Index

accountability 13, 28, 154
accounting procedures 67
accounting standards 2, 197
accumulation funds 64, 79
accumulation (total return) indices 160, 162, 163
active board members 151–2, 155
governance, funding and performance of public pension plans 183, 189, 192, 193, 194, 196, 199
activism, pension fund 1, 34, 57–8, 60
actuarial accrued liability (AAL) 186
Administradoras de Fondos de Jubilaciones y Pensiones (AFJPs) 122
Administradoras de Fondos de Pensiones (AFPs) 121
administration charges 87, 88–9
functions 12–13
and potential conflicts of interest 79–81
adviser-linked investments 82
advisers 24
assessment of 211, 215, 219
more involvement in work of pension fund groups 215, 219
agency, law of 70–71
agency risks 70
Agosin, R. 58
Ahold 14
All Ordinaries Index 160, 174
Allen, F. 25, 100, 145
amortization period 189, 192, 194
AMP Capital Sustainable Future Australian Share Fund 167–8
analysis 105–6, 125, 126, 136
Argentina 123
Australia 111
Chile 121–2
Hong Kong 125
Hungary 117–19
Ireland 114
Mexico 120
US 113
Anglo-American reactive supervisory style 100
Anglo-Saxon capitalism 145
approved deposit funds 62, 63
Argentina pension and corporate governance reforms 33–4, 55–6
supervisory practice 122–3, 125–33, 134
assessment of advisers 211, 215, 219
asset management functions 12–13, 81–2
Atiyah, P.S. 24
attitudes, trustees’ 207–10
auditors 15, 24, 103
Australia 25, 61–96
charges to fund management industry 85–9
costs 84–9
functions of trustees and potential conflicts of interest 74–83
funding of commissions 73, 91–3
main forms of regulatory protection 65–8
market, regulatory and institutional failure 68–74
performance benchmarking see benchmarking performance returns 85, 93–4
supervisory practice 110–13, 125–33, 134
trustees’ perception of their role and effectiveness see trustees
types of pension fund 61–5
Australian Competition and Consumer Commission (ACCC) 69
Australian Prudential Regulation Authority (APRA) 61, 62, 64, 84, 110, 111
Australian Securities and Investment Commission (ASIC) 69, 78
Australian Taxation Office (ATO) 63, 64

authority, supervisor’s 106–7
balanced budget requirement 191
Bank for International Settlements 118
banks 78, 84, 141
Basel Committee on Banking Supervision 118
Bateman, H. 201
Becht, M. 139, 140, 141, 142, 143, 144, 145
Beck, T. 101, 129, 130
behavioural persistence 187–8, 193, 194
beliefs, trustees’ 207–10
benchmarking performance 4, 158–75
Australian stock market indices 160, 173–5
benchmark design 163–6
benchmarks used by Australian pension funds 158–60, 161
funds, investment choices and the associated benchmarks 169–72
mismatches between benchmarks and investment styles 166–8
S&P/ASX 200 indices 158, 160–63, 164, 173
benefits
benefit adjudication functions 12–13
discretion over 81
structure and classification of Australian pension funds 64
Berger, A.N. 77
Besley, T. 150–51
Bhagat, S. 142
BHP Billiton 163
bifurcation of pension schemes 245, 246
Black, B.S. 142
Blake, D. 9, 72, 159
Block, S.B. 164
boards of directors 142–3, 144–5, 146
boards of pension funds 151–2, 153–4, 155
board cohesion 211, 214
composition 151, 152, 153
funding and performance of US public pensions 182, 183, 186, 189, 192, 193, 194, 196, 197, 199
equal representation 66–7, 74
functioning and organization 153
statements of investment policies 154
