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Pensions and Job Mobility
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Pensions and Retirement Age


Pension Coverage and Benefits


Pensions and National Savings


**Pensions and Regulation**


Cornwell, Christopher; Stuart Dorsey; and Nasser Mehrzad. "Opportunistic Behavior by Firms in Implicit Pension Contracts." West Virginia University, Mimeograph, 1988.


**Pension Portfolios and Taxes**


**Social Security System**


**Consumption Tax**


**Other References**


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<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Private</th>
<th>State and Local Gov't</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>$70</td>
<td>$49</td>
<td>$21</td>
</tr>
<tr>
<td>1955</td>
<td>147</td>
<td>105</td>
<td>42</td>
</tr>
<tr>
<td>1960</td>
<td>255</td>
<td>186</td>
<td>69</td>
</tr>
<tr>
<td>1965</td>
<td>427</td>
<td>315</td>
<td>112</td>
</tr>
<tr>
<td>1970</td>
<td>547</td>
<td>386</td>
<td>161</td>
</tr>
<tr>
<td>1975</td>
<td>738</td>
<td>536</td>
<td>202</td>
</tr>
<tr>
<td>1980</td>
<td>1,033</td>
<td>783</td>
<td>250</td>
</tr>
<tr>
<td>1985</td>
<td>1,523</td>
<td>1,133</td>
<td>390</td>
</tr>
<tr>
<td>1987</td>
<td>1,836*</td>
<td>1,358</td>
<td>478</td>
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*$2,008 in billions of 1987 dollars.

NOTE: Numbers in the table are in billions of constant 1984 dollars.

### TABLE A-2  Pension Share of Financial Assets

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Financial Assets</th>
<th>Corporate Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>3.0</td>
<td>0.9</td>
</tr>
<tr>
<td>1955</td>
<td>4.4</td>
<td>2.2</td>
</tr>
<tr>
<td>1960</td>
<td>6.3</td>
<td>4.1</td>
</tr>
<tr>
<td>1965</td>
<td>7.5</td>
<td>6.3</td>
</tr>
<tr>
<td>1970</td>
<td>8.9</td>
<td>9.6</td>
</tr>
<tr>
<td>1975</td>
<td>12.2</td>
<td>17.8</td>
</tr>
<tr>
<td>1980</td>
<td>15.0</td>
<td>19.3</td>
</tr>
<tr>
<td>1985</td>
<td>16.8</td>
<td>21.6</td>
</tr>
<tr>
<td>1987</td>
<td>17.8</td>
<td>23.8</td>
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**NOTE:** Numbers in table are percents.

**SOURCE:** see Table A-1.
TABLE A-3  Defined Contribution Plan Assets

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent*</th>
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<tbody>
<tr>
<td>1950</td>
<td>11.6</td>
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<tr>
<td>1955</td>
<td>14.7</td>
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<tr>
<td>1960</td>
<td>18.0</td>
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<tr>
<td>1965</td>
<td>20.8</td>
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<tr>
<td>1970</td>
<td>23.4</td>
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<tr>
<td>1975</td>
<td>25.7</td>
</tr>
<tr>
<td>1980</td>
<td>27.8</td>
</tr>
<tr>
<td>1987</td>
<td>37.5</td>
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*Share of total private pension plan assets.

