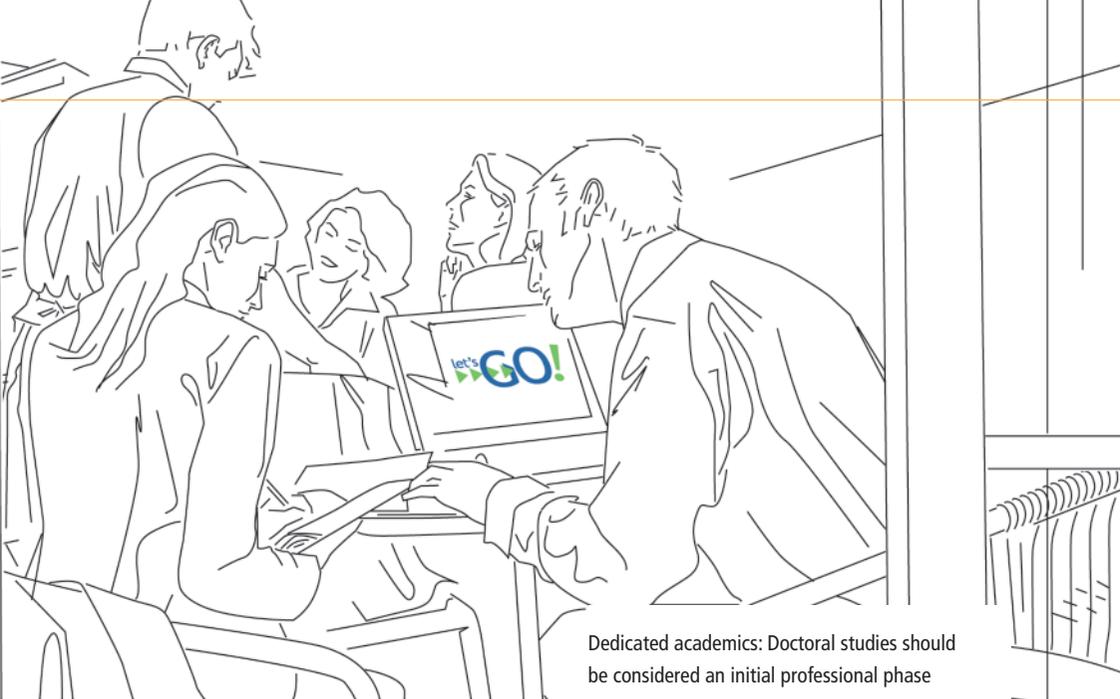
All of the above shows that academics and researchers usually have to reckon with serious gaps in their pensions, regardless of whether they go abroad or not. And for internationally mobile academics, the problem is even worse since the portability of pension benefits is not guaranteed. While the European Regulation 1408/71 for example sets provisions on the rights of people moving in the EU for work or employees working in a cross-border context, the scope of application only extends to state social security systems and not private or company pension plans – and yet, precisely those latter forms are gaining in significance.

What is more, even with regard to state social security, the EU regulation is not purely mobility friendly. In many member states, the entitlement to a social benefit is subject to the stipulation that the applicant has paid into the national system for a certain period of time. Besides that, the EHEA comprises 46 signatory states with membership extending beyond the borders of the EU – and, for employees from non-EU member states or for those going to a non-EU country, the regulation does not apply anyway.

In view of that, the demands on part of the GEW and the German Federation of Student Associations (fzs) become all the more urgent: “Do not penalize but



advance mobility!". To that end, the international association of education unions, Education International (EI) and the European Students' Union (ESU) launched their joint mobility campaign "Let's go!" in 2008. Here, employees and students are making a broad demand for a common EHEA in which everyone can afford to go abroad. The specific demands include the recognition of periods of practical experience, the portability of social benefits, and the signature by all higher education institutions of a "European Mobility Charter". To be sure: if cross-border mobility is to be truly improved, then, from our perspective, the reform of career pathways and personnel structures in academia need to be placed on the agenda. In order to promote upcoming researchers and academics, positions with protected wage-agreement contracts and social security benefits should take priority over scholarships – and where scholarships are necessary, they must provide for social security coverage. In accordance with the recommendations by the European Commission for a European charter for researchers, academics need to receive, much sooner than is most commonly the case now, a reliable career prospect. Following that, gaps in pension coverage in the transition from one position to another must be prevented. The overly state-centred employment conditions such as civil-service



Dedicated academics: Doctoral studies should be considered an initial professional phase

status, prevalent in many countries including Germany, have proven to be a fundamental hindrance to mobility in the EHEA. That could and should be overcome via the transition to employment contracts regulated by collective labour agreements.

Finally, stays abroad should cease to result in a disadvantage with regard to academics' future old-age provisions. To that end, improving information to mobile employees – though necessary of course – will not be enough. The GEW thus is calling for the portability of accumulated pension entitlements to be guaranteed without restriction, with analogous rules being achieved for private and company pension plans. For the Bologna countries outside the EU, the union should reach a multilateral agreement. Moreover, the establishment of a European retirement fund warrants serious consideration, which could help provide for a balance of the burden between guest and host countries as well as between more and less well-off countries. This would be an important step toward reducing the drawbacks of "brain drain" and striking a new balance.