transparency and accountability 154
Bohn, H. 194
Bolton, P. 139, 140, 141, 142, 143, 144, 145
Bonafele, J.K. 179
bond prices 231–2
borrowing, by pension guarantee funds 238
budget carry-over practice 184, 191, 193, 194, 199
Bunt, K. 18
Burkart, M. 142
business opportunities 81–2
business plan 67–8
Caerlewy-Smith, E. 10, 18
California Public Employees’ Retirement System (CalPERS) 1
Campbell, J. 16
Canada Pension Plan (CPP) 147
Canadian Pension Plan Investment Board (CPPIB) 147–8
capital markets
development 129–30, 135, 136
domestic 31–2, 33, 35–6, 47–8, 48–52, 53
international 31–2, 33, 35–6, 37–42, 47–8, 48–52, 53
cap, premium 240–45
Carhart, M.M. 72
Carmichael, J. 154, 188
Cartwright, J. 24
ceiling on premium rate 240–45
Central and Eastern Europe 99
chains Laspeyres formula 160–62
Chan, H.W.H. 166
Chaney, B.A. 184, 191, 194
charges 85–9
administration 87, 88–9
distribution 86–8
investment management 87, 89
waiver on small accounts 68
Index

Chile 60
  pension and corporate governance reforms 33–4, 56–8
  supervisory practice 121–2, 125–33, 134
civil law tradition 130, 136, 137
  claims 224, 245
  simulating distribution of 235–8
Clare, R. 69, 84
Clark, G.L. 9, 10, 11, 12, 14, 18, 19, 23, 25, 200
codes of conduct 13–16, 26
  survey of Australian trustees 211, 215, 216, 218
coherence principle 15
Coleman, A.D.F. 72, 85
  collective action 71
  addressing for key stakeholders 152–4, 155
  of shareholders 140–46
  collective principals 144–6
Collin-Dufresne, P. 224, 230, 231, 232, 233
Comisión Nacional del Sistema de Ahorro para el Retiro (CONSAR) 119–21
commissions 73, 91–3
  present system 91–2
  previous system 91
common law tradition 130, 136, 137
communication 104–5, 125–6, 127, 136
  Argentina 123
  Australia 111
  Chile 121, 122
  Hong Kong 125
  Hungary 117
  Ireland 114, 116
  Mexico 120
  survey of Australian trustees 211, 213
  US 113, 114
comparative analysis 108–10, 125–33, 134
compatibility principle 15
compensatory actions 108
competence of trustees 10, 19, 26
  comprehensive–exception based scale 109–10
compulsory systems
  pay-as-you-go system 32, 48, 50
supervisory practice 101, 102, 133, 134, 135–6
  concentration of ownership 140–41, 146, 153
conflicts of interest
  Australia 3, 65–6, 70
  functions of trustees and potential conflicts of interest 74–83
  separation of ownership and control 140–46
  Conley, J.M. 74
  consensus principle 14–15
  consultants 23–4
  decision making by 206–7
contracts
  classification of Australian funds by contractual party 63–4
  governance through 23–5, 26–7
  control, separation of ownership and 140–46
Copley, P.A. 184, 191, 194
Conrad, J.L. 184, 190
corporate governance 1–2, 140–46, 200
corporate governance reforms 3, 30–60
  historical background 33–4
  model 34–53
  demographic structure and equilibrium with endogenous investor protection 46–8
  economy description and decisions of a risk-neutral individual 34–46
  effect of a pension reform 48–53
  optimal decisions if cost of going public is sunk 36–42
  optimal investor protection 42–6
  pro-investor legal reforms 33–4, 55–8
  corporate pensions sector 197
  Australian corporate funds 62, 63, 74, 85, 86, 87, 202, 203
  returns 93–4
  corporate trustee directors 83
Corporations Act (2001) (Australia) 77
Corporations Law
  Argentina 55
  Chile 56–7