### TABLE A-4 Distribution of Termination Funding Ratios, 1978–1986

<table>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0–24%</td>
<td>0.8</td>
<td>0.8</td>
<td>2.4</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>25–49</td>
<td>8.8</td>
<td>9.7</td>
<td>3.8</td>
<td>2.6</td>
<td>2.5</td>
<td>2.0</td>
<td>1.6</td>
<td>1.8</td>
<td>1.4</td>
</tr>
<tr>
<td>50–74</td>
<td>14.2</td>
<td>16.0</td>
<td>11.5</td>
<td>8.3</td>
<td>8.0</td>
<td>7.6</td>
<td>2.8</td>
<td>3.7</td>
<td>4.5</td>
</tr>
<tr>
<td>75–99</td>
<td>24.6</td>
<td>26.5</td>
<td>17.1</td>
<td>10.4</td>
<td>9.3</td>
<td>6.7</td>
<td>9.0</td>
<td>9.5</td>
<td>7.0</td>
</tr>
<tr>
<td>100–124</td>
<td>25.5</td>
<td>25.8</td>
<td>22.9</td>
<td>14.1</td>
<td>14.2</td>
<td>13.4</td>
<td>10.1</td>
<td>11.7</td>
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<tr>
<td>125–149</td>
<td>14.9</td>
<td>11.7</td>
<td>22.1</td>
<td>20.1</td>
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<td>18.2</td>
<td>12.2</td>
<td>16.5</td>
<td>19.2</td>
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<tr>
<td>150+</td>
<td>11.1</td>
<td>9.2</td>
<td>22.0</td>
<td>44.1</td>
<td>46.1</td>
<td>51.7</td>
<td>63.8</td>
<td>56.4</td>
<td>52.6</td>
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<tr>
<td>Average</td>
<td>92.9%</td>
<td>88.5</td>
<td>107.2</td>
<td>128.8</td>
<td>130.9</td>
<td>139.2</td>
<td>153.9</td>
<td>145.6</td>
<td>140.2</td>
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<tr>
<td>Underfunding ($1986)*</td>
<td>$116.7</td>
<td>$126.0</td>
<td>$73.0</td>
<td>$42.1</td>
<td>$39.5</td>
<td>$35.8</td>
<td>$25.9</td>
<td>$31.8</td>
<td>$30.8</td>
</tr>
<tr>
<td>Interest Rate†</td>
<td>7.25</td>
<td>7.50</td>
<td>8.75</td>
<td>10.25</td>
<td>10.75</td>
<td>9.25</td>
<td>10.0</td>
<td>9.75</td>
<td>7.75</td>
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* Underfunding is adjusted to 1986 dollars and size of pension universe. Funding ratios are calculated for each year using a constant 2 percent discount rate. Assets in year \( t \) are then set equal to assets in 1986, times the real funding ratio in year \( t \), divided by the same ratio in 1986. Liabilities in year \( t \) are set equal to those in 1986 but adjusted to the PBGC immediate annuity rates shown in the table.

† Average PBGC immediate annuity rate during year.

SOURCE: Form 5500 Annual Pension Plan Reports.
<table>
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</thead>
<tbody>
<tr>
<td>0–24%</td>
<td>2.8</td>
<td>3.3</td>
<td>2.4</td>
<td>2.0</td>
<td>2.0</td>
<td>.9</td>
<td>.8</td>
<td>.9</td>
<td>2.5</td>
</tr>
<tr>
<td>25–49</td>
<td>16.5</td>
<td>22.2</td>
<td>15.3</td>
<td>13.1</td>
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<td>10.4</td>
<td>10.0</td>
<td>10.1</td>
<td>4.6</td>
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<tr>
<td>50–74</td>
<td>36.4</td>
<td>39.5</td>
<td>34.9</td>
<td>27.5</td>
<td>27.6</td>
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<td>30.2</td>
<td>25.6</td>
<td>31.1</td>
<td>32.1</td>
<td>33.2</td>
<td>29.3</td>
<td>27.3</td>
<td>28.1</td>
<td>26.8</td>
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<tr>
<td>100–124</td>
<td>9.1</td>
<td>6.1</td>
<td>10.6</td>
<td>16.4</td>
<td>16.4</td>
<td>24.4</td>
<td>25.6</td>
<td>25.1</td>
<td>24.3</td>
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<tr>
<td>125–149</td>
<td>2.6</td>
<td>2.0</td>
<td>3.0</td>
<td>5.2</td>
<td>5.1</td>
<td>9.8</td>
<td>11.2</td>
<td>11.0</td>
<td>15.4</td>
</tr>
<tr>
<td>150+</td>
<td>2.4</td>
<td>1.3</td>
<td>2.7</td>
<td>3.8</td>
<td>3.6</td>
<td>6.5</td>
<td>8.0</td>
<td>7.6</td>
<td>13.1</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>65.3</td>
<td>60.3</td>
<td>67.3</td>
<td>74.4</td>
<td>74.1</td>
<td>84.3</td>
<td>87.5</td>
<td>86.5</td>
<td>94.9</td>
</tr>
<tr>
<td>Underfunding ($1986)*</td>
<td>$343.0</td>
<td>$387.5</td>
<td>$325.8</td>
<td>$268.5</td>
<td>$272.4</td>
<td>$203.5</td>
<td>$187.6</td>
<td>$191.3</td>
<td>$184.9</td>
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</tbody>
</table>

*Underfunding is adjusted to 1986 dollars and size of pension universe, as described in notes to Table A-4, except liabilities in all years are fixed at 1986 levels.

**Source:** Form 5500 Annual Pension Plan Reports.
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