SEVERYNS RAVENHOLT TALK: LABOR’S STRUGGLE AGAINST INVESTMENT PRIVATIZATION

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Friday, November 1, 2019 - 12:00pm to 1:30pm
Gowen Hall 1A, The Olson Room

Abstract: Traditionally, scholars have investigated the privatization of retirement security through the lens of austerity-based pension reform measures across the world. However, few scholars have investigated the privatization of public pension fund investments. This investment privatization of retirement funds has a notable impact on the capacity of the state to fulfill its retirement obligations.

This paper investigates the relationship between board composition and pension fund investment privatization through a fixed effects panel model of 107 state-level public pension funds from 2001 to 2017. I find preliminary results suggesting that increasing the representation of public trustees or those with financial expertise on pension fund investment boards is associated with an increase in investment privatization, particularly during and after the 2008 recession. But there is no consistent result suggesting that plan participants can mount a challenge to investment privatization, even if they are more structurally inclined to have the education and organizing programs in place. However, in brief case studies for Pennsylvania and Georgia, there is some indication of successful efforts to educate and organize plan participant resources to challenge investment privatization.