

**Ladies and Gentlemen,**

**I would like to welcome you here in the Ceremonial Hall of the Austrian Academy of Sciences also on behalf of the Scientific Advisory Board of the Hannes Androsch Foundation at the Austrian Academy of Sciences. Even as a former vice-president of the Austrian Academy of Sciences, I am still deeply impressed by the festive hall's abundance of decorations, the marble stucco on the walls that gradually merges with the ceiling fresco by the Italian artist Gregorio Guglielmi. This painting, created in the style of the late Baroque, depicts several scientific disciplines as allegorical representations, whereas the painter has used warm, luminous colors and strongly modeled figures within a naturalistic composition. In the first half of the 19<sup>th</sup> century concerts were held in this hall, at which leading musicians of the Viennese classic such as Joseph Haydn, Ludwig van Beethoven and Franz Schubert performed. In the history of our Academy this festive hall has also been used to present scientific award-winners to the public over decades.**

**What could be more adequate than to celebrate the ceremony of the Hannes Androsch Prize in this festive hall?**

**What is the Hannes Androsch Foundation?**

**Let us begin with the donator of the Foundation: Hannes Androsch, born on April 18<sup>th</sup> 1938 in Vienna, is looking back on a remarkable career as politician, entrepreneur and economic advisor. In the 1970s he became Austria's youngest Minister of Finance and also was made Vice-Chancellor of the Austrian Federal Republic. As Minister of Finance he acted as chairman of the OECD at ministerial level in 1979, and he also served as chairman of the Interim Committee of the International Monetary Fund. After having resigned from his political positions, he became General Director of the Creditanstalt-Bankverein (Austria's leading bank at that time) and subsequently acted as an advisor to the World Bank.**

**From 1989 onwards he founded an industrial investment group, the Androsch International Consulting (AIC), which is a major factor in Austria's internationally active corporate landscape. Dr. Androsch is regularly consulted on matters of political, economic and financial questions. Beside his widespread economic activities, he is very much engaged in scientific advisory boards, university councils, and is heading also the Austrian Council for Research and Technological Development.**

**Dr. Androsch who holds honorary doctoral degrees of the Universities of New Orleans and Bratislava and is a member of the Senate of the Austrian Academy of Sciences is also playing an important role in fundraising activities for academia.**

**In 2004 he established a foundation at the Austrian Academy of Sciences carrying his name in remembrance of his 65<sup>th</sup> birthday. It is by far, the most important privately funded non-profit**

endowment exclusively supporting science and research that has been established in Austria since 1945.

The aim of the foundation is to promote scientific works dealing mainly with "labor" and "the strengthening of social balance and peace". In connection with this goal, one of the foundation's activities is the awarding of the Hannes Androsch Prize. The topic of the 2011 award, chosen by a committee of the Austrian Academy of Science, was "A Global Challenge to our Social Future: The Design of a Social Security System which can withstand the dual Threat of Demographic Developments and Financial Market Risks" .

There were no restrictions on eligibility. The announcement of the prize was exclusively distributed via academic channels. For that purpose an own data bank was created, consisting of several research institutes in social sciences worldwide. And indeed, the call was very successful and evoked a vivid response from the international scientific community: A total of 17 manuscripts dealing with the topic were submitted and entered the competition. Applications came from 11 countries, i. e. Taiwan, Great Britain, the United States, Hong Kong, China, France, the Netherlands, Australia, and Austria.

In a first round, a panel of experts in the field, recruited from members of the Academy and from Austrian universities, drew up a short list of the best works on the subject matter. They felt that four submissions were of particularly outstanding scientific merit. These short-listed manuscripts were then sent out in an anonymous fashion to an International Jury of top level experts. The International Jury was very much impressed by the works of the individual finalists, using originality, specificity of the question asked, suitability of the economic model chosen, accuracy of the analysis, scope and clarity of the conclusions drawn and – importantly – relevance for the future as major evaluation parameters.

While the members of the International Jury admitted the difficulty of distinguishing between four superb submissions, they ultimately came to a collective recommendation that ranked one work, namely Markus Knell's "Pay-As-You-Go – a Relict from the Past or a Promise for the Future?" highest, mainly because they felt that it corresponded best to what was asked for in the guidelines and the advertisement of the prize.

On behalf of the Scientific Advisory Board of the Hannes Androsch Foundation at the Austrian Academy of Sciences I would like to express my sincerest thanks to all members of the International Jury and to all those scholars who have participated in this competition. It is a pleasure for me to ask now President Helmut Denk and the prize winner of this year Dr. Markus Knell to enter the podium.