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BA 772: Doctoral Seminar in Retirement Plans and Social Security

Tentative schedule of Readings for BA 772

9/4, ERISA/tax treatment of qualified plans	9/11, worker knowledge of ret plans; sources of retirement data	9/18, 401(k): asset allocation: including company stock (jlv)
#9/25, 401(k): participation, cont, loans and withdrawal issues (jlv)	#10/2, db/dc trends (jlv)	#10/9, retirement income and spend-down behavior (jlv)
#10/16, investment education (jlv)	#10/23, defined benefit plans/ cash balance plans (Kelli)	#11/6, impact of retirement plans on savings (Enlin)
#11/13, Medicare, Medicaid, Retiree Health: (Patrick?)	#11/20, interaction of ret income and post-ret expenditures (Frank)	#12/4, Social Security reform (Jiang)
#12/11, Annuities (Iana)	pdfs	



Nb: bsp denotes Business Source Premier. This replaced proquest on 8/31/2002 and I am still in the process of replacing all the previous proquest links.

list of lectures

date	covered	still need to cover
9/4	everything	none
9/11	all database articles	both worker knowledge articles
9/18	2, 3 (though table 11), 4 and 5	1, 3 (remainder), 6, 7
9/25	1-3	4-5
10/2	1-5	
10/9	1-2 (portion)	2-4
10/16		

9/4, ERISA/tax treatment of qualified plans

Background reading:

-  [Present Law And Background Relating To Employer-Sponsored Defined Benefit Plans](#)
-  [Present Law And Background Relating To Employer-Sponsored Defined Contribution Plans And Other Retirement Arrangements](#)

9/11, worker knowledge of retirement plans; student presentations on sources of retirement data**HRS presentations:**

- Gustman, Alan L and Thomas L. Steinmeier, "Retirement Outcomes in the Health and Retirement Study," Dartmouth College Working Paper 00-02, February 2000.
- Gustman, Alan L and Thomas L. Steinmeier, "Employer Provided Pension Data in the NLS Mature Women's Survey and in the Health and Retirement Study," Dartmouth College Working Paper 98-12, October 1998.
- Gustman Retirement measures in the Health and Retirement Study.; By: Gustman, Alan L.; Mitchell, Olivia S., Journal of Human Resources, 1995 Supplement, Vol. 30 Issue 4, pS57, 27p, 9 charts, 1 graph, bsp

BLS presentation:

- Health and retirement benefits: data from two BLS surveys, Diane E. Herz, Joseph R. Meisenheimer II, and Harriet G. Weinstein

SCF presentation:

- The measurement of household wealth using survey data (SCF) ; By: Fries, Gerhard; Starr-McCluer, Martha; et al., Consumer Interests Annual, 1998 Issue 44, p224, 8p, 1 chart, bsp

SIPP presentation:

- Purcell, Retirement Savings and Household Wealth in 1998: Analysis of Census Bureau Data (SIPP), Updated May 8, 2001

Worker knowledge:

- Gustman, Alan L and Thomas L. Steinmeier, "What People Don't Know About Their Pensions and Social Security," Dartmouth College Working Paper 99-11, September 1999, revised November 2000. (jlv)
- Gustman, Alan L and Thomas L. Steinmeier, "Imperfect Knowledge, Retirement and Saving," Dartmouth College Working Paper 01-11, July 2001.

Supplemental information:

- A list of all known papers and publications based on HRS, in first-author order. http://www.umich.edu/~hrswww/papers/bib_all.html
- Juster An overview of the Health and Retirement Study; Juster, F Thomas; Suzman, Richard; The Journal of Human Resources, Madison; 1995; Vol. 30; pg. S7, 50 pgs, bsp

Psid

 <http://www.isr.umich.edu/src/psid/>

publications

- ☞ form 5500 annual tabs: <http://www.dol.gov/dol/pwba/public/pubs/main.htm>
- ☞ PBGC databook: <http://pbgc.gov/databook.htm>
- ☞ Employee benefits survey: <http://stats.bls.gov/ebshome.htm>
- ☞ Overview- Employee Benefits in State and Local Governments, 1998 (PDF)
- ☞ Private Sector Employee Benefits, 1996-97
- ☞ Income of the Population 55 or Older, 1998:
<http://www.ssa.gov/statistics/incpop55/index.html>

