

Pension Economics

A top financial planning expert shows readers how to protect themselves from financial risks and guarantee a sufficient retirement income. Readers learn how to make investment choices based on the nature and security of their career, and how multiple investments can work together to protect their retirement.

The Political Economy of Pension Financialisation addresses – for numerous countries – how and why pension reforms have come to rely more on financial markets, how public policy reacted to financial crises, and regulatory variation. The book demonstrates how the process of pension financialisation reveals that pension policy is not only a social policy that affects retirement income, but also a financial policy that impacts savings rates, corporate finance and the economy. The chapters shed light on pre-funded private pensions as one key component of financialisation, as they turn savings into investments via financial services providers. Readers will also see how pension financialisation and the broader financialisation of the economy are here to stay, despite negative developments during and after the financial crisis. A systematic and comparative overview of the financialisation of pensions, *The Political Economy of Pension Financialisation* is ideal for scholars and postgraduates working on Political Economy, Public Policy and Finance. This book was originally published as a special issue of the *Journal of European Public Policy*.

Pension Economics John Wiley & Sons

Pension systems are under serious pressure worldwide. This pressure stems not only from the well-known trend of population aging, but also from those of increasing heterogeneity of the population and increasing labour mobility. The current economic crisis has aggravated these problems, thereby exposing the vulnerability of many pension schemes to macroeconomic shocks. This book reconsiders the multi-pillar pension scheme against the background of these pressures. It adopts an integral perspective and asks how the pension system as a whole contributes to the three basic functions of pension schemes: facilitating life-cycle financial planning, insuring idiosyncratic risks and sharing macroeconomic risks across generations. It focuses on the optimal balance between the various pension pillars and on the optimal design of each of the schemes. It sketches a number of economic trade-offs, showing that countries may opt for different pension schemes depending on how they react to these trade-offs.

Suggestions for Research in the Economics of Pensions

The Plot against Pensions and the Plan to Save Them

The Economics of Pensions and Variable Retirement Schemes

Issues in Pension Economics

Essentials of Pension Economics

Pension Systems

First published in 1998, this volume was developed as part of the Stockholm Initiative and sets out to assess the situation of providing for retirement and pensions. In the wake of intense debate over pay-as-you-go pensions, Lawrence Thomson for the most part leaves social and cultural issues for subsequent analysis, instead examining

the economic

This Palgrave Pivot provides a concise overview of pension systems which, whether paid by governments or by private companies, are the sole source of income for millions of people around the world. By 2050, two billion elderly people will have to be ensured some form of income while, at the same time, the prospect facing younger generations is of a gloomy future. This book breaks down the jargon, investigates different designs and analyses these designs' effects on financial sustainability, their adequacy when it comes to level and replacement rates, and their effects on intra- and inter-generational distribution. The author provides also an overview of the historical, demographic and political issues connected with the pension debate. This book will be of interest to students and academics, and professionals involved in the pensions industry.

This volume contains the findings of the research project "Institutional Change in Social Security: Pension Reforms in Poland, Hungary and the Czech Republic," which was completed in early 1999. Muller, a research fellow with the Frankfurt Institute for Transformation Studies at the European University Viadrina, examines the partial privatization path that Poland and Hungary chose, and compares their Latin American-styled methods to those of the Czech Republic (which fall well within the boundaries of the Bismarckian-Beveridgean pension traditions). In particular, she looks at which structural-institutional and actor-related factors account for radial pension reform.

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This book provides valuable information and analysis to managers, policymakers, and investment counselors in the rapidly expanding field of pension funding. American workers, too, need answers and insights on how to invest their money and plan for their retirement. fifteen of America's leading financial analysts address such pressing questions as -What is the current financial status of the elderly, and how vulnerable are they to inflation? -What is the impact of inflation on the private pension system, and what are the effects of alternative indexing schemes? -What roles can the social security system play in the provision of retirement income? -What is the effect of the tax code and the Employee Retirement Income Security Act of 1974 (ERISA) on corporate pension policy? -How well funded are corporate pension plans, and is a firm's unfunded pension liability fully reflected in the market value of its common stock? Many of the conclusions these experts reach contradict and challenge popular views, thus providing fertile ground for innovation in pension planning.