  correction 107–8, 125, 126, 136
  Argentina 123
  Australia 111
  Chile 121, 122
Index

expense ratios 189
expertise of trustees 3, 10, 16–19, 26, 201
Australian survey of trustees 203–7
and decision making rules 20–21
Federal Thrift Savings Plan 201
fee-based system 92–3
fees, discretion over 82–3
Ferson, W.E. 72
fiduciary duties/responsibilities 23, 29, 56–7, 65–6, 70, 153
survey of Australian trustees 211, 214
financial intermediation 140–41, 146, 153
financial proficiency 211, 214
firm default see default modelling
fiscal stress 182, 184, 191, 194
Fisher, L. 144, 166
Fisher index 165
Fisher separation theorem 144, 156
flow funding ratio 180, 181, 183–4, 186, 187–8, 192–3, 194, 195, 196, 199
Fore, D. 197
foreign investments, restrictions on 148–9
Foresti, S.J. 179
Frances, J. 148
free float 162, 163, 164
French, D.W. 164
FTSE 100 index 231
functions of pension funds 12–13
and trustees' potential conflicts of interest 74–82
functions of supervision 102–8, 125–7, 136
see also supervisory practices
fund managers see investment managers
funded scheme, change to 30–31, 33, 48–53
funding status see United States of America
Gale, D. 25, 100, 145
GDP per capita 127–9, 135
general mandates 147–8, 149
Ghana Social Security and National Insurance Trust (SSNIT) 148
Gigerenzer, G. 10–11, 21
Global Industry Classification Standard (GICS) 167
Glover, J. 65–6, 78
Goldstein, R.S. 224, 230, 231, 232, 233
good governance procedures 211, 214
government
final guarantor 238
key stakeholder 151–2, 155
guarantee funds see pension guarantee funds
guidelines for pension fund governance 2, 14–16
Hamilton, D.T. 231
Hawley, J. 11
Hebb, T. 14, 24
Hermalin, B.E. 143
Hess, D. 139, 147, 148, 149, 151, 190
Hill, J.C. 58
Hill, R.J. 164, 165
Hirshleifer, D. 142, 143
historical default rates 230, 231
Honduras 149
Hong Kong 123–5, 125–33, 134
hostile takeovers 141–2, 146, 153
Howard, P.F. 166
Hsin, P.-L. 182, 183–4, 187, 189, 190, 191, 193, 194, 195, 200
Huang, J.-Z. 232, 233–4, 235
Huang, M. 232, 233–4, 235
Hungarian Financial Supervisory Authority (HFSA) 116–19
Hungary 116–19, 125–33, 134
hybrid funds 64
Iglesias, A. 57–8, 147, 149, 200
Ilkiw, J. 179
Impavido, G. 139, 147, 148, 149, 151, 154, 190
in-state investment 190–91, 192, 195
Income Tax (Assessment) Act (1936)
(Australia) 66
(Australia) 66
independent third parties 15, 24, 103
index number formulae 160–62, 165–6
Indian Employee Provident Fund 148
industry funds 62, 63, 68, 76, 85, 86, 87, 202, 203
REST 159, 169–70
returns 93–4
Sunsuper 159, 170–72
industry issues 211, 215, 216, 218–19
information asymmetries 69
Inman, R.P. 182, 185, 194
innovation 22–3
institutional failures 71–4
intensity scales 108–10
interest groups 30
interest rate 39–42
optimal investor protection 43, 45
intermediation cost reductions 31–2, 59
internal contracts 24–5
Internal Revenue Service (US) 113
international capital markets 31–2, 33,
35–6, 37–42, 47–8, 48–52, 53
intertemporal investment theory of a
firm 144
intervention 106–7, 111, 125, 126, 136
Argentina 123
Australia 111
Chile 121, 122
Hong Kong 125
Hungary 117, 119
Ireland 114, 116
Mexico 120
US 113
investable weight factor (IWF) 162–3
investment
choice and regulatory protection in
Australia 67
function 12–13
trustees and potential conflicts of
interest 81–2
manner of and classification of
Australian funds 64–5
