

# [Lessons the u.s system should learn from the swedish model](https://assignbuster.com/lessons-the-us-system-should-learn-from-the-swedish-model/)

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In the Sweden model, their programs use the universal and the social insurance system in the old system and universal system in the new systems.   
To qualify for old-age benefits and guarantee pension, the right age is 65. A Swedish resident is at least 3 years while receiving low or no income from earnings-related pensions. Pensions get paid abroad within the European Union and European Economic Area with certain conditions. Earnings-related to the old-age, the old system gives to age 65 covering at least 3 years. The complete pension requires at least 30 years of coverage while early pension becomes reduced and may be paid from age 61 to 64 while deferred pension, may be deferred until age 70.   
In earnings-related old-age pension at the new system, retirement age is flexible, starting at age 61. This pension is based on lifetime earnings detailed in the system. The insured person should have annual earnings exceeding 17, 935 kronor. Premium pension in the new system, its retirement age, is flexible beginning at age 61 and gets paid abroad.   
Disability pension and sickness compensation, the insured persons, must have assessed work capacity of 25% and then gets covered when the disability began. The disability pension comprises of a guarantee and an earnings-related pension. Guarantee pension of the insured should have at least 3 years of coverage. The pension is based on residence and gets paid abroad within the European Union, European Economic Area, Switzerland, and Canada. Earnings-related pension to the insured should have at least 1 year of income in Sweden within a given period. Constant-attendance supplement gets paid when the insured requires a constant attendance of helpers when performing daily functions. Survivor pension of the widow or widower pension comprises of a guaranteed and earnings-related pension having resided in Sweden for at least 3 years. In cases of death, the beneficiary gets compensated and gets funeral grants and orphans pension (Kritzer & Jankowski, 2010, p. 288).   
How might the lessons help in improving the U. S social security program?   
The US system should learn and incorporate these benefits into their social welfare programs. US, social insurance program, get funded by payroll taxes named Federal Insurance Contribution Act Tax. These benefits should be included since, in the US, the retirement is based on insurance amount. The US base their retirement insurances on the year born since the age increases by two (2) months for each consecutive year. This means that benefits start before normal retirement age because their benefits get reduced by the number of months they start benefits before normal retirement. The US should embrace the Swedish model as in the US eligible for benefits if the marriage lasted for 10 years.   
If the US learns from the Swedish model, the spouse and children can receive benefits for a worker who has attained retirement age. If the worker wishes to delay the benefits, the wishes will not affect children and spouses as they will still get their share.   
Nima 2011 presents a historical viewpoint on the development of the Swedish financial system. Contrary to the common view, he infers the success of Swedish society is not because of the welfare state. Rather, due to the result of cultural, demographic factors favorable business environment throughout Sweden. If the US government compensates its tax policy by employing market retirement reforms the societies would prosper. If the US implements certain aspects of the Swedish model, the social society program will improve then its beneficiaries will get better services.