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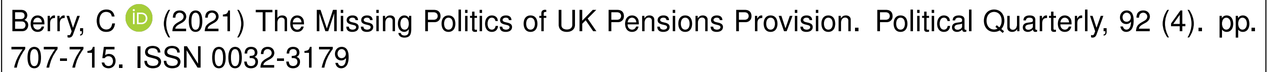
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The missing politics of UK pensions provision

Craig Berry

Abstract *Pensions provision in the UK has been undergoing upheaval for several decades, as an already liberal regime has gradually been further liberalised, resulting in the rollout of defined contribution provision via the pseudo-compulsory automatic enrolment system. Yet the system is dysfunctional, insofar as it replaces the institutional guarantors essential to pensions provision with hazy notions of individual responsibility. The ability of capitalism to reproduce itself is jeopardised as a result. Increasingly, the state, despite scaling back the state pension system, is intervening to subsidise and substitute for a marketised system. Despite the significant risk of poor outcomes for millions of savers in the automatic enrolment system, and the integral role of the state in private provision, pensions policy receives little attention in political debates, or by political scientists. This is driven in part by a lack of salience among the public, which is itself a result of the peculiar temporality of pensions. Yet it is a product also of the disciplinary norms of political science, and the positionality of political scientists.*

Keywords *Pensions, liberalisation, the state, capitalism, temporality, political science*

For such a boring topic, pensions ain't half exciting. Tedious or otherwise, few would disagree that pensions provision matters, rather a lot. Most of us will spend a third of our adult lives in retirement, dependent on pension income. But it does not receive nearly enough attention in the UK's public discourse, and by extension, is under-studied in UK political science and political economy. If pensions were genuinely an uneventful area of public policy, this omission would be regrettable, but perhaps understandable: if nothing is happening, there is nothing to research. This article will demonstrate that pensions policy is the opposite of uneventful: pensions reform has been an important agenda for successive UK governments, and pensions provision has been transformed beyond recognition in just a couple of decades. The article will also explore political science's reticence regarding this issue.

I will argue that this neglect must end. Imagine for a moment that a large chunk of society suddenly developed severe insomnia. Or imagine that traditional sleep provision was being commodified, with access to a full eight hours restricted in practice to only the affluent. This is, more or less, what is happening to UK pensions provision, with many of us unable to save at all, or subjected to a flawed and discriminatory saving system. If sleeping – something else we spend a third of our lives doing – was similarly imperilled, you would expect politicians to be falling over themselves to offer solutions to the sleep crisis, and for those who study political life to be trying to explain how we let it arise.

It is necessary to acknowledge of course that pensions provision is excessively complicated. The public does not understand it, so politicians cannot win many votes by campaigning on pensions policy issues. And there is a sense that it requires a huge amount of technical expertise before an academic researcher could even begin to contemplate attempting to discern the political patterns surrounding and fuelling

pensions policy decisions. The peculiar temporality of pensions provision is at the heart of this complexity.[1] The mechanisms for de-materialising capital, in order to re-materialise its value decades later (which is what a pension essentially is, whether the mechanisms are public or private) are far from straightforward.

Yet the inclination among policy elites for pensions provision to be seen as a technical area of policy, and therefore largely apolitical, is something that should be interrogated. The problem is perhaps not that pensions temporality is too complicated, but rather counter-intuitive. Pensions provision represents a form of co-operation between employers and workers in order to reproduce labour over the very long term, which contradicts a tendency to see political economy as a struggle between capital and labour. In pensions, the workers are the capitalists – and yet still exploited. Furthermore, we have come to see the welfare state as a 'safety net' for those excluded (temporarily or permanently) from the benefits of capitalism. In pensions, the state largely acts to protect the commodification of labour, rather than mitigate it – and the state is being drawn back into pensions provision in very significant ways, despite a broader story of welfare retrenchment.

The pensions revolution

UK policy elites have promoted the idea of a 'pensions crisis'. Yet the emphasis has been on how traditional pensions provision is the *perpetrator* of crisis, rather than its *victim*, because of rising costs in the context of population ageing. However, the UK

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[1] C. Berry, *Pensions Imperilled: The Political Economy of Private Pensions Provision in the UK*, Oxford, OUP, 2021.

population has been ageing for a very long time – for far longer than the country has had large-scale private pensions provision. More people are now living for longer after they reach retirement age, but at the same time, many more people are also working *up to* retirement age, therefore continuing to capitalise pension schemes (if given the opportunity to do so).

Population projections by the Office for National Statistics (ONS) confirm, moreover, that life expectancy increases have stalled in recent years, even briefly going into reverse. Whereas the ONS reacted to the first ageing slowdown by assuming increases would accelerate to catch up to the historical trend, the latest projections show that, while the trend rate is likely resume, there will be no accelerated catch up.[2] (Note that the disproportionate impact of COVID-19 on the older population is not yet evident in these projections.)