practices 183–4, 186, 190–91, 192,
195, 196, 199
regulations 148–50
investment ‘cults’ 71–3
investment grade ratings 242–4
investment management charges 87, 89
investment managers
funds placed with 65
investment style and benchmarking
performance 166–8
performance 72–3
investment policies 148–50
statement of 154
investment surpluses, reclaiming 229
investor protection 31, 32
measures of 59
model of pro-investor legal reforms
34–54
demographic structure and
equilibrium with endogenous
investor protection 46–8
effect of a pension reform 48–53
optimal investor protection 42–6
pro-investor legal reforms 33–4, 55–8
Ireland 114–16, 125–33, 134
Johnson, R.W. 185, 194
junk grade ratings 243–4
Kakabadse, A. 4, 201, 203, 216
Kakabadse, N. 4, 216
Kaufmann, D. 101, 131
Keneley, M. 71
key stakeholders
addressing the collective action
problem of 152–4, 155
identifying for public pension plans
150–52
Knight, B. 184, 190
Korean National Provident Fund 148
Kouzmin, A. 4, 216
Kraay, A. 101, 131
La Porta, R. 32, 59
Lando, D. 242
Langbein, J. 9, 11, 25
Laspeyres index formula 160–62, 165–6
Latin America 30, 32, 52–3, 58, 99
proactive supervisory style 100
see also under individual countries
law of agency 70–71
legal failures 70–71
legal systems 101, 130–32, 135–6, 137
Lend Lease 95–6
leverage ratio 232–3
Levine, R. 101, 129, 130
liability insurance 190
licensing 102–3, 111, 125, 126, 136
Argentina 123
Australia 110, 111
Chile 121
Hong Kong 125
Hungary 117
Ireland 114
Mexico 120
Index

US 113
life insurance 76–8
directors 83
funds held through life insurance companies 65
Life Insurance Act (1995) (Australia) 83
liquidity 162
Llewellyn, D. 100
Lloyd’s of London 11
loans
member loans 154
restrictions on 148–9
Loayza, N. 101, 129, 130
log leverage ratio 232–3
London Stock Exchange 11
long term outlook 215, 218
Maitland, F.W. 11, 13, 25
management practices 183, 186, 189–90, 192, 193–4, 199
mandatory systems see compulsory systems
Mandatory Provident Fund Authority (MPFA) (Hong Kong) 124–5
Manzoni, K. 231
March, J. 16
Marcus, A.J. 224–5
Mark, S.T. 182–4, 194
market capitalization 162–3
market failures 68–9
market participation costs 35–6, 46–8, 50–52, 53–4
market trade-weighted benchmarks 164
markets, sophistication of 215, 218
Marshall, J. 10, 18
Martin, S.J. 231
master trusts 64, 202, 203
Mastruzzi, M. 101, 131
McCulloch, B. 148
McEwin, I. 69, 84
mean reversion 188, 194
mean-reverting leverage ratios 232–3
member-initiated funds 64
member loans 154
Merton, R.C. 232
Mexico 118, 119–21, 125–33, 134
mismatches between styles and benchmarks 166–8
Mitchell, O.S. 180, 182, 183–4, 185, 187, 188, 189, 190, 191, 193, 194,
195, 200, 201
monitoring 103, 126, 127, 136
Argentina 122–3
Australia 110–11
by banks 141
Chile 121–2
Hong Kong 124
Hungary 117
Ireland 114, 116
Mexico 120
US 113
monopolistic practices 68–9
moral hazard 9–10, 12, 27–8, 190
pension guarantee funds 224, 225, 238–45, 245–6
moral mandate 25
Morris review 2
multi-manager asset class options 159, 160, 161, 170, 171–2
multi-manager diversified options 159, 160, 161, 169, 170–71
multinational corporations 2
multiple-equation models 185
Munnell, A.H. 190, 195
Murphy, K. 143, 144
Myners review 2, 10, 17, 23, 26, 80, 201
Namibian Government Institution Pension Fund 148
National Australia Bank group 95–6
Nesbitt, S.L. 196
Netherlands, the 25