Pension Incentives and Sorting Effects

A Short Guide

Financial Aspects of the United States Pension System

Principles, Policies, and International Experience

When I'm Sixty-Four

The Economics of Private Pensions

This book provides a secure grounding in the theory and practice of finance insofar as it deals with pension matters. By using it, the reader will understand the various types of investment assets; * the allocation of personal wealth to different asset classes * corporate pension finance * the financial aspects of defined contribution pension plans during both the accumulation and distribution phases * the financial aspects of defined benefit pension plans * the role of pension funds and pension fund management * pension fund performance measurement and attribution * risk management in pension funds

Pension plans around the world are in a state of crisis. U.S. plans alone are facing a total accrued liability funding deficit of almost \$4 trillion (of the same order of magnitude as the federal debt),

a potential financial catastrophe that ranks among the largest ever seen. It has become clear that many government, corporate, and multi-employer pension sponsors will not be able to cope with this crippling debt and may default on promised benefits. And many of those sponsors that might be able to cope are exasperated by continuous, ongoing negative surprises—large unexpected deficits and higher-than-expected required contributions and pension expense—and are choosing to terminate their plans. But it need not be so. *Pension Finance: Putting the Risks and Costs of Defined Benefit Plans Back under Your Control* walks the reader through the conventional actuarial and accounting approaches to financing pension benefits and investing plan assets, showing that the problems described happen as a natural consequence of the dated methods still in use. It shows in detail how modern methods based on market value will easily minimize these risks: Pension plans can in fact be comfortable for employers to sponsor and safe for employees to contribute to depend on for their retirement needs. This book is must-read for defined benefit pension plan sponsors and employee representatives, plan executives, board members, accountants, fund managers, consultants, and regulators. Research sponsored by the CFA Institute, this book demystifies pension finance, previously accessible only to actuaries. It teaches the topic in lay terms by drawing complete analogies to ordinary transactions such as paying off a mortgage or saving for college. Armed with this book, anyone comfortable with finance and investments in any other context can be comfortable with pension finance and pension investment policy. And further armed with a handheld financial calculator, any layperson can quickly estimate the contributions needed to keep a given plan comfortably solvent, giving them a powerful tool for oversight.

This book examines the major economic challenges associated with the sustainability of public pensions, specifically demographic change, labor-market relations, and risk sharing. The issue of public pensions occupies the political and economic agendas of many major governments in the world. International organizations such as the World Bank and the OECD warn that the economic changes driven by an aging society negatively affects the sustainability of pension systems. This book analyzes different global public pension systems to offer policies, methods and tools for sustainable public pensions. Real case studies from France, Sweden, Latin America, Algeria, USA and Mexico are featured.

This paper forms part of on-going OECD work on the economic assessment of public pension systems in view of the process of the ageing of populations. It provides indicative estimates of the likely size of public pension liabilities in the main seven economies based on simplifying assumptions, and analyses various methods of financing these liabilities. The methodology developed here is based on the so-called generational accounts approach. Such accounts indicate in present-value terms the lifetime financial burden government programmes impose on present and future generations. Up to now, the methodology has been used to estimate public pension liabilities in France and Belgium, in the framework of the 1993 OECD Economic Surveys for those countries ...

New Developments in Pensions, and Pension Economics

A History of Public Sector Pensions in the United States

Reforming Pensions: Principles and Policy Choices

A Sustainability and International Management Perspective

The Political Economy of Pension Reform in Central-Eastern Europe

In the past several decades, pension plans have become one of the most significant institutional influences on labor and financial markets in the U.S. In an