- Dr. Andreas Keller is Member of the Executive Board of the German Education Union (GEW) and Head of the Unit on Higher Education and Research

MORE ADVICE, MORE INFORMATION AND POLITICAL MOMENTUM

Gerhard Duda

In order to facilitate the mobility of academics within and beyond the borders of the EU, the higher education institutions and the insurance providers will need to play their part: A solid network of advice and information can help solve a great deal of the problems



The advisory structure as it currently stands leaves mobile academics with a lot of work to do: ultimately, they must gather the necessary and complicated information on the financial implications of their mobility on their own. This is especially the case when they have taken the initiative themselves to go abroad and have to change employers. At this point, a general lack of service orientation becomes apparent, with regard to the higher education institutions and other research institutes as well as the social security insurance providers. Consequently, academic institutions need to be enabled to provide important information quickly and competently.

In the past few years, mobility centres (as part of EURAXESS – The European Services Network) have been established in all member states of the European Union and some non-EU member states. With support from the EU, they offer internet based advisory services for foreign scholars. However, their long-term financing seems uncertain, especially in smaller states. Aside from that, there is also much room for improvement at the institutions of higher education and research institutes themselves. This applies particularly to the coordination between personnel offices, the local international offices, and, where available, welcome centres. In general, where relevant expertise should be organised at an institution is an important matter to clarify – for example, whether this know-how should be available separately within

each department or pooled among several specialists from different university areas. On the part of the insurance providers, they should provide information packages in various languages and lists of contact partners with foreign language competence. Moreover, local experts at the academic institutions should receive regular training through the insurance providers. Usually, academics and researchers bring their families along when going abroad. Thus, family members should have a “one-stop” source for necessary information, advice and competent support.

But political guidelines for the European Research Area (ERA) and the European Higher Education Area (EHEA) provided by the Council of the European Union or rather the EU Ministers for Education and Research are equally important. And the European Commission has provided a clear signal through its communication of 23 Mai 2008 on “Better careers and more mobility: A European Partnership for Researchers”, which was subsequently adopted by the EU Ministers for Research. This document, directed at the Council of the European Union and the European Parliament, explicitly calls for closer partnership. The member states also adopted this proposal through the Competitiveness Council of the EU. Now it is up to the individual member states to design measures at national level that lead in this direction. In Germany, the work has started. Also, the European Parliament is intensely addressing the issue of old-age provisions and mobility of researchers.

In 2008, the European Commission launched an open call for tender on a “Feasibility study of a pan-European pension fund for EU researchers”. The contract was awarded to Hewitt Associates, a worldwide acting consulting firm in the human resources field. The results of the study have to be presented by mid-2010. In addition, the European Association of Public Sector Pension Institutions (EAPSPI) is discussing new forms of cooperation of European providers for supplementary pensions in publicly-funded research. Finally, the German Rectors’ Conference is cooperating with the Alexander von Humboldt Foundation/EURAXESS Germany in founding an information network for universities, other research organisations and pension providers, which is supposed to start its work in October 2009.

- Dr. Gerhard Duda is Head of Section for European Research Issues and of the Brussels Office of the German Rectors’ Conference (HRK)

NETWORKING KNOWLEDGE

Barbara Sheldon

The Alexander von Humboldt Foundation is part of the European-wide EURAXESS Network, contributing its knowledge and experience with academic mobility. The results are competent advice – and impulses for the wider political dialogue



The goal of the European-wide EURAXESS network is to compile and provide information and advice for internationally mobile academics. Founded in 2003 under the name of ERAMORE, today it comprises academic organisations, universities and other research-related institutions in more than 30 European countries. And all have dedicated themselves to a common task: to provide researchers who want to come to Europe with the information they need before beginning their stay in a foreign country.

In doing so, the network is also helping to increase the attractiveness of Europe as a place of research and thus Europe's ability to recruit researchers and academics. Of course, key factors in deciding to move to another country are the academic environment, the reputation of the prospective institution or salary. Nonetheless, there is also a variety of practical questions to clarify before taking that step. Accordingly, EURAXESS seeks to remove those initial hurdles and, consequently, send the message that qualified researchers are welcome in Europe.

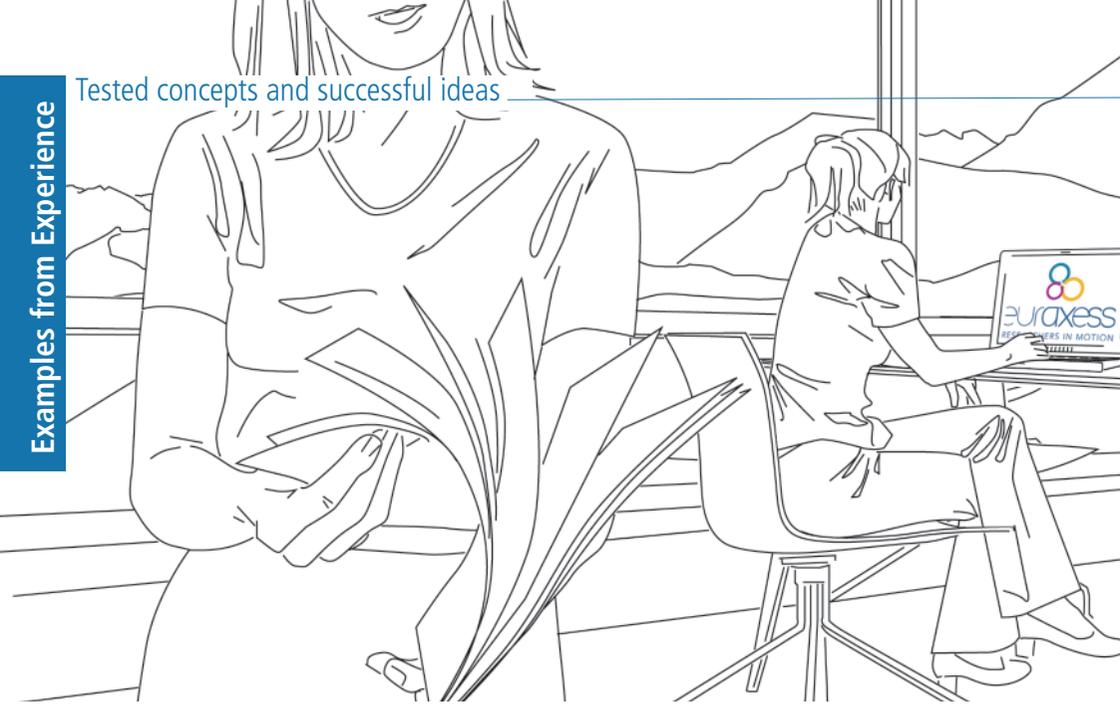
On a European-wide scale, EURAXESS provides information as initial counselling on a standardised catalogue of issues such as taxes and social security, visas, apartment searches, schools and day care and much more. Researchers

