

Contents

List of Tables	viii
Acknowledgements	ix
Introduction: 'It's Pensions, Stupid'	1
Retirement Funds and Global Capital	5
The Prophets of Pension Fund Socialism	10
'Old Age Crisis' and Privatisation	16
Financing the New Life-Course	20
1 The Baroque and the Puritan: A Short History of Pension Provision	31
The First Pensions	36
The Revolutionary Idea of Universal Provision	39
Bismarck and Lloyd George: State Pensions and Hegemony	45
Social Security and the Great Depression	50
Contributions plus Universalism: From Roosevelt to Beveridge	56
Occupational Schemes: Mobilisation and Compromise	62
Germany and France: A New Social Compact	65
The Logic of Pay-As-You-Go and the Funded Alternatives	68
Explaining the Pattern of Pension Provision	71
Varieties of Pension Fund and the Answer to a Prayer	79
Different Welfare Regimes: 'De-Commodification', Poverty and Inequality	81
2 Pension Funds and the Returns to Grey Capital	99
The Lever of Finance	108
Grey Capital and the 'Double Accountability Deficit'	115
Policy Holders as Dead Souls	123
Adventures in Speculation	130

Miscreant Managers – and Employers Who Help Themselves	135
Investment Performance and Rates of Return	142
The Financial Cost Disease	157
A New Dimension in Alienation	163
3 Pension Funds and ‘Anglo-Saxon Economics’	173
Secrets of the Anglo-Saxon Model	176
Large Company Bias	182
GE and Marconi: Finance Rules	185
Enron and ‘Financial Engineering’	188
The Price of Short-termism	193
The Bubble and the New Economy	194
Private Affluence, Public Squalor	196
Limos for Life (and other Trophies of Executive Privilege)	198
The Anglo-Saxon Model Vindicated?	210
The Big Wireless Gambles	214
Anglo-Saxons Lose the Propensity to Save	218
4 The Global Drive to Commodify Pensions	225
The World Bank and <i>Averting the Old Age Crisis</i>	229
The European Battlefield	236
Chile and Singapore Revisited	262
The Asian-Pacific Awkward Squad	266
5 Carrot and Stick Reform: Implicit Privatisation in the UK	279
Titmuss, Crossman and Castle: Labour’s Second Pension	282
Margaret Thatcher and Implicit Privatisation	285
The ‘Stakeholder’ Philosophy and the 1997 Election	294
‘Thinking the Unthinkable’: The Rise and Fall of Frank Field	298
‘Partnership in Pensions’ and the Launch of the Stakeholder	304
The Third Way and the Question of Compulsion	310
The Savings Deficit	312
Blair Is Forced to Change Tack	316
Contradictions of Grey Capitalism	331

6 US Social Security: Tax Farmers Besiege the Citadel	349
The Reagan Revolution Stumbles	354
Impractical Critics	363
The Phoney Generation War	369
The Workings of the Social Security Programme	376
The Advisory Council and the Clinton Proposals	379
Feldstein, Bush and Privatisation	392
‘Ten Myths about Social Security’	402
Privatisation and the New Tax Farmers	408
The Bush Commission	413
 7 The Paradoxes of Privatisation and the New Pension Panic	 429
The Inevitability of Collectivism?	435
Saving, Funding and Investing	445
Pension Panic and New Prospects of Reform	450
 Conclusion: Good Pensions and Responsible Accumulation	 463
The Rationale for Pre-Funding	467
Secondary Pensions for All	473
Some Approaches to Social Audit and Regulation	481
Mutuality and Accountability	487
Efficiency and Social Objectives	490
Infrastructure Bonds and Taxes on Economic Rent	492
Economically Targeted Investment	494
Pensions and the Global Economy	499
Macro-economic Imbalances: Keynes’s Neglected Remedy	505
Resisting Grey Capitalism – From Within	508
Employee Share-ownership?	518
From Responsible Accumulation to the Socialisation of Capital	523
 Index	 540

List of Tables

Table I.1	World population age ratios	20
Table 1.1	Those with incomes below 50 per cent average income equivalent	85
Table 2.1	Largest UK pension funds in 1990 and 2000	104
Table 2.2	Largest US pension funds in 2000	105
Table 3.1	Portfolio renewal rates in % p.a.	185
Table 3.2	Average salary of CEOs and manufacturing workers	201
Table 4.1	Public pensions as a percentage of average male wages arranged by income category (<i>c.</i> 1995)	246
Table 4.2	Public pensions as a percentage of GDP (1995–2040)	253
Table 4.3	Population over sixty in selected OECD countries: actual and projected (1990–2040)	253
Table 4.4	Projected growth of population, productivity and the retired 1990–2050	254

List of Illustrations

French Revolutionary Festival of Old Age (1794) <i>Pierre Alexandre Wille</i>	32
Enron Stocks	100
Maxwell Companies' Pensioners 1992	174
Italians Warn that Pensions are High Voltage: Do Not Touch!	226
Pensioner's Demonstration, UK, September 1999	280
Remember your age (<i>Goya</i>)	430
Content with her lot (<i>Goya</i>)	464