New Zealand Superannuation Fund 148
News Corporation 163, 164–5
non-executive directors 142–3
number of pension funds 132–3, 135–6
Oakes, G. 76–7
O’Barr, WM. 73–4
obligation 11, 28
OECD
guidelines for pension fund governance 2, 14–16
principles of corporate governance 14
opting out 28
organizational form 3, 9–29
codes of conduct 13–16, 26
decision making rules and procedures 19–23, 26
governance through contract 23–5,
investment managers 72–3
public pension funds 146–7
public sector pensions in US see United States of America
plan participants 13, 28
Poisson default model 234, 235, 236, 237, 238
political intervention 147
pooled superannuation trusts 62, 63
portfolio restrictions 33, 52
post-retirement streams 85, 86, 87
Prat, A. 150–51
pre-announcements of index replacements 166
premium 227, 229
cross-subsidy and moral hazard 238–45, 245–6
structural default model 234–5, 238
price indices 160–62, 163
price-weighted benchmarks 164
principal-agent problem 9–10, 12, 13, 27–8, 140, 190
proactive approach to supervision 100, 109–10
proactive–reactive scale 109–10
Probability and Impact Rating System (PAIRS) 112
problem solving 17–18
procedures, decision making 19–23, 26
productivity 39–42
optimal investor protection 43, 44
Productivity Commission 69, 71
pro-investor legal reforms see investor protection
prudent person rule 114, 115
public firms, number of 43–6
public offer funds 63–4, 76
Public Pension Coordinating Council (PPCC) 180
public pension funds 4, 139–57, 200–201
collective action problem of shareholders 140–46
governance, funding and performance in US see United States of America
governance practices 146–50
improving governance of 150–54
public sector funds in Australia 62, 63, 74, 85, 86, 87, 202, 203
<table>
<thead>
<tr>
<th>Term</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>QSuper 159, 169</td>
<td>returns 93–4</td>
</tr>
<tr>
<td>punitive actions</td>
<td>107</td>
</tr>
<tr>
<td>QSuper 159, 169</td>
<td>qualifications 203–7</td>
</tr>
<tr>
<td>quantitative/normative standards</td>
<td>105</td>
</tr>
<tr>
<td>rates of return</td>
<td></td>
</tr>
<tr>
<td>Australia 85, 93–4</td>
<td></td>
</tr>
<tr>
<td>US public pensions 183–4, 186, 188, 192–3, 194–5, 199</td>
<td></td>
</tr>
<tr>
<td>rationality 16–17, 21</td>
<td>203</td>
</tr>
<tr>
<td>Rawls, J. 10, 20, 29</td>
<td></td>
</tr>
<tr>
<td>reactive approach to supervision 100, 109–10</td>
<td></td>
</tr>
<tr>
<td>rebalancing 163, 164–5</td>
<td></td>
</tr>
<tr>
<td>regulations, too many 211, 215, 216, 218</td>
<td></td>
</tr>
<tr>
<td>regulatory capture 71</td>
<td></td>
</tr>
<tr>
<td>regulatory failures 70–71</td>
<td></td>
</tr>
<tr>
<td>remedial actions 107–8</td>
<td></td>
</tr>
<tr>
<td>reporting practices 183, 186, 190, 192, 194–5, 196, 199</td>
<td></td>
</tr>
<tr>
<td>reserves 238</td>
<td></td>
</tr>
<tr>
<td>residual claimants 150–52, 155</td>
<td></td>
</tr>
<tr>
<td>restrictive–open scale 109–10</td>
<td></td>
</tr>
<tr>
<td>Retail Employees Superannuation Trust (REST) 159, 169–70</td>
<td></td>
</tr>
<tr>
<td>retail funds 62, 63, 64, 68, 76–8, 79, 85, 86, 87</td>
<td></td>
</tr>
<tr>
<td>distribution charges 86–8</td>
<td></td>
</tr>
<tr>
<td>returns 93–4</td>
<td></td>
</tr>
<tr>
<td>retired board members 183, 189, 192, 193, 194, 196, 199</td>
<td></td>
</tr>
<tr>
<td>retirement savings accounts 63–4</td>