can obtain information through graphically uniform portals, receive answers or referrals to necessary contact persons via Helpdesks, and can even search for vacant positions for academics through the Job-Section. Furthermore, the networks international quality facilitates contacts with colleagues throughout Europe. “What possibilities for scholarships are there for me as a biologist from Kenya?”, “What will happen with the pension payments I made in Switzerland when I retire in Germany”, “Where do I pay taxes – in my host country or my country of origin?” or “How do I get health insurance?” – For all of these questions and more, the National Coordination Point for Germany at the Alexander von Humboldt Foundation can provide orientation.

Each month, the office receives up to 800 questions on various issues. The typical researchers are experts in their fields, but usually not on matters of scholarships, taxes and social security. In many cases, EURAXESS Germany can provide relevant information. A comprehensive FAQ-List helps in answering questions on visas, work, taxes and social security. While it does not constitute legal advice, the office can help in at least referring to the responsible professional groups such as lawyers or tax advisers when necessary.

Based on the need for advisory service among international mobile researchers, EURAXESS Germany at the Alexander von Humboldt Foundation has built a network of advisors over the past five years. The advisors for researchers are the “all-arounders” at universities and research institutions who support mobile academics. Indeed, no matter how much help is provided in advance, ▶

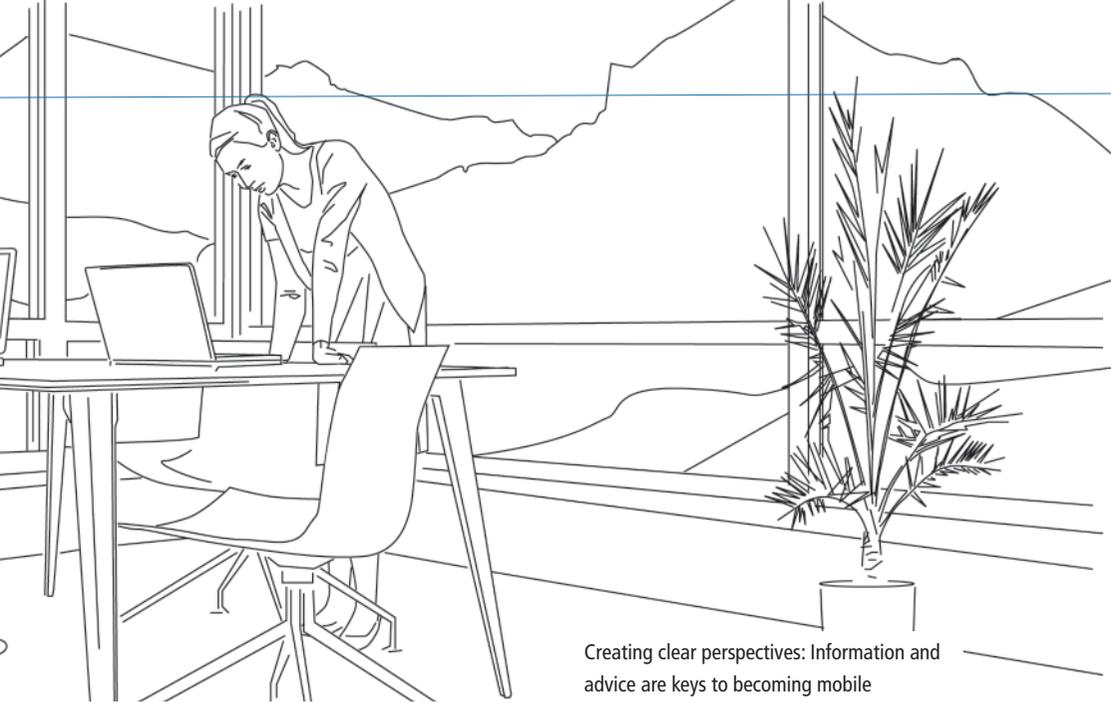




the actual advisory work takes place mainly on site – i.e., where the academics and researchers will be doing their work. Therefore, the long-term goal has to be the strengthening of advisory competence on the specific needs of mobile academics at the higher education and research institutions themselves. For that purpose, around one hundred researcher advisors participate in the semi-annual seminars of EURAXESS Germany, where they can become more familiarised with the newest developments – whether on implications for recruitment after the EU Researcher Directive and other EU legal acts, or regarding rules on taxes and social security for mobile academics.

