



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

**GUARANTEED PENSION BENEFITS MAY ASSIST VULNERABLE POPULATIONS WITH ECONOMIC
RESOURCES THAT PREVENT DIMINISHED HEALTH AND DISABILITY**

A forum was held on retirement pensions by the New America Foundation and the University of California Berkeley. Presenters at the forum were representatives from the National Governors Association, economist associated with pensions and local and state pension experts.

Summary

For the first time since World War II, the standard of living of elderly Americans declined while prime age workers increased. Tax and regulatory policies have failed to promote retirement savings and penalize defined benefit plans in favor of tax subsidies that go to defined contribution programs (i.e. 401k plans). Governments are better suited to bear longevity, financial defaults, and inflation risks than individual workers. A retirement system should be cost effective, transparent, and accountable and should not waste money on marketing, retail fees, and other unnecessary cost and they should not be accessed for purposes unrelated to retirement or disability.

Disability Prevention Issue

American pensions are broken; tax breaks for retirement plans are at an all time high, while pension coverage has not budged in 30 years. The retirement plan should prevent a sharp drop in living standards after retirement and reduce poverty among the elderly. Tax breaks for 401ks amounted to \$110 billion in 2006. Working longer is not an option for many workers, but all workers should have meaningful work and fair pay. Most Americans have less retirement income security than they had 30 years ago. If pension benefits are inadequate for the elderly, insufficient fiscal resources may contribute to diminished health and disability.

Activity

There is ongoing study of the implications of pension programs that are associated with public health issues that diminish health and contribute to disability.

Principle

There is a need to develop of policies to create pension programs that enable financial resource to meet basic human needs to preserve health and prevent disability.