<td></td>
</tr>
<tr>
<td>returns see rates of return</td>
<td></td>
</tr>
<tr>
<td>revenue diversion 36–7, 48</td>
<td></td>
</tr>
<tr>
<td>Rice, M. 69, 84</td>
<td></td>
</tr>
<tr>
<td>risk-based approaches 106, 111, 112</td>
<td></td>
</tr>
<tr>
<td>risk management planning 67–8</td>
<td></td>
</tr>
<tr>
<td>risk-neutral pricing measure 226, 227, 228–9</td>
<td></td>
</tr>
<tr>
<td>risk-rated premium 224, 239–45, 245–6</td>
<td></td>
</tr>
<tr>
<td>fair 240–41</td>
<td></td>
</tr>
<tr>
<td>Roberts, M. 88</td>
<td></td>
</tr>
<tr>
<td>Robinson, P. 4, 203, 216</td>
<td></td>
</tr>
<tr>
<td>Roëll, A. 139, 140, 141, 142, 143, 144, 145</td>
<td></td>
</tr>
<tr>
<td>Roll, R. 230–31</td>
<td></td>
</tr>
<tr>
<td>rule of law 101, 130–32, 135–6</td>
<td></td>
</tr>
<tr>
<td>rules, decision making 19–23, 26</td>
<td></td>
</tr>
<tr>
<td>S&amp;P 500 index 164, 167, 184, 191, 193, 195–6, 199, 231</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX 20 160, 173</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX 50 160, 173</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX 100 160, 174</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX 200 158, 160–63, 164, 173</td>
<td></td>
</tr>
<tr>
<td>broad structure of price and accumulation indices 160–62</td>
<td></td>
</tr>
<tr>
<td>features of 162–3</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX 300 160, 173</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX Industrial and Resources Indices 160, 174</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX MidCap 50 160, 174</td>
<td></td>
</tr>
<tr>
<td>S&amp;P/ASX Small Ordinaries Index 160, 174</td>
<td></td>
</tr>
<tr>
<td>salespeople 76–8</td>
<td></td>
</tr>
<tr>
<td>Sarbanes-Oxley legislation 1–2, 2–3</td>
<td></td>
</tr>
<tr>
<td>Saskissian, S. 72</td>
<td></td>
</tr>
<tr>
<td>scale 25, 26–7</td>
<td></td>
</tr>
<tr>
<td>Securities Law</td>
<td></td>
</tr>
<tr>
<td>Argentina 55</td>
<td></td>
</tr>
<tr>
<td>Chile 56–7</td>
<td></td>
</tr>
<tr>
<td>selection procedures for trustees 211, 215, 216, 219</td>
<td></td>
</tr>
<tr>
<td>self-investment 82</td>
<td></td>
</tr>
<tr>
<td>self-managed funds 62, 64, 88, 202, 203</td>
<td></td>
</tr>
<tr>
<td>shared philosophy about the future 215, 216, 218</td>
<td></td>
</tr>
<tr>
<td>shareholder value 144–6, 156</td>
<td></td>
</tr>
<tr>
<td>shareholders, collective action problem of 140–46</td>
<td></td>
</tr>
<tr>
<td>shelf fees 81</td>
<td></td>
</tr>
<tr>
<td>Shiller, R.J. 10, 22</td>
<td></td>
</tr>
<tr>
<td>Shleifer, A. 30, 34, 35, 37, 43, 53, 139, 141</td>
<td></td>
</tr>
<tr>
<td>Simin, T.T. 72</td>
<td></td>
</tr>
<tr>
<td>Simon, H. 17</td>
<td></td>
</tr>
<tr>
<td>Singapore Central Provident Fund 148</td>
<td></td>
</tr>
<tr>
<td>single-equation studies 182–4, 185</td>
<td></td>
</tr>
<tr>
<td>single manager asset class options 159, 160, 161, 171–2</td>
<td></td>
</tr>
<tr>
<td>single manager diversified options 159, 171</td>
<td></td>
</tr>
<tr>
<td>size 25, 26–7</td>
<td></td>
</tr>
<tr>
<td>skill mix 19, 214</td>
<td></td>
</tr>
<tr>
<td>small accounts, waiver of charges on 68</td>
<td></td>
</tr>
<tr>
<td>small funds 62, 64, 85, 86, 87</td>
<td></td>
</tr>
<tr>
<td>Smith, R.S. 180, 185, 188</td>
<td></td>
</tr>
</tbody>
</table>
social assets 21–2
social relationships 73–4