Urls

- <http://www.sipp.census.gov/sipp/>
- <http://www.bls.census.gov/cps/cpsmain.htm>
- <http://www.bog.frb.fed.us/pubs/oss/oss2/scfindex.html>
- <http://www.umich.edu/~hrswww/overview/hrsover.html>
- <http://www.umich.edu/~hrswww/center/rescont2.html>
- [information on Canada's retirement income programs](#)

9/18, discuss term paper requirement; 401(k): asset allocation: including company stock (jlv)

1. Lisa K. Meulbroek "[Company Stock in Pension Plans: How Costly Is It?](#)." Harvard Business School Working Paper 02-058.
2. Benartzi, "Naive Diversification Strategies in Defined Contributions Savings Plans" Benartzi, Shlomo; Thaler, Richard H., American Economic Review, Mar2001, Vol. 91 Issue 1, p79, 20p, 8 charts, 2 graphs
3. Liang, Investor Behavior and the Purchase of Company Stock in 401(k) Plans - The Importance of Plan Design Nellie Liang Board of Governors of the Federal Reserve System Scott Weisbenner University of Illinois and NBER (working paper will be distributed to students)
4. Benartzi Excessive Extrapolation and the Allocation of 401(k) Accounts to Company Stock.; By: Benartzi, Shlomo., Journal of Finance, Oct2001, Vol. 56 Issue 5, 5 charts (will be distributed to students)
5. Mitchell [The Role of Company Stock in Defined Contribution Plans](#) [revised version of 8/20/02]. Olivia S. Mitchell and Stephen P. Utkus
6. Benartzi [How Much Is Investor Autonomy Worth?](#); By: Benartzi, Shlomo; Thaler, Richard H., Journal of Finance, Aug2002, Vol. 57 Issue 4, p1593, 24p, 5 charts, 9 graphs (working paper version)
7. Sengmuller [Performance Predicts Asset Allocation: Company Stock in 401\(k\) Plans](#) Paul Sengmuller Columbia University February 4, 2002

optional

- ☞ [Portfolio Choice in Retirement Accounts : An Analysis of Longitudinal Data from TIAA-CREF](#)
John Ameriks, TIAA-CREF Institute and Stephen P. Zeldes, Graduate School of Business Columbia University

9/25, 401(k): participation, contribution, loans and withdrawal issues (jlv)

1. [Defined Contribution Pensions: Plan Rules, Participant Decisions, and the Path of Least Resistance](#)
James J. Choi, David Laibson, Brigitte Madrian, and Andrew Metrick
2. [For Better or For Worse: Default Effects and 401\(k\) Savings Behavior](#) James J. Choi
Harvard University David Laibson Harvard University and NBER
3. Participation in and contributions to 401(k) pension plans.; Papke, Leslie E; The Journal of Human Resources, Madison; Spring 1995; Vol. 30, Iss. 2; pg. 311, 15 pgs (will be distributed to students)
4. Disposition of lump-sum pension distributions: Evidence from tax returns; John Sabelhaus; National Tax Journal, Washington; Sep 1999; Vol. 52, Iss. 3; pg. 593, 21 pgs (will be distributed to students)
5. Who Takes Advantage of Tax--Deferred Saving Programs? Evidence from Federal Income Tax Data.; By: Joulfaian, David; Richardson, David., National Tax Journal, Sep2001, Vol. 54 Issue 3, p669, 20p, 16 charts, 5 graphs (will be distributed to students)

optional

- ☞ [Burman Lump sum distributions from pension plans: Recent evidence and issues for policy and research](#); Leonard E Burman; National Tax Journal, Washington; Sep 1999; Vol. 52, Iss. 3; pg. 553, 10 pgs
- ☞ Hurd, Lillard and Panis, ["An Analysis of the Choice to cash out pension rights at job change or retirement,"](#) RAND for the dol
- ☞ Madrian [The power of suggestion: Inertia in 401\(k\) participation and savings behavior](#); Brigitte C Madrian; The Quarterly Journal of Economics, Cambridge; Nov 2001; Vol. 116, Iss. 4; pg. 1149, 39 pgs

10/2, db/dc trends (jlv)