effort to understand the economic effects of this growth, the National Bureau of Economic Research embarked on a major research project in 1980. Issues in Pension Economics, the third in a series of four projected volumes to result from this study, covers a broad range of pension issues and utilizes new and richer data sources than have been previously available. The papers in this volume cover such issues as the interaction of pension-funding decisions and corporate finances; the role of pensions in providing adequate and secure retirement income, including the integration of pension plans with social security and significant drops in the U.S. saving rate; and the incentive effects of pension plans on labor market behavior and the implications of plans on labor market behavior and the implications of plans for different demographic groups. Issues in Pension Economics offers important empirical studies and makes valuable theoretical contributions to current thinking in an area that will most likely continue to be a source of controversy and debate for some time to come. The volume should prove useful to academics and policymakers, as well as to members of the business and labor communities. Mandatory pensions are a worldwide phenomenon. However, with fixed contribution rates, monthly benefits, and retirement ages, pension systems are not consistent with three long-run trends: declining mortality, declining fertility, and earlier retirement. Many systems need reform. This book gives an extensive nontechnical explanation of the economics of pension design. The theoretical arguments have three elements: * Pension systems have multiple objectives--consumption smoothing, insurance, poverty relief, and redistribution. Good policy needs to bear them all in mind. * Good analysis should be framed in a second-best context-- simple economic models are a bad guide to policy design in a world with imperfect information and decision-making, incomplete markets and taxation. * Any choice of pension system has risk-sharing and distributional consequences, which the book recognizes explicitly. Barr and Diamond's analysis includes labor markets, capital markets, risk sharing, and gender and family, with comparison of PAYG and funded systems, recognizing that the suitable level of funding differs by country. Alongside the economic principles of good design, policy must also take account of a country's capacity to implement the system. Thus the theoretical analysis is complemented by discussion of implementation, and of experiences, both good and bad, in many countries, with particular attention to Chile and China.

This book is an abridgement of Barr and Diamond's *Reforming Pensions: Principles and Policy Choices* (OUP, 2008). It begins with the introduction to the earlier book, includes the concluding chapters to the sections on principles and on policy choices and the concluding policy chapter to the book. It summarizes the Chile and China chapters into a section of five pages. It presents material from some of the boxes of the longer book. While the longer book remains as a definitive and detailed analysis of pension reform, this new, shorter book conveys the message and conclusions to policy makers, journalists writing for the general public, and students being introduced to social security and other pension policy. The topic being condensed

and summarized here is described at length in the earlier book. It stems from rapidly changing economic conditions and dramatic increases in life expectancy. Newspaper headlines across the globe anticipate again and again a massive rupture of social security and retirement systems. With public fears on the rise, officials in many countries under pressure to solve problems quickly are turning their backs on traditional pay-as-you-go systems in favor of privately financed retirement plans. Barr and Diamond demonstrate that in the age of globalization these problems are no longer simply domestic problems. Because trade borders are becoming increasingly open and digital transactions are hastily erasing national economic boundaries, countries are no longer able to act independently in setting pension policies. These problems are particularly exacerbated in China, a state where massive restructuring of state-owned enterprises and comparatively recent dynamic entry into global markets have already taxed a system whose enormous burden is to support the retirement of the world's largest national population. The authors address these issues comprehensively in a thorough survey of pension economic principles and application to China.

While not attempting to train readers as professional economists, this book aims to provide a secure grounding in the theory and practice of economics insofar as it deals with pension matters. From reading this book, the user will understand: * The key types of pension scheme * The role of pensions in maximizing individual lifetime welfare * The role of pensions in individual savings and retirement decisions * The role and consequences of the pension plan from the company's viewpoint * The role of pensions in promoting aggregate savings * The role of pensions and retirement in overlapping generations models * The economics of ageing and intergenerational accounting * The social welfare implications of pensions * The lessons of behavioural economics for pensions

Pension Finance

Labor's Capital

Sustainability and Distributional Effects in Germany and the United Kingdom

Pension Liabilities in the Seven Major Economies

The Future of Pension Management

Create Your Own Pension Plan for a Secure Financial Future

This book examines the origins and consequences of so-called pension fund capital which has spread around the world since 1981, when the pension system was completely privatized in Chile. The author highlights the driving forces behind the privatization of pensions, its forms and tools used in practice, and the risks and related to private pensions. The reader can also learn about the experiences of developed countries (including the USA, Canada, Australia, and Germany), as well as Latin American (including Chile) and Eastern European countries, related to the privatization of pensions. Particular attention is paid to Poland as an example of a country where such privatization failed completely. This book provides a source for serious reflection on what this privatization has led to, what its real economic and social consequences are and what the likelihood is of reversing it and strengthening

public pension system. Academic researchers and students of economics and finance as well as social and political sciences, will find the book invaluable in understanding the problems arising from the privatization of pensions. It will also be of interest to professionals: institutions that shape or influence economic and social policy, including political parties, trade unions, non-governmental organizations, the media and institutions operating on the financial market.