socially targeted investments 190
Sociedad de Inversión Especializada en Fondo de Retiro (SIEFORES) 119, 121
solventy of pension plans 224
modeling 225–7
solventy ratio 227–9, 233
sophistication of markets 215, 218
specialization 167
Spitzer, E. 70
stakeholder capitalism 145
Setson, A. 58
stock funding ratio 180, 181, 183–4, 186, 187–8, 191–4, 195, 196, 199
stock participation products 143, 144
stockbroking fees 81
Stolper, A. 58
Stone, M.S. 184, 191, 194
strong theory of rules 20–21
structural model of firm default 224, 232–8
styles
mismatches between investment styles and benchmarks 166–8
supervisory 100, 125–7, 134, 136–7
Sunsuper 159, 170–72
Superannuation Guarantee (Administration) Act (1992) (Australia) 66
Superintendencia de Administradoras de Fondos de Jubilaciones y Pensiones (SAFJP) 122–3
Superintendencia de Administradores de Fondos de Pensiones (SAFP) 121–2
Supervisory, Oversight and Response System (SOARS) 112
supervisory practices 4, 99–138
comparative analysis 108–10, 125–33, 134
cross-country evaluation 110–25
primary elements of supervision 102–8
methodology 108–10
theoretical framework 100–102
supervisory styles 100, 125–7, 134, 136–7
takeover, threat of 141–2, 146, 153
Taleb, N.N. 73
taxes, dedicated 189, 192, 193–4, 196
taxpayers 151–2, 155
Thakor, A.V. 143
timing of twin reforms 52–3
Timmermann, A. 72, 159
training 105, 206, 207
transparency 24, 154
trust institutions 11–12, 13, 25
trustees
Australian trustees’ perception of their role and effectiveness 4, 200–219
beliefs, attitudes and working relationships 207–10
decision making 211, 212–13, 214
industry issues 211, 215, 216, 218–19
survey instrument 202
trustee demographics 202–3, 204–5
classification of Australian funds 62
competence 10, 19, 26
discretion 9, 10, 11–12, 81, 82–3
expertise 3, 10, 16–19, 20–21, 26, 201, 203–7
fitness of 67
functions of and potential conflicts of interest 74–83
underfunding 179, 182–4, 197
unemployment 191, 193, 199
union directors 74
United Kingdom (UK) 29, 88
distribution of pension schemes by credit rating category 242, 243
mis-selling scandal in life insurance 70, 77
Morris review 2
Myners review 2, 10, 17, 23, 26, 80, 201
PPF 5, 223, 225, 227, 245
survey of large pension funds 4, 201–2, 203, 211, 216
United States of America (US) 12, 29, 70, 142, 200
EBSA 113
ERISA 115, 141, 193, 223
Federal Thrift Savings Plan 201
IRS 113
PBGC 223, 225, 227, 234–5, 239, 245
public sector pension governance, funding and performance 4, 179–99
empirical methodology 185–91
empirical results 191–6
endogenous dependent variables 183, 187–8, 192, 199
explanatory variables 183–4, 188–91, 192–3, 199
overview 180–82
previous research 182–5
Sarbanes-Oxley legislation 1–2, 2–3
supervisory practice 113–14, 125–33, 134
Useem, M. 189, 190
Utgoff, K.P. 239
value-at-risk (VAR) model 117, 118
Viceira, L. 16
Vishny, R.W. 139, 141
voluntary pension systems pay-as-you-go 31, 47–8, 49, 50
supervisory practice 101, 133, 134, 135–6
wages, public sector 185
Wagner, R.K. 17–18
Watson Wyatt 2, 201
weighting schemes 162–3, 163–4
Weisbach, M.S. 143
Weiss, M.A. 77
whistleblower requirements 103
Williams, A. 11
Williams, R. 18
Williamson, O. 16–17, 74
Winkelvoss, H. 186
Winterbotham, M. 18
Wolfenzon, D. 30, 34, 35, 37, 43, 53
Wong, M. 72, 85
working relationships 207–10
WorldCom 1, 14, 200
Zultowski, W.H. 77