To cite: **Kostadinova, Petia.** 2012. "Reforming social policy to meet Lisbon Strategy goals: comparing 'new' and 'old' Europe" in Smith, Mitchell, ed. *Europe and National Economic Transformation: The EU After the Lisbon Decade*. Palgrave Macmillan

Dependent Variables

I determined what pension reforms were proposed, passed and implemented by each member state since 2000 by examining National Action Plans to reduce poverty and social exclusion; Joint Reports on Social Inclusion; as well as the National Strategy Reports on member states' pension systems; the Social Protection Systems Study for the 5th enlargement applicant countries; and the 2006 Synthesis Reports prepared for each member state by the Social Protection Committee. Member states were asked to prepare these reports in response to the Lisbon Strategy's call to modernize the social welfare states and thus the pension reform actions described in the above mentioned reports are a consequence of policy pressure exerted by the EU on the member states. From these documents and for each country, I extracted the current, proposed and passed laws and regulations regarding pension reforms since 2000, taking note of any significant policy changes done prior to the adoption of the Lisbon Strategy, which encourages member states to implement changes in their social welfare systems. In this dataset, each year when such laws and/or measures were passed is coded as one, otherwise – as zero for each of the member states.

GeneralReform = 1 for the year when it was introduced in each country.

General pension reforms refer to new pension laws as well as adding a new pillar to the pension system.

Adequacy = 1 for the year when it was introduced in each country.

Adequacy measures include raising pensions for all or for specific groups of pensioners, raising the minimum pension, or allowing for years spent in childcare to count towards years worked.

Sustainability = 1 for the year when it was introduced in each country.

The goal of the sustainability measures is to make sure that the level of pensions could be maintained in the long-run taking into account declining revenues and aging, and declining, population. Examples of sustainability reforms include raising the minimum retirement age for all, eliminating differences in retirement age between different groups of old-age citizens, or increasing the incentives for those who qualify for a minimum pension to work longer.

Modernization = 1 for the year when it was introduced in each country.

Modernization, includes a wide range of changes, such as creating online-information systems where citizens can track the budgets of the PAYG pillar, or can login to access

the states of their personal retirement accounts, or mandating the issuance of regular reports by the agencies that manage the pension pillars.

Independent Variables

Support for the European Union: data on the governing political parties' position on European integration gathered by the Comparative Manifesto Project (CMP) which capture the pro-EU emphasis that parties place in their election platforms.

Ideological position: CMP's data on right-left coding of governments from advanced industrial democracies and the new member states.

employment rate for individuals 20-64
life expectancy

GDP per capita
GDP growth rate

Relative income of retirees compared to working people, an indicator of the generosity of the pension systems, measure the need to improve on the adequacy of pensions.

Effective number of parties: the *Electoral Indices* dataset compiled by Michael Gallagher which utilizes the widely used Laasko and Taagepera formula to calculate effective number of parties (ENP).