Mortality improvements, uncertainty in future mortality trends and the relevant mathematics on life annuities and pension plans constitute important topics in the field of actuarial mathematics and life insurance techniques. In particular, actuarial calculations concerning pensions, life annuities and other living benefits (provided, for example, long-term care insurance products and whole life sickness covers) are based on survival probabilities which necessarily extend over a long time horizon. In order to avoid underestimation of the related liabilities, the insurance company (or the pension plan) must adopt an appropriate forecast of future mortality. Great attention is currently being devoted to the management of life annuity portfolios, both from a theoretical and a practical point of view, because of the growing importance of benefits paid by private pension schemes. In particular, the progressive shift from defined benefit to defined contribution pension schemes has increased the interest in life annuities with a guaranteed annual amount. This book provides a comprehensive and detailed description of methods for projecting mortality, and an extensive introduction to some important issues concerning longevity risk in the area of life annuities and pension benefits. It relies on research work carried out by the author, as well as on a wide teaching experience and in CPD (Continuing Professional Development) initiatives. The following topics are dealt with: life annuities in the framework of post-retirement income strategies; the basic mortality model; recent mortality trends that have been experienced; general features of projection models; discussion of stochastic projection models, with numerical illustrations; measuring and managing longevity risk.

This book, part of the Studies in Social Economics series, examines old age pensions in the United States. Alicia H. Munnell explores the factors that have influenced the growth of private pension plans.

An analysis of the effect of public pension schemes on a country's fertility rate and a proposal for policies to reform pension coverage in light of this.

Pension Aspects of the Economics of Aging: Present and Future Roles of Private Pensions

Empirical Evidence from Central and Eastern European Countries

Are You a Stock Or a Bond?

Pension Reform

Putting the Risks and Costs of Defined Benefit Plans Back Under Your Control

Pension Fund Economics and Finance

Pension fund benefits are crucial for pensioners' welfare and pension fund savings have accumulated to huge amounts, covering a major part of world-wide institutional investments. However,

the literature on pension fund economics and finance is rather limited, caused, in part, to limited data availability. This book contributes to this literature and focuses on three important areas. The first is pension fund (in)efficiency, which has a huge impact on final benefits, particularly when annual spoilage accumulates over a lifetime. Scale economies, pension plans complexity and alternative pension saving plans are important issues. The second area is investment behavior and risk-taking. A key question refers to the allocation of investments over high risk/high return and relatively safe assets. Bikker investigates whether pension funds follow the life-cycle hypothesis: more risk and return for pension funds with young participants. Many pension funds are rather limited in size, which may raise the question how financially sophisticated the pension fund decision makers are: rather professionals or closer to unskilled private persons? The third field concerns two regulation issues. How do pension fund respond to shocks such as unexpected investment returns or changes in life expectancy? What are the welfare implications to the beneficiary for different methods of securing pension funding: solvency requirements, a pension guarantee fund, or sponsor support? This groundbreaking book will challenge the way pension fund economics is thought about and practiced.

"Public old-age insurance schemes in industrialized countries are facing serious financing problems as demographics have changed, retirement ages have decreased and benefits have increased. This book surveys the theoretical, empirical and political issues involved in explaining the evolution of such systems and their reforms, and presents a microeconomic analysis of the determinants of individual retirement decisions when consumers face flexible retirement schemes. A model of induced retirement behaviour (assuming actuarially fair benefit adjustments) is developed and analysed in detail. This model is then used in the analysis of consumer groups exhibiting different characteristics relevant to their retirement decisions."--Back cover.

The Pension Crisis concerns the changing demographic profile of the economy: an increasing number of elderly persons supported by fewer young people. Governments around the world are responding to this impending crisis by shifting their pension policies away from pay-as-you-go systems towards individual savings schemes. These savings need to be converted into a pension at retirement, and annuities provide this function. This book is a comprehensive study of annuity markets. The book starts by outlining the context of public policy towards pensions, and explains the different types of annuities

available, focusing on the UK which has the largest annuity market in the world. It examines how annuities are priced, and describes the techniques of mortality measurement. As a background, it provides a history of annuities, and the experience of annuity markets in a number of other countries. The book outlines the economic theory behind annuities, and explains how annuities insure consumers against longevity risks. It goes on to describes how annuities markets function: how they work, and whether they are efficient, leading onto a discussion of the annuity puzzle. The book concludes by discussing the regulatory framework, assets available to back annuity liabilities, and recent developments in annuity markets. The author explores the critical economic issues underlying national pension systems, including the impact of pensions on a nation's economy, the fiscal dynamics of different pension approaches, and the challenges involved in providing adequate retirement incomes. He concludes that some aspects of the effort to reform the traditional defined-benefit, pay-as-you-go social security program deserve to be taken seriously, but others are either unsupported by current economic knowledge or overstated. This study was commissioned by the International Social Security Association.

