

CALL FOR RESEARCH PROPOSALS

DEMOGRAPHIC AND TECHNOLOGICAL TRENDS, LABOR MARKETS, AND HEALTH AND PENSION SYSTEMS IN LATIN AMERICA

Population aging is taking place at different speeds among Latin American countries, but countries in the region share two distinct characteristics in comparison with developed countries' previous aging experience. On one hand, population aging in the region is taking place more rapidly. On the other hand, Latin American countries are experiencing aging at much lower levels of GDP per capita compared to the levels that developed economies had when they reached this demographic stage.

This rapid aging process brings challenges for social security provision and threatens countries' fiscal sustainability, especially through its impacts on health and pension systems' levels of expenditure. One key ingredient that makes these challenges even tougher is the region's high informality rate. Informality limits pension and health systems' self-financing possibilities and introduces specific challenges for the design of these systems. In addition to these traditional challenges posed by informality, a new element to consider is the effect of ongoing technological changes on the demand for labor, which questions some of the traditional ways in which health and pension systems were financed (i.e. mainly through employment contributions).

This call aims at supporting research projects that contribute to a better understanding of the impact of these demographic and technological trends on labor markets and health (including elderly care) and pension systems in Latin America. At the same time, it seeks to promote research that highlights design aspects of these programs considering the structural characteristics of labor markets in the region.

In line with these objectives, the following is a non-exhaustive list of topics that research proposals could address:

- The effects of demographic changes on labor demand and supply.
- The effects of technological changes on labor markets: demand for jobs, wage distribution, occupational structure.
- Demographic change, innovation, and productivity.
- Health and pension systems reforms and their effect on labor markets.
- Design of public elderly care policies, and the impact of these policies on labor demand and supply, especially for women.
- Health systems reform and their effect on those systems' coverage and efficiency.
- Pension systems reform and their impact on inequality and poverty.
- Pension systems reform and their effect on occupational choices and savings decisions.
- Optimal design of social security (pensions and health) provision in economies characterized by high labor informality and macroeconomic volatility.

Special consideration will be given to research proposals that present evidence on Latin America.

Important information:

- Proposals must be sent to investigacion@caf.com by **March 22th, 2019**.
- Proposals must include two files: i) a **document of maximum 4 pages (2000 words) presenting the research question** and describing the methodology and data (if it is an empirical work) to employ; ii) the **list of members of the research team**, with their current affiliation and contact details, plus an **updated CV of the corresponding author**. These documents can be presented in English or Spanish. Clarity in the description of the project and the identification strategy (in the case of empirical works) will be highly valued. Failure to comply with the rule regarding the maximum length of the main document will imply the automatic disqualification of the proposal.
- A maximum of **3 winning proposals** will receive a prize of **USD 15.000** each to finance the project.
- Winning proposals will be announced by **April 8, 2019**.
- A first draft of the project must be submitted by **August 26, 2019**. During **September of 2019**, a preliminary version of the project will be presented in a Seminar that CAF will organize in a Latin American city to be determined. CAF will cover travel expenses (economy class airfares and lodging) for one author of each of the selected projects.
- The **final version of the project** must be submitted by **November 17, 2019**, and it will be incorporated into the CAF Working Paper Series. The authors will be free to publish the work in any scientific journal.
- A two-page **policy brief** summarizing the main points and conclusions of the project must be submitted by **November 17, 2019**.
- The committee in charge of assessing the proposals will be integrated by Ana Balsa (Universidad de Montevideo), Andrés Erosa (Universidad Carlos III de Madrid), Leonardo Gasparini (UNLP), Lian Allub (CAF), Fernando Alvarez (CAF), Guillermo Alves (CAF), and Manuel Toledo (CAF).

Any further question can be directed to investigacion@caf.com