1. Gustman, Alan L, The Stampede Toward Defined Contribution Pension Plans: Fact or Fiction?.; Industrial Relations, Berkeley; Spring 1992; Vol. 31, Iss. 2; pg. 361, 9 pgs (bsp)
2. Ippolito, Toward explaining the growth of defined contribution plans.; By: Ippolito, Richard A., Industrial Relations, Jan95, Vol. 34 Issue 1, p1, 20p, 7 charts (bsp)
3. Ippolito The Survival Rate of Defined-Benefit Plans, 1987-1995.; By: Ippolito, Richard A.; Thompson, John W., Industrial Relations, Apr2000, Vol. 39 Issue 2, p228, 18p, 3 charts, 4 graphs (bsp)
4. Kruse, Pension Substitution In The 1980s: Why The Shift Toward Defined Contribution Pension Plans?, Industrial Relations, April 1995, 218-241 (bsp)
5. Papke, Are 401(k) plans replacing other employer-provided pensions?; By: Papke, Leslie E., Journal of Human Resources, Spring99, Vol. 34 Issue 2, p346, 23p, 12 charts (bsp)

10/9, defined contribution plans: retirement income and spend-down behavior (and some left over readings from asset allocation) (jlv)

1. Agnew, [Inefficient Choices in 401k Plans: Evidence from Individual Level Data](#)
2. Samwick and Skinner, How Will Defined Contribution Pension Plans Affect Retirement Income? october 2001 (distributed in class)
3. [Retirement Consumption: Insights from a Survey](#) John Ameriks, TIAA-CREF Institute, Andrew Caplin, New York University and John Leahy, Boston University

- Poterba, Venti and Wise, "Implications of Rising Personal Retirement Saving," in D. Wise, ed., *Frontiers in the Economics of Aging*, University of Chicago Press, 1998b. (distributed in class)

optional

- ☞ Hamermesh, Daniel S, 1984. "[Consumption during Retirement: The Missing Link in the Life Cycle](#)," [The Review of Economics & Statistics](#), 1-7 Vol. 66 (1) pp. 1-7. MIT Press [Downloadable!]
- ☞ [Is There a Retirement-Savings Puzzle?](#); By: Banks, James; Blundell, Richard., *American Economic Review*, Sep98, Vol. 88 Issue 4, p769, 20p (british households)
- ☞ B. Douglas Bernheim, Jonathan Skinner, Steven Weinberg What Accounts for the Variation in Retirement Wealth Among U.S. Households? <http://www-econ.stanford.edu/faculty/workp/swp97035.pdf>

10/16, investment education (jlv)

- madrian and shea, preaching to the converted and converting those taught: financial education in the workplace, wp, march 22, 2001 (distributed in class)
- Weisbenner [Do Pension Plans with Participant Investment Choice Teach Households to Hold More Equity?](#)
- [Wealth Accumulation and the Propensity to Plan](#) John Ameriks, TIAA-CREF Institute, Andrew Caplin, New York University and John Leahy, Boston University
- [Financial Education and Retirement Savings](#) Robert Clark, North Carolina State University and Madeleine d'Ambrosio, TIAA-CREF Institute
- [BOYS WILL BE BOYS: GENDER, OVERCONFIDENCE, AND COMMON STOCK INVESTMENT.](#); By: Barber, Brad M.; Odean, Terrance., *Quarterly Journal of Economics*, Feb2001, Vol. 116 Issue 1, p261, 32p, 4 charts

optional

- ☞ bodie, [An Analysis of Investment Advice to Retirement Plan Participants](#)
- ☞ Agnew, Julie, Pierluigi Balduzzi and Annika Sunden, 2001, *Portfolio Choice, Trading, and Returns in a Large 401(k) Plan*, Center for Retirement Research, Working paper 2000-06, Boston College.