Integrating Design, Governance, and Investing
Financial Sustainability of Pension Systems
The Economics and Politics of Private Pensions
Pensions in the U.S. Economy
Pension Fund Capitalism

Report of an Exploratory Survey of the Economic Aspects of
Organized Provision for the Aged and Surviving Dependents

“Moshe Milevsky offers an original and clear re-thinking of the most fundamental concept in one’s financial lifetime: the management of risk, in all of its not-so-obvious dimensions.”—Nick Murray, author, Simple Wealth, Inevitable Wealth “This book is another example of Moshe Milevsky’s ability to make the complex understandable...an excellent primer—for both advisors and their clients alike—on the ‘How Tos’ of effective retirement income planning.”—Jim Rogers, CFP, 2008 President, The Million Dollar Round Table (MDRT) “In this new book, the author presents a holistic framework for investors and advisors to think about critical issues that impact investment decisions, such as human capital, mortality risk, and longevity risk. But even more importantly, Milevsky presents practical solutions that we can all follow to achieve financial security throughout our lives. This book is a must-read for everyone in the financial services industry.”—Peng Chen, CFA, Ibbotson Associates “This is an extremely timely and valuable book. Our financial lives have never been more complex, and the challenges for many are daunting. Milevsky provides a new perspective that can really help people make better financial decisions and attain a greater level of financial security.”—Matt Greenwald, President, Mathew Greenwald & Associates “The author has written an instant classic that will help people become better-educated retirement customers and also help financial advisors improve their professional skills.”—Francois Gadenne, Chairman of the Board and Executive Director, Retirement Income Industry Association

(RIIA) “Milevsky delivers one of the best books to date on personal financial planning—a refreshing blend of content, conceptual correctness, and clarity. Buy it. Read it. Do it.”—Richard M. Ennis, Chairman, Ennis Knupp & Associates; Editor, Financial Analysts Journal In an era when traditional corporate pensions are disappearing, Social Security’s sustainability is in question, healthcare costs are skyrocketing, and society is dumping more and more financial risk squarely onto your shoulders, Moshe Milevsky helps you comprehensively integrate all the opportunities and risks in your life: your career risks, your portfolio risks, your housing risks, and even your personal inflation and longevity risks that could lead you to financial regret and a ruined retirement. Then, he introduces a powerful, new framework for thinking about and managing your financial future that you can use to systematically reduce your vulnerability to each of these risks and, thus, generate long-term financial security. To maximize your investment returns and protect yourself and your family, you must learn to think of yourself as a small company, with assets, liabilities, a balance sheet, an income statement, and real shareholder equity. The composition and choices you make with your financial capital should reflect the nature and security of your career or job, which is your unique “human capital.” So, for example, if You, Inc. is like a “stock,” make sure your retirement savings are tilted toward “bonds.” If your job is more secure and You, Inc. is essentially a “bond,” then make sure your retirement savings are tilted toward “stocks.” Get personal with your investments and make your financial capital serve and protect your human capital. Factoring in your unique “human capital” adds a new dimension to financial planning which is a critical next step for sound and effective investing.

The sustainability of public pension systems has become an important aspect for governments and institutions worldwide. This book addresses the multiple elements that influence the sustainability of pension systems with a special focus on central and eastern European countries. Supported by the results of econometric empirical studies, the authors discuss and analyse areas like social economy versus capitalist economy, globalization versus glocalization, population aging versus birth and fertility, emigration versus immigration, early retirement versus prolongation versus professional activity, the sustainability of public pension systems versus the adequacy of benefits provided, public pension systems compared to private pension funds and taxation of salary incomes versus subsidization of state social insurance.