Overall, these efforts provide the opportunity for researcher advisors to get further training, form partnerships among each other and to find out about the opportunities through the European-wide network. At the same time, they seek to build links to other potential partners from the “environment” of academic mobility such as the local international offices, the Office for Migration and Refugees, the German Social Security Office or the German Rectors’ Conference.

As a spin-off, the competition “Welcome Centres” was launched in 2006 and held again in 2008. The contests serve to reward universities that propose



Creating clear perspectives: Information and advice are keys to becoming mobile

original concepts for integrating internationally mobile academics and easing their bureaucratic burden so that they can dedicate themselves all the more to their research.

In addition, EURAXESS Germany is contributing to the wider academic-political debate on researcher mobility. In discussions with ministries and public offices, EURAXESS Germany can draw from its wealth of experience in supporting individual academics, conversations with researcher advisors and the ongoing exchange with European partners. Now after five years since its founding, the network stands for making sure that research and academic stays in Europe are no longer impeded by information gaps. However, the questions and problems that academics bring up with advisors reveals all too clearly: there is still a great deal of work to be done in order to finally eliminate hindrances to mobility of researchers and academics.

- Dr. Barbara Sheldon is Head of EURAXESS Germany at the Alexander von Humboldt Foundation

CLOSING KNOWLEDGE AND AWARENESS GAPS

Tina Odenthal

The University of Bonn takes an individual advisory approach for its foreign academics – and, at the same time, is building a broad information system, where it can compile its know-how. The key to its success is regular cooperation with external specialists



There are numerous of questions that come up time and again: “When my contract ends and I leave Germany, will I get the money I paid to the retirement fund back?” – “Does it make a difference whether I stay in the EU or work outside of the EU?” – “What is the difference between the Deutsche Rentenversicherung (the statutory pension scheme) and the Versorgungsanstalt des Bundes und der Länder (federal and state employee retirement fund)?” From the outset, the Welcome Centre has discovered that there is an immense need for information on these topics.

The Centre was established in January 2007 at the University of Bonn as a central contact office for foreign researchers and academics. In the “Welcome Centres” competition held by the Alexander von Humboldt Foundation, the Deutsche Telekom Foundation and the Stifterverband für die Deutsche Wissenschaft, the Welcome Centre in Bonn was awarded for its concept and received financial support from these organisations. Its main task is to advise and support foreign researchers, academics and their families in all matters related to organising their stay and everyday life in Germany. But the advisory office is more than a reception centre for foreign



© Dominik Fritz / Uni Bonn

Information gap: Researchers are experts in their subject area – but when it comes to old-age provisions, often they do not have the background knowledge

guests. It was also designed as a support service for advisors in the university's institutes, who are usually the first to be confronted with the questions and problems of international personnel. Since the project started, more than 500 inquiries have been handled. In addition to assistance in apartment and day care searches, the greatest support is needed with regard to formalities such as visa and residency permits or social security.

The Welcome Centre serves as an initial contact office and an interface between various relevant actors and offices. By compiling inquiries centrally, the Centre can produce synergy effects and build up its competence. Consequently, the staff is already capable of answering a great deal of questions first-hand. Legal issues and complex topics however are referred to be handled by external experts. When necessary, they can assist the clientele with their know-how directly.

Pension insurance plans represent a particularly complicated topic, on which neither the personnel department nor the Welcome Centre is capable of providing in-depth advice. Thus, the Centre takes a cooperative approach with the Deutsche Rentenversicherung in Bonn, where there are specific



Working stress-free: Making the right provisions makes life easier

contact persons for assisting foreign clients and can provide advice in English. The Welcome Centre recommends visiting academics to make an appointment there, at the latest before departing Germany, to find out about pension entitlements or the possibility of reimbursement of their contributions.

In addition to the year-round advisory service, the Welcome Centre seeks to raise awareness on the significance of social security and pensions in the context of academic mobility. Accordingly, the Centre and the Deutsche Rentenversicherung organise joint information events and individual advisory talks at the University of Bonn on a regular basis. The importance of these efforts was confirmed at the first event, held in October 2008: according to the results of a survey conducted there, 97 percent of the attendees stated that they knew little or very little about the pension system. Hence, the need for information is enormous – and the event was greeted in turn with equal enthusiasm. For the University of Bonn and the Deutsche Rentenversicherung as well, the English language event of this nature was a first.



Surely there is greater potential for extending the amount of information and advisory services in English on part of the insurance and pension providers, not just from the statutory scheme, but also the private and company pension schemes. It is also important to provide international academics with an overview of the entire pension system and the various actors. As the info events demonstrate, many individuals are unaware of the differences between state or statutory pensions, company pension plans and private supplementary insurances. Preferably, there would also be a pool of English-speaking experts who are specially trained for giving presentations to an international academic audience on the social security system. In doing so, they would be able to address the specific needs of a target audience, for whom cross-border mobility is simply “part of the job”.

- Tina Odenthal is Project Leader of the Welcome Centre at the University of Bonn

AN EMPLOYMENT CONTRACT FOR EVERYONE

Ben Geerts

In the Netherlands, every researcher receives an employment contract – even those who have come as visiting scholars. This facilitates integration into the pension system and prevents discrimination



The legal status of all employees at Dutch universities is laid down in a basic collective labour agreement. This basic contract sets forth rules on salaries, working hours, holidays and old-age provisions. Therefore, anyone who works for a Dutch university is required to receive an employment contract. If an employee is paid by a different employer, regardless of whether from within or outside the Netherlands, the Dutch university must still provide the employee with an unpaid contract.

