Entirely apart from these questions about the impact of the pension structure on aggregate saving, however, we face a range of questions relating to the influence on the capital markets of directing the flow of funds through financial intermediaries known as pension trusts, life insurance companies, and governmental retirement systems.[5] The assets acquired and held by these institutions are influenced, of course, by the nature of their liabilities. Our projections of the fund flows should, therefore, be a guide to the influences which we can expect to see investment managers exert on the capital markets. For private pension programs, these possibilities are discussed in chapter V, and the operations of State and local government retirement systems are analyzed in chapter VI.

In chapter VII, the findings of the study are pulled together in the form of some conclusions, an identification of some of the implications for public policy, and a recognition of the gaps in our knowledge about certain aspects of the subject.

THE QUESTIONS IN PERSPECTIVE

When viewed in their totality, the questions relating to the economic effects of the development of public and private pensions are as all-inclusive as a study of the American economy as a whole. Some narrowing of the field of investigation was inevitable, therefore, to make the project manageable. For example, we have not undertaken to study the impact of pensions on labor mobility, a matter of great importance in these days of rapid technological change. Nor have we been especially concerned with the tax treatment of pensions and the aged. The role of pensions in contributing to economic stability is treated by implication, but this has not been treated as a major topic.

Otherwise, we have attempted to respond to most of the issues outlined in the National Bureau's exploratory survey, published in 1957, as *Suggestions for Research in the Economics of Pensions*. That survey attempted to delimit the economic aspects by excluding from consideration medical, sociological, and psychological problems of the aged. While admittedly of great importance, these topics require specialized treatment and a different preparation for the investigators.

The conception of this particular study was that it would build upon the work of the National Bureau in the fields of capital formation and financial institutions. The timing seemed good since the research program on postwar capital markets had been largely completed. Without that wealth of material, this study could not have been undertaken with confidence. In a very specific sense, we are simply carrying on these previous studies with particular emphasis on a new and dynamic factor in the perpetually changing roles of financial intermediaries.

In identifying the present and future impact of public and private pension systems on saving and investment as the most important economic aspects of pensions, we do not mean to imply that these are

[5] H. Robert Bartell, Jr.'s study of union and jointly administered pension funds and Elizabeth T. Simpson's study of the pension plans of nonprofit organizations. *Pension Funds of Multiemployer Industrial Groups, Unions and Nonprofit Organizations*, fill in gaps in our knowledge about these special types of funds.