This book contains material that I have presented in seminars at the Universities of Bochum, Mannheim, Munich, Salerno, and Southern California at Los Angeles, the Institute for Advanced Studies in Vienna, the Max-Planck-Institute for Demographic Research in Rostock, and on various international meetings and conferences. In preparing and revising the material I have benefited from comments, discussions, and advice from several colleagues. I had particularly close and friendly collaboration with Alexander Kemnitz and Robert von Weizsacker to whom I am very grateful. I am also grateful to Michele Boldrin, Axel Borsch-Supan, Friedrich Breyer, Karen Feist, Tullio Jappelli, Leo Kaas, Marco Pagano, Gerhard Schwoiauer, Carl Christian von Weizsacker, and Wolfgang Wiegard for their comments and suggestions. Finally, I would like to thank the Deutsche Forschungsgemeinschaft for financial support.

Mannheim, January 2002 Berthold U. Wigger Contents 1. Introduction ... 1 2. Public Pensions and Economic Growth: The Basic Framework . . 5 2. 1. The Analytical Elements 7 2. 1. 1. The Individuals 7 2. 1. 2. The Firms 10 2. 1. 3. The Public Pension Program 11 2. 1. 4. The Competitive Equilibrium 12 2. 2. Productivity Growth 13 2. 3. Allocative Efficiency 19 2. 4. Public Pension Reform 25 Appendix 2 ... 30 3. The Allocative Role of Intergenerational Transfers in Endogenous Growth Economies 33 3.

1. Investment Externalities, Intergenerational Transfers, and Pareto-improvements ... 35
Contents x 3. 1. 1. A Subsidy to Private Savings 35 3. 1. 2. A Pareto-Improving Policy 38
3. 2.

Recently, policy debate and comparative research on old-age pensions have focused on the financial sustainability of pension systems in the face of demographic change. This study, however, also takes into account distributional effects involved in pension system structures. Theoretical, institutional and empirical analyses are combined to form a comprehensive framework for evaluating financial sustainability and distributional effects of the pension systems implemented in Germany and the United Kingdom. Along with projections of demographic trends and future public pension expenditure, the empirical results on old-age incomes and their distribution allow for identifying a number of reform options for each pension system to improve their financial or distributional results.

Efficiency, Investments and Risk-Taking

Modelling Longevity Dynamics for Pensions and Annuity Business

Economics of Public Pensions

Children and Pensions

Public Pensions and Economic Growth

Pension Economics

A real-world look at the pension revolution underway The Future of Pension Management offers a progress report from the field, using actual case studies from around the world. In the mid-70s, Peter Drucker predicted that demographic dynamics would eventually turn pensions into a major societal issue; in 2007, author Keith Ambachtsheer's book Pension Revolution laid out the ways in which Drucker's predictions had come to pass. This book provides a fresh look at the situation on the ground, and details the encouraging changes that have taken place in pension management concepts and practices. The challenges identified in 2007 are being addressed, and this report shows how design, management, and investment innovation have led to measurably better pension outcomes. Pensions have become an everyday news item, and people are rightly concerned about the security of their retirement in light of recent pension scandals and the global financial crisis. This book provides a note of encouragement, detailing the ways in which today's pensions are becoming more and more secure, and the new ideas and practices that are chipping away at the challenges. Learn how pension management practices are improving Examine the uptick in positive outcomes over recent years Discover why pension investing is turning toward the long-term Consider the challenges that remain and their possible solutions Drucker's vision of a needed pension revolution is unfolding in real time. Better pension designs, more effective pension governance, and more productive pension investing are mitigating many of the issues that threatened collapse. The Future of Pension Management provides a real-world update on the state of pensions today and a look forward to the changes we still need to make.

This book, first published in 1997, offers up-to-date research about publicly regulated pensions for old age.

This examination of the 120-year-old American system of privatized social insurance reveals that the system fails to provide adequate retirement income security, its most prominent goal, and, in fact, its greatest influence is in supplying funds to U.S. capital markets.