10/23, defined benefit plans/ cash balance plans (Kelli)

- The Cost of Pension Insurance.; By: Boyce, Steven; Ippolito, Richard A., *Journal of Risk & Insurance*, Jun2002, Vol. 69 Issue 2, p121, 50p, 9 charts, 1 diagram, 8 graphs
- LBOs, Reversions and Implicit Contracts.; By: Ippolito, Richard A.; James, William H., *Journal of Finance*, Mar92, Vol. 47 Issue 1, p139, 29p
- REVERSION TAXES, CONTINGENT BENEFITS, AND THE DECLINE IN PENSION FUNDING.; By: Ippolito, Richard A., *Journal of Law & Economics*, Apr2001, Vol. 44 Issue 1, p199, 33p, 4 charts, 5 graphs (this is NOT on bsp!)
- Johnson and Ucello, [The Potential Effects of Cash Balance on the Distribution of Pension Wealth at Midlife](#)

10/30, class presentation of term paper topics

11/6, impact of retirement plans on savings (Enlin)

1. Engen, Eric M & Gale, William G & Scholz, John Karl, 1996. "[The Illusory Effects of Saving Incentives on Saving](#)," *Journal of Economic Perspectives*, 113-38 Vol. 10 (4) pp. 113-38. American Economic Association [[Downloadable!](#)]
2. Poterba, James M & Venti, Steven F & Wise, David A, 1996. "[How Retirement Saving Programs Increase Saving](#)," *Journal of Economic Perspectives*, 91-112 Vol. 10 (4) pp. 91-112. American Economic Association [[Downloadable!](#)]
3. Poterba, Venti and Wise, The Transition to Personal Accounts and Increasing Retirement Wealth: Macro and Micro Evidence, November 2001 (distributed in class)
4. "Nature or Nurture: Why Do 401(k) Participants Save Differently than Other Workers?" by Karen M. Pence. www.federalreserve.gov/pubs/feds/2002/200233/200233pap.pdf

11/13, Medicare, Medicaid, Retiree Health: emphasis on sufficiency of coverage for post-retirement expenditures (Patrick)

1. Out-of-Pocket Health Care Expenditure Patterns and Financial Burden across the Life Cycle Stages.; By: Hong, Gong-Soog; Kim, Soo Yeon., *Journal of Consumer Affairs*, Winter2000, Vol. 34 Issue 2, p291, 23p
2. Pensions and retiree health benefits in household wealth.; By: Gustman, Alan L.; Steinmeier, Thomas L., *Journal of Human Resources*, Winter2000, Vol. 35 Issue 1, p30, 21p, 2 charts, 11 graphs

11/20, retirement adequacy: interaction of retirement income and post-retirement expenditures (Frank)

1. The Erosion of Retiree Health Benefits and Retirement Behavior: Implications for the Disability Insurance Program.; By: Fronstin, Paul., *Social Security Bulletin*, 2000, Vol. 63 Issue 4, p38, 9p, 5 graphs
2. The Adequacy of Household Saving.; By: Engen, Eric M.; Gale, William G.; Uccello, Cori E., *Brookings Papers on Economic Activity*, 1999 Issue 2, p65, 123p, 6 graphs
3. [Planning ahead: consumer expenditure patterns in retirement](#), Geoffrey D. Paulin and Abby L. Duly

11/27, WEDNESDAY, NOVEMBER 27 - FOLLOW YOUR FRIDAY CLASS SCHEDULE

12/4, Social Security reform (Jiang)

1. [W9166](#) John F. Cogan Olivia S. Mitchell The Role of Economic Policy in Social Security Reform: Perspectives from the President's Commission (to be distributed in class)
2. [W9195](#) Marie-Eve Lachance Olivia S. Mitchell Understanding Individual Account Guarantees (to be distributed in class)
3. JCT, [ANALYSIS OF ISSUES RELATING TO SOCIAL SECURITY INDIVIDUAL PRIVATE ACCOUNTS](#)
4. NASI, Evaluating Issues in Privatizing Social Security (to be distributed in class)
5. [POTENTIAL PATHS OF SOCIAL SECURITY REFORM.](#); By: Samwick, Andrew., *NBER/Tax Policy & the Economy*, 2002, Vol. 16 Issue 1, p181, 44p (bsp)

12/11, Annuities (Iana) (to be distributed in class)

1. [The Role of Real Annuities and Indexed Bonds in an Individual Accounts Retirement Program](#)
2. [Longevity-Insured Retirement Distributions from Pension Plans: Market and Regulatory Issues](#)
3. [Private Pensions, Mortality Risk, and the Decision to Annuitize](#)
4. [Mortality Risk, Inflation Risk, and Annuity Products](#)

12/18, final exam