Membership with the largest pension insurance scheme, Algemeen Burgerlijk Pensioenfonds (ABP), which is geared toward employees in the public and education sectors, is mandatory for all employees – and that includes the approximately 7,000 doctoral students. The premium is paid in ratio of two-thirds by the employer and the remaining one-third by the employee. If changing to another Dutch university, the employee's membership in the pension fund continues. If the employee leaves the public service or education sector for a position with a private employer, she or he has the right to transfer the accrued benefits to the new employer's pension fund.

In addition, there is a series of formal provisions for facilitating mobility between various higher education institutions. If an academic receives a grant or stipend and is already an employee of a Dutch university, the employment contract will remain in effect. In accordance with an agreement with the dean of the faculty, the employee can



More transparency: mobile academics
require clear prospects

then spend the funds. Furthermore, a Dutch academic who would like to work outside the Netherlands can take an unpaid leave of absence for a maximum of 12 months if she or he has an employment contract with a foreign university. During that time, the employee can remain in the Dutch pension fund and the employee can reach an agreement with the Dutch university with regard to the premium payments.

International academics and researchers that come to the Netherlands on a grant or stipend also receive an employment contract. The university will use part of the funds to pay their salaries – as a result, the foreign researchers also become members of the pension fund. Upon leaving their positions, they have two possibilities: they can withdrawal the accrued pension benefits and take them with to next employer, or they can freeze the contributions and wait until their 65th birthday. Then, the ABP will pay them a pension. With regard to transferability of pensions, the Netherlands maintains agreements with a few European countries.

It is also possible for Dutch universities to reach agreements with higher education institutions from another country, when a foreign academic would like to come to the Netherlands. In such cases, the foreign researcher or academic remains an employee of the home institution and receives salary from there. That way, the academic can remain in her or his familiar insurance system. The Dutch university on the other hand will reimburse those costs to the partner university abroad and provides the academic with an unpaid employment contract. As a result, the mobile academic has secure conditions with regard to pension, health insurance and other social security matters – and thus fewer things to distract from the more important work of teaching and researching.

- Ben Geerts works for the Association of Universities in the Netherlands (VSNU) in The Hague

A FOUNDATION GOES SERVICE

Vincent de Graauw

In France, a central foundation is compiling know-how on matters related to old-age provisions. Thus, visiting scholars and researchers can get on with their work as soon as they arrive – since others handle the paperwork for them



In 1993, the French Academy of Sciences established the Alfred Kastler Foundation (Fondation Nationale Alfred Kastler – FNAK) which, since 2002, has been part of the public service foundation, Cité internationale universitaire de Paris (CiuP). The Kastler Foundation has committed itself to two primary goals: to essentially make life as easy as possible for foreign scholars and researchers during their stay in France and to maintain contact with them even after their departure. Financial support for the foundation comes mainly from the French government and from the local authorities in the region of Alsace. The humanist values espoused by Alfred Kastler, who promoted mobility as well as access to knowledge and cultural exchange, serve as the guiding principles of the foundation.

To advance such international exchange, the Kastler Foundation provides all foreign academics a host of services at no charge that help facilitate their stay in France. In doing so, it seeks to ease visiting scholars and researchers transition so they not only feel at home soon, but can also adjust smoothly and make the most of their move to France. Before their arrival, researchers and academics can access specialised information via the foundation homepage and are guided through the administrative formalities they will encounter once

in France. By registering an online-account, users receive access to personalised assistance on bureaucratic matters and to specially negotiated rates with various insurance providers. In addition, support is provided on the necessary initial steps for opening a bank account, and there is also the possibility for arranging temporary housing in France.

Of course, no service would be complete without continuous updates and adjustments, which the Kastler Foundation undertakes on a regular basis in order to assist visiting academics and researchers in the best possible way – just like other service providers, it places high value on high quality. For that purpose, the foundation is a permanent member of a quality assurance working group headed by the European Commission. In this forum, members work to initiate a European-wide exchange on experience and know-how and thus learn mutually from examples of good practice.

With regard to social security matters and above all the French old-age provisions system, the Kastler Foundation can help researchers and academics in contacting the respective local agencies. The French social security system is based on two types of binding contributions, a first and a second pillar. All foreign researchers who are working as paid employees in France pay a contribution based on their salary, as do their employers. Upon retirement, a researcher must contact various institutions: the social security administration responsible for the state pension fund, but also one or two private organisations providing supplementary pension plans. These institutions pay out quarterly pension benefits separately. In cases where researchers and academics have contributed to pension schemes in various European and/or non-European countries, the Kastler Foundation can also provide advisory support.

■ Vincent de Graauw is Legal Expert at FNAK in Strasbourg

AN OUT-OF-STATE SOLUTION

Jared Sonnicksen

The situation concerning mobile academics was addressed and improved over 90 years ago in the USA – through a private organisation that cooperates closely with academic institutions. This approach makes it possible to circumnavigate the pitfalls of the federal system

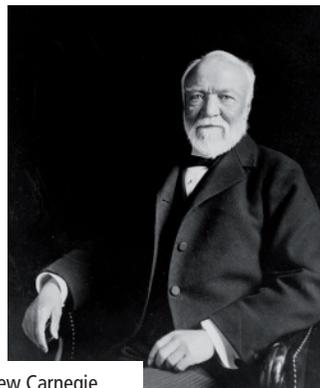


It is a unique association, which thousands of American higher education institutions, research institutes and organisations belong to: The Teachers Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF), a financial services company that is among the largest businesses in the United States. As a non-state solution, it can provide a flexible answer to the difficult question on old-age provisions of a professional group that is exceptionally characterised by mobility. But another noteworthy feature is that the legal and historical framework for higher education employees in the USA reveals interesting parallels to the current situation for academics in Europe.

