

OUR WOMAN IN THE HAGUE

On 22 November 2023 the Netherlands held elections. The results reshaped the political landscape. One of the big winners of the election was the new political party Nieuw Sociaal Contract (NSC) who gained 20 out of 150 seats in the House of Representatives. It became the fourth largest party in the country and it is an important partner in the negotiations to form a new government. The party leader, Pieter Omtzigt, is a quantitative economist, while the number 8 on the list, Agnes Joseph, is an actuary. We asked her about her ambitions in politics, now that she has entered the House of Representatives with her actuarial background.

BY **KOOS GUBBELS**

What was the motivation to join a political party and participate in the elections?

‘As an actuary in the pension sector, I have always enjoyed following the changes in pension legislation. Meanwhile, the biggest transition in the Dutch pension sector ever has been announced. The Act Future Pensions is in force as of 1 July 2023. Setting up a completely new system will pose major challenges in the near future. I see a lot of practical opportunities for improvement. When the government fell, I thought: this is the chance to make a case for that. After all, where better to monitor legislation and improve it than in The Hague?’

Did you have any political ambitions or experiences before?

‘This will be my first time in politics. Previously, as an expert in legislative processes, I helped various members of the House of Representatives and the Senate to understand the often complex pension subjects. I also participated in a few round table sessions on the Act Future Pensions in the House of Representatives and the Senate.’

As an actuary, you have a technical background. What problems in political decision-making do you think you will have to overcome?

‘Of course, I have a lot to learn when I enter the House of Representatives. Being a representative of the people is a profession in its own right. I am really looking forward to that. On the other hand, I think that with my actuarial background, I can also add a lot. Much political decision-making is based on the results of mathematical models. Sometimes model results are presented as the only objective truth. As an actuary, I know all too well that a mathematical model is just a tool for decision-making. Often, it is not the absolute outcome of a calculation that is the most interesting, but rather the sensitivities of that outcome for different model assumptions >

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are crucial to understand. I therefore hope that, in doing so, I can contribute in a broader sense to the proper use of models in political decision-making in the coming years.'

You are very critical of the new pension system. What would you like to change now you are in politics?

'With the Act Future Pensions, all pension funds are switching to defined contribution schemes. The switch to defined contribution schemes is a global trend. The new defined contribution schemes do more justice to the changing course of life. In the long run, they will enable more customization and choice. What I am very critical of, is that pension funds should by default convert the 'fixed' benefits that have been promised into 'variable' benefits that move with the stock market. This also holds for people who have already retired, without being given a proper say. The first thing I would like to change is that existing pensions will remain in place. Or, if pension funds want to convert the pensions into variable benefits in the new system, that participants in the fund are given the right



of consent. In addition, I want to significantly simplify the pension legislation. We need to reduce blind steering on mathematical models and we

need more open standards. This not only makes pension administration cheaper, it also ensures that you can better react to unexpected future events.' >

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What other topics besides pensions do you see as your area of focus?

Because politics relies on model outcomes for many subjects, I am widely deployable to contribute ideas on all kinds of topics. Especially when it comes to understanding and valuing the results of mathematical models. You can think of models in the context of sustainability, healthcare policy, migration policy, housing policy, etc. I have every confidence in that, as soon as I delve into a file, it will fascinate me and give me energy to improve things in the interest of society. My primary focus will be on pensions and long-term health care, which are topics with very large government budgets.’

What are you going to do about the actuary's reputation in politics?

First of all, I am on the list of candidates as an 'actuary'. And within the NSC, an 'actuary' is now a well-known concept. I think that this is a good first step. Hopefully it will lead towards a wider awareness of our field. After all, actuaries are

already making an important contributions to society in all kinds of areas, including insurance and pensions. I am also going to need my fellow actuaries in my political work. The group of Young Actuaries from the Actuarial Society has already reached out to visit the House of Representatives. This is a good initiative. If we could get more young people interested in our wonderful field by raising more awareness, that would be great development.’

How did you prepare for the interviews?

I know the party leader, Pieter Omtzigt, from the time we both worked at the University of Amsterdam. He went into politics, I chose the business world. But we kept in touch regularly. During the period that I was considering running for the House of Representatives, I mainly had extensive conversations with the HR team of NSC. In addition, there were long assessment days with all potential new colleagues. Those interviews and days were very instructive. In addition to pensions, you have to think about a variety

of topics that play a role in society. From transgender laws to sustainability and nuclear energy. In preparation for this, I read a lot and had conversations with experts in various fields. This was inspiring and educative.’

The political world can be both exciting and challenging, how do you stay yourself?

‘My main drive to go to The Hague is to arrange the best possible pension for everyone in the Netherlands. That has actually been my mission for years. It gives me something to hold on to. Pensions are a long-term endeavor and laws can't be changed overnight. Not even if you work in The Hague, so I am going to have to be very patient, which will be quite a challenge. But I mainly focus on the long-term goals and don't want to get distracted. This is what I have set out to do. In addition, I hope to stay in contact with all actuaries in the field and I hope that everyone I have enjoyed working with over the years will still be able to find me.’ <