For anyone with an interest in pensions—workers and employers, personnel directors, accountants, actuaries, lawyers, insurance agents, financial analysts,

government officials, and social scientists—this book is required reading. Now, without the aid of a pension specialist, anyone can determine how their particular pension plan stacks up against the average. Using virtually all available government sources (including computerized data unavailable in print) and their own extensive surveys, the authors present a comprehensive description of the structural features and financial conditions of U.S. private, state, city, and municipal pension plans. The introductions to the hundreds of tables explain and highlight the information. The picture that emerges of the "typical" plan and its significant variations is crucial to all those with a financial stake in pensions. The reader can compare pension vesting, retirement, and benefit provisions by plan type, plan size, industry, union status, and many more characteristics. With this information, workers can evaluate just how generous their employer is; job applicants can compare fringe benefits of prospective employers; personnel directors can judge their competitive edge. The financial community will find especially interesting the analysis of the unfunded liabilities of private, state, and local pension funds. The investment decisions of private and public pension funds and their return performances are described as well. Government officials and social scientists will find the analysis of pension coverage, the receipt of pension income by the elderly, cost-of-living adjustments, and disability insurance of special importance in evaluating the proper degree of public intervention in the area of old age income support. Pensions in the American Economy is comprehensive and easy to use. Every reader, from small-business owners and civil servants to pension fund specialists, will find in it essential information about this increasingly important part of labor compensation and retirement finances.

Public Pension Economics

The Future of Multi-Pillar Pensions

The Privatization of Pensions in Developed and Developing Countries

Pensions in the American Economy

The Economics of Pensions

Are You a Stock or a Bond?

Pensions in the U.S. Economy is the fourth in a series on pensions from the National Bureau of Economic Research. For both economists and policymakers, this volume makes a valuable contribution to current research on pensions and the economics of the elderly. The contributors report on retirement saving of individuals and the saving that results from corporate funding of pension plans, and they examine particular aspects of the plans themselves from the employee's point of view. Steven F. Venti and David A. Wise offer a careful analysis of who contributes to IRAs and why. Benjamin M. Friedman and Mark Warshawsky look at the reasons more retirement saving is not used to purchase annuities. Personal saving through pension contribution is discussed by B. Douglas Bernheim and John B. Shoven in the context of recent government and corporate pension funding changes. Michael J. Boskin and John B. Shoven analyze indicators of the economic well-being of the elderly, addressing the

problem of why a large fraction of the elderly remain poor despite a general improvement in the economic status of the group as a whole. The relative merits of defined contribution versus defined benefit plans, with emphasis on the risk aspects of the two types of plans for the individual, are examined by Zvi Bodie, Alan J. Marcus, and Robert C. Merton. In the final paper, pension plans and worker turnover are the focus of the discussion by Edward P. Lazear and Robert L. Moore, who propose pension option value rather than the commonly used accrued pension wealth as a measure of pension value.

A collection of papers dealing with different aspects of public pension economics presents new approaches and new results from the frontier of economic research on this topic. The main subjects covered by the book are: - Intergenerational redistribution caused by public pension systems - Efficiency of pay-as-you-go schemes under certainty and general assumptions covering the "small open" and the "closed" economy as special cases - Interregional and intertemporal efficiency when harmonization of policies is attempted and

A crisis is looming for baby boomers and anyone else who hopes to retire in the coming years. In *When I'm Sixty-Four*, Teresa Ghilarducci, the nation's leading authority on the economics of retirement, explains how to confront this crisis head-on, revealing the causes behind the increasingly precarious economics of old age in America and proposing a bold plan to guarantee retirement security for every working citizen. Retirement is one of the hallmarks of a prosperous, civilized market economy. Yet in America today Social Security is on the ropes. Government and employers are dismantling pension security, forcing older people to work longer. The federal government spends billions in exemptions for 401(k)s and other voluntary retirement accounts, yet retirement savings for most workers is falling. Ghilarducci takes an unflinching look at the eroding economic structure of retirement in America--and what she finds is alarming. She exposes the failures of pension regulators and the false hopes of privatized Social Security. She tells the ugly truth about risky 401(k) plans, do-it-yourself retirement schemes, and companies like Enron that have left employees without any retirement savings. Ghilarducci puts forward a sweeping plan to revive the retirement-income system, a plan

that will ensure that, after forty years of work, every American will receive 70 percent of their preretirement earnings, guaranteed for life. No other book makes such a persuasive case for overhauling the pension and Social Security system in order to provide older Americans with the financial stability they have earned and deserve.

From the Wharton School, offering a comprehensive assessment of the political and financial dimensions of public-sector pensions from the colonial period until the emergence of modern retirement plans in the twentieth century.

The Economics of Public Pensions

A Working Paper in Conjunction with the Overall Study of "Economics of Aging: Toward a Full Share in Abundance"

The Political Economy of Pension Financialisation

Annuity Markets

Economic Challenges of Pension Systems

Older and Wiser