Taking a brief look to the past, continental European countries already laid the foundations for welfare systems in general and for public or state-guaranteed pension schemes in the 19th century, hence, much earlier than in the United States. If governmental approaches were taken in the U.S., they came predominantly from the individual States. This correlates – aside from socio-cultural differences of course – with the federal structure of the United States. In the past, they were organised in a highly decentralised manner and, by comparison, have remained so to this day.

Consequently, a solution to the problem of social security had to come from the private sector, either because the government was not capable legally or not willing

politically to do so. Social security problems became particularly urgent in the area of higher education; for professors, the situation was more precarious than, for example, employees in production plants or civil servants where private company pensions schemes were more or less established. Even back then, mobility was no foreign custom to the field of academia, but was widespread and essential. However, this inclination to mobility made the lack of a cross-institutional, not to mention nation-wide form of income security for old age an even heavier burden for academics. In light of that situation, steel magnate Andrew Carnegie saw considerable room and necessity for improvement. Already famous for his charity work, for example in financing libraries and colleges, he recognized the need for a specialised pension fund, adapted to the requirements and particularities of the academic professional group. This would in turn enable colleges and universities to recruit and retain excellent teachers and researchers. ▶

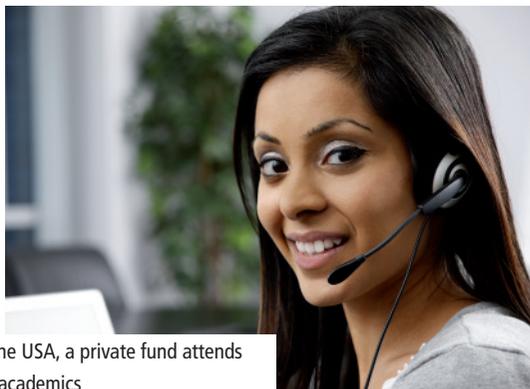


Steel magnate and philanthropist: Andrew Carnegie

It is against this background that the Carnegie Foundation established the TIAA in 1918, endowed with one million dollars in start-up capital from the Carnegie Corporation of New York. After its first year in existence, the TIAA, originally founded as a life insurance company with products for higher education employees, had gained more than thirty institutional clients.

Early on, the life insurance company took a combined financial approach with contributions to individual accounts, coupled with a conservative investment strategy. That combination enabled the group, not only to survive the global economic crisis of the 1930s, but also to expand. In 1952, the company entered a new phase: the College Retirement Equities Fund was established in order to make it possible for the enlarged organisation to invest the contributions in more diverse financial products such as stocks. This change in approach became imperative due to a number of factors: After the Second World War, the economy entered a boom phase, overall life expectancy rose and the number of students increased rapidly, as did the number of higher education institutions in response. As a result, TIAA-CREF had to meet growing capital requirements. Since then, this investment strategy has by and large been maintained, though the assortment of stocks, mutual funds, real estate – i.e. ranging from less risky to more speculative investments – has been diversified. At the same time, the organisation has continuously broadened its product spectrum.

Nevertheless, the company works on a largely non-profit basis, which is reflected in its business focus on clients from the higher education and research fields as well as other non-profit and charitable organisations. Today, the TIAA-CREF organisation has over three million individual clients and policyholders, with more than 15,000 institutions, predominantly academic and research oriented, belonging to the organisation. For customers and member institutions, there is a broad network of advisors available, who work on a non-commissioned basis.



Decades of service: In the USA, a private fund attends to the needs of mobile academics

But what is more significant in the context of academic mobility is the non-state, cross-border structure of the company. This enables policyholders and pension scheme customers, who are predominantly from the higher education sector, to move between States and institutions quite smoothly. Accordingly, this system allows a high degree of portability.

For those reasons, this model could be especially worth considering for the European Higher Education Area (EHEA) and the European Research Area (ERA). The historical and system framework, in which the TIAA was created, begs the question of whether the European states may be better served by developing a similar model for removing social obstacles to mobility, rather than via convergence and mutual adaptations of the various social security and pension systems. For indeed, the historical parallels are fairly obvious: not unlike the USA in the early 20th century, a common market, free trade area and a close exchange between non-EU states and EU member states all exist in Europe, with individual countries maintaining wide autonomy, not least in social policy. The European countries would not even have to surrender that precious domain and all of the achievements it may stand for. But if they want to promote cross-border mobility and to enhance the competitiveness of the EHEA and ERA, then there is no way around the task of removing the socio-political barriers.

- Jared Sonnicksen is a teaching and research assistant with the Institute for Political Science and Sociology at the University of Bonn

A STABLE FOUNDATION FOR YOUNG RESEARCHERS

Louise Ackers / Liz Oliver

The message to the Conference of Education Ministers in Leuven is clear: a secure employment perspective is essential for young researchers and academics in order to provide a solid foundation for their old-age provisions. And: there is much room for improvement in the existing social security system



The title already hints at the dilemma: “Penalized for being mobile?” was the theme of the Bologna Seminar organised by the German Rectors’

Conference, where more than 110 international experts came together – government representatives, social security experts, representatives from large pension funds and research institutions. In the course of the seminar, they worked on recommendations and problem-solving strategies.

There was extensive agreement on the need to take the existing infrastructure of policies and legal mechanisms as the foundation for necessary changes. For one, that illustrates a good deal of pragmatism. At the same time, it expresses clearly the concern that many of the factors that characterise the relationship between mobility and old-age provisions have more to do with today’s typical research and academic careers than with the social security systems. For reason of pure necessity in many cases, academics change from one position to the next; often these positions are somewhat unattractive. Research institutes tend to rely heavily on limited employment contracts in order to stay flexible. Therefore, it is important to reach greater stability in working conditions for researchers but without overly constraining flexibility. This would help above all those academics who are just beginning their career.



The research institutions should assess thoroughly their necessary capacity for employees as recommended by the EU Directive 1999/70/EC. It calls for making unlimited employment contracts the rule, while limited contracts should only then be considered in order to meet a need for flexibility on both the part of the employer as well as the employee. In this context, the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers make clear statements. According to those agreements, reliable employment conditions and good pay enhance the autonomy of young researchers in particular – and that provides them with the necessary prospects as well as the financial security in order to make stronger efforts toward meeting their old-age provision needs.

One major problem remains though, even if these research conditions improve: the information deficit. Many academics simply do not comprehend the pension situation and cannot calculate what the financial effects of their mobility will be – and that applies to changing jobs between two countries as well as between sectors within a country, from academia to the private sector. Firstly, greater knowledge and awareness on part of the academics are necessary, which could, for example, take the form of obligatory seminars as a formal part of doctoral studies. Secondly, the institutions are called to task: pension scheme providers as well as foundations, employers and public mobility centres. This evokes however the difficult question of where to compile the variety of information. The disadvantage here with making a mobility centre responsible is the geographical distance between the workplace and the researcher affected. It would seem more reasonable to make the personnel departments at the respective employer institutions responsible. Here, data from various sources could be collected and then compiled into a comprehensive information package for every academic. It is important that the young academics are treated equally – independent of which employment status they have. Mobility Centres could take on the task of training staff in the respective personnel departments and sensitising them for the specificities in the area of pension insurance. ▶



Heavy challenges require joined forces – that applies no less to old-age provisions

The recommendations outlined above build upon the existing system and mechanisms with the goal of a better usage of the possibilities that are already available. That constitutes the approach that can probably be implemented most quickly in order to address these urgent problems. In addition however, other solutions are being discussed that would involve entirely new concepts. This includes for example the introduction of pension products that are tailor made for the specific needs of mobile academics and researchers. For private insurance providers, this could pose an interesting business area, not least since the number of potential customers is increasing continuously. Another approach would entail a stronger commitment on part of research institutes to take a “top-up” strategy, taking over pension payments for their scholarship fellows. Currently, the establishment of national pension registers is being discussed, the core being a reliable database that all registered users would have access to. There, users would be able to receive regularly updated information on their status in the pension system.

Another suggestion that has frequently been brought up in the respective discussion involves the establishment of a pan-European pension fund spe-



cialised for academics and researchers. Taking national rules and tax laws into consideration, this sort of institution could take on the task of cross-border coordination. However, it still remains unclear whether such a trans-national approach would fail on account of the various national laws and provisions.

In order to make progress in the discussion on possible solutions and approaches, the experts at the HRK seminar on academic mobility proposed two concrete measures: a feasibility study by the EU Commission on a pan-European pension fund and a general international study on the situation. These steps could place the further decision-making process on a more stable foundation, which in turn could create as its ultimate goal a more stable foundation for researchers and academics.

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DARE FOR MORE FREE MOVEMENT IN HIGHER EDUCATION

Peter A. Zervakis

A shift from penalising to facilitating mobility in research and academia represents a task of monumental importance for Europe. That will help the entire region toward more competition and innovation – a decisive advantage for science and research

The discussion on higher education reform in Europe is entering a second phase. Until now, the debates have centred around one main demand: more mobility in the European higher education and research areas, facilitating freer movement for students as well as academic instructors and researchers. In the course of this discussion, it has been revealed clearly that international academic exchange still encounters institutional hurdles in many areas – and this is precisely where the second phase is picking up. Now these national barriers need to be addressed so that the higher education and research areas can be developed further and more dynamically.

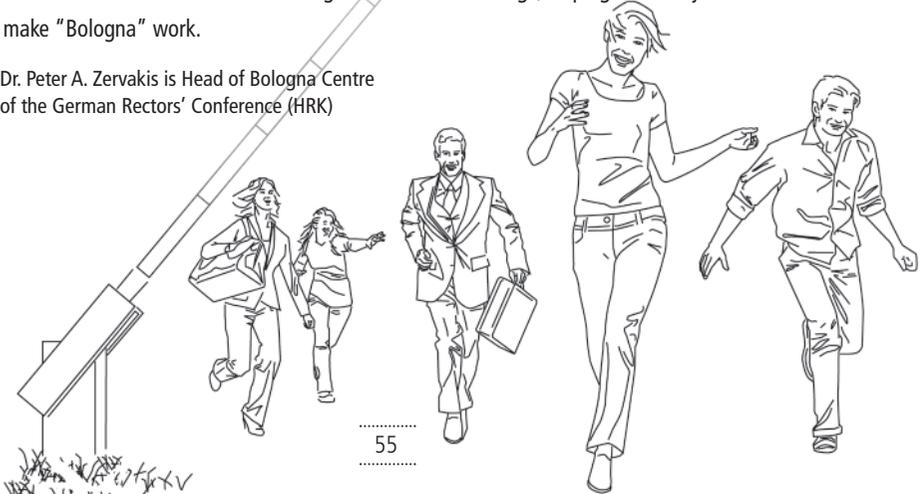
The significance is not only obvious, but goes well beyond the area of higher education: Europe would gain as a whole from improved employment conditions in the areas of research and academics, which bring forth creators of innovation and change. In overcoming long-established national restrictions, while preserving the constructive elements of national social security traditions, Europe could benefit from the added value of globalisation – through a stronger competitive dynamic of its higher education institutions. That is an important step on the way to gaining and retaining a highly qualified labour force. Moreover, only in an open, permeable higher education area can the much-needed exchange of experience and ideas

among scholars and scientists thrive – which ties in with the founding idea of the Bologna Process itself.

In the “social dimension” of the Bologna Process, promoting a better, more efficient implementation and raising awareness on multiple levels represents some of the most important measures ahead. Indeed, obstacles to mobility have become most salient, for example among the so-called “free movers” or academics and researchers who are mobile of their own accord, as opposed to being sent by an employer. And, particularly the Bologna countries outside the EU are strongly affected by an East-West divide. Such systematic incompatibilities can be resolved best for example by introducing transferable or portable rights to retirement and pension benefits across the European national social security systems. In doing so, doctoral students and young researchers without unlimited employment contracts also – or especially – should be considered.

Experience and “good-practice” have demonstrated that quick, reliable and transparent information on social security matters are becoming increasingly important for mobile academics and researchers. Here, European governments, pension providers and the higher education institutions themselves must therefore work closely together, which also presents an opportunity for forging new partnerships. These measures will cost a great deal of effort at all levels, but they are not ends in themselves. Facilitating more free movement in higher education will promote the competitiveness and innovative capacity of European academia and research, but it will also enable a more intense knowledge and cultural exchange, helping ultimately to make “Bologna” work.

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The three pension pillars

Traditionally, three pension pillars are distinguished. The first pillar refers to the statutory pension, the second one is the supplementary or occupational pension and the third one consists of private pension arrangements. The proportions and importance of the pillars vary considerably between different European countries.

1st pillar

As far as the statutory pensions are concerned, the Regulation (EEC) No 1408/71 of the Council of 14 June 1971 "on the application of social security schemes to employed persons and their families moving within the Community" ensures that within Europe the accrued pension rights from more than one EU or EFTA member state are taken into account when calculating the pensions of mobile workers. Each member state, in which a worker was employed, pays a pension according to its national regulations. In addition, some EU member states have negotiated bilateral social security agreements with various non-EU states.

Deutsche Rentenversicherung (DRV)

With exception of civil servants and most freelancers, German as well as foreign employees who are under contract in Germany normally are required to be insured in the German statutory pension scheme of the Deutsche Rentenversicherung (DRV), based in Berlin.

Waiting/qualifying period

To become eligible in the German statutory and supplementary pension system, one is normally obliged to fulfil the so called waiting or qualifying period of at least 5 years. Not only periods of employment and paying contributions are taken into account for the waiting period, but also periods in which no contributions were paid, for example due to parental leave, in some cases also due to education, unemployment and disability.

Civil servant pension

In Germany, most of the professors at the higher education and research institutions are tenured civil servants. They do not belong to the statutory pension scheme (Deutsche Rentenversicherung, DVR) or to any supplementary pension scheme, but receive their pensions from their employer i.e. the federal states (Länder) on a pay-as-you-go basis financed out of the state budget.

2nd pillar

The second pillar comprises the supplementary or occupational pension arrangements. In some schemes only the employer covers the contributions, while in others the employee matches employer contributions as well. The insurance can be compulsory or voluntary.



Headquarters of the EAPSPI

European Association of Public Sector Pension Institutions (EAPSPI)

EAPSPI is based in Munich and represents 21 organisations from 14 European countries. The Association aims to promote the public sector pension schemes in Europe, by taking part in the construction of a social Europe, by studying the consequences of the opening up of Europe, particularly regarding free movement and by promoting exchanges of expertise and information. There are two member organisations in EAPSPI from Germany, one being the VBL.

Versorgungsanstalt des Bundes und der Länder (VBL)

In VBL, based in Karlsruhe, most employees at German higher education institutions are compulsorily insured. In addition to this pay-as-you-go scheme, VBL offers a voluntary capital-funded system for employees with a temporary scientific position in academia or research. Prerequisites for the voluntary scheme are that the employee will be under contract at the institution for less than five years and that he has not been compulsorily insured in a public-sector supplementary pension scheme before. As soon as he has reached the retirement age, he will be entitled to a pension based on the contributions paid. A reimbursement of the contributions is also possible. There is no waiting period to fulfil in the voluntary scheme. VBL and other pension providers for public employees in Germany practice a transfer of pension rights in case of a job change in public service.

Vesting period

The vesting period shall prevent the forfeiture of contributions paid into a supplementary pension scheme in case of termination of employment. To fulfil the German criteria for the vesting period, the employee must be at least 30 (from 2009 on 25) years old and have been a member of a supplementary pension scheme for five years or more.

<http://portal.versorgungskammer.de/portal/page/portal/eapspi>

www.deutsche-rentenversicherung.de

www.vbl.de



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Mobility without Security?

The Debate on Retirement Pensions in the
European Higher Education and Research Area

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