Policy has nevertheless proceeded on the basis of a simplistic account of irreversible and unsustainable demographic change. 'Liberalisation' has been the somewhat euphemistic principle underpinning several decades of policy upheaval. Employers themselves effectively commenced the liberalisation process (especially those in declining industries, or with overseas parent companies) in the 1980s by closing their occupational pension schemes. They were free to do so because UK private pensions provision has always operated on a voluntaristic basis – as such, the system has long been highly liberalised. Yet further liberalisation has been supported and driven by government too. The Thatcher government encouraged employers to take 'holidays' from contributing into their pension schemes by taxing the fund surpluses which had (temporarily) arisen during the 1980s stock market boom –

[2] Ibid., pp. 12-14.

which contributed to financial distress – and extended fiscal subsidies to individualised ‘defined contribution’ provision alongside collectivised ‘defined benefit’ provision.[3]

In defined benefit schemes, members know what their pension outcomes will be, because investment risks are shouldered by the scheme’s sponsoring employer, whereas in defined contribution schemes, employers’ obligations end at the point of contribution, and individuals are themselves responsible for investment risks – making outcomes uncertain. By making individuals solely responsible for turning their pensions saving into a retirement income – via the market – defined contribution is the ultimate example of liberalisation. But the rise of defined contribution did not keep pace with the decline of defined benefit, leading to an ‘under-saving’ crisis – a designation that puts the blame on individuals themselves. To be absolutely clear, a defined contribution pension does not cost any less than a comparable defined benefit pension, in any substantive sense, whether the population is ageing or otherwise. It simply shifts the cost onto individuals – who are of course much less able to bear it.

New Labour sought to further roll out defined contribution pensions saving, an agenda which intensified after the Pensions Commission in the mid-2000s, the third-term Labour government introduced a pseudo-compulsory system of ‘automatic

[3] H. Pemberton, ‘UK pensions: the making and breaking of a welfare consensus’, in E. Eklund, M. Oppenheimer and J. Scott (eds), *Comparative Studies of the Welfare State at the End of the Long Boom 1965-1980*, Oxford, Peter Lang, 2018, pp. 17-38.

enrolment' with cross-party support.[4] This system established minimum employer contributions for the first time in the UK, as well as requiring most employers to automatically enrol most of their employees into a qualifying workplace pension scheme – the vast majority of these schemes, by policy design, are defined contribution schemes.

Beyond the inherent problem of an individual being solely responsible for investment risks in defined contribution provision, the way the auto-enrolment system has been specifically designed has many flaws. Firstly, while the state-led defined contribution revolution has increased enormously the coverage of workplace pension schemes, contributions are significantly lower than in defined benefit schemes. Few employees or employers contribute more than mandatory minimums. Even after a lifetime of saving, most auto-enrolees will accumulate a retirement income which functions only as a limited supplement to the state pension.

Secondly, many millions of people are excluded from even this bare-minimum system. Since contributions are made only on a qualifying band of earnings, and do not commence until an individual reaches the 'earnings trigger' in a single job, the lowest paid and those with multiple jobs are significantly disadvantaged. This inequality of course overlaps with chronic inequalities in the UK labour marked based on class, gender, ethnicity and disability status.[5] The self-employed – a group which has grown significantly since auto-enrolment was imagined (and seen their average

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[4] D. Mabbett, 'The ghost in the machine: pension risks and regulatory responses in the United States and the United Kingdom', *Politics and Society*, vol. 41, no. 12, 2012, pp. 107-129.

[5] J. Grady, 'Gendering pensions: making women visible', *Gender, Work and Organisation*, vol. 22, no. 5, 2017, pp. 445-458.

earnings fall) – of course have no right to employer contributions, or to access of any workplace scheme.

Thirdly, management charges and transaction costs are borne directly by scheme members in individualised pensions. This issue highlights one of the paradoxes of defined contribution provision: it may be that the investments that deliver the best returns – and therefore maximise retirement incomes – simply cost more to operationalise. Recent governments have acted to cap administrative charges, outlaw some of the most unjustifiable additional charges, and increase transparency in transaction costs. But these regulations are no substitute for effective governance at scheme level – and better governance obviously costs more. Generally speaking, defined contribution provision in the UK is governance-*lite*, and becoming more so (with the emergence of giant 'master trusts' which have more liberal reporting requirements, having been pre-approved by regulators). Most auto-enrolees do not work in unionised workplaces. Where opposition parties have focused on problems with auto-enrolment (most notably, the Labour Party under both Ed Miliband and Jeremy Corbyn), it is costs and charges which have been highlighted as perhaps the most visible flaw in the system. But Labour has been relatively silent on more serious problems associated with the inherent risks of defined contribution saving, the exclusion of millions of workers. and the flaws in scheme governance.

The other pensions revolutions

The problems outlined in the previous section relate to the accumulation phase of pensions saving. But there are major problems with defined contribution provision at the decumulation end, when we seek to re-materialise our pension capital into a

retirement income. Rates for annuities – the products we use to turn savings into income – are historically low. Annuity product choice was already a complex, risky and irreversible decision, but these issues have been exacerbated by the fact that no annuity products, for the foreseeable future, are likely to deliver the kind of outcomes expected when auto-enrolment was first established. The coalition government's response to this in 2014 was 'pension freedoms', that is, fully removing the tax penalties associated with choosing not to annuitise your pot for defined contribution savers, and allowing people to access their cash early by fully removing drawdown limits.

Arguably this may benefit some of the wealthiest savers, able to keep their pension capital invested for longer (and with access advice to secure the most lucrative investment opportunities). In practice, however, the reform has severely weakened the annuities market[6] upon which, even in its depressed state, the vast majority of younger cohorts of auto-enrolees are likely to depend upon when they reach retirement.

The pension freedoms were undertaken in part because, as Chancellor of the Exchequer, George Osborne recognised the short-term political benefits of allowing pensions savers to release their cash. There were clearly political pitfalls involved in continuing to compel the early cohorts of defined contribution savers to annuitise when rates were so low (note that the early cohorts tend to be much more affluent than the auto-enrolee cohorts to come). Somewhat absurdly, compulsory

[6] Financial Conduct Authority and the Pensions Regulator, *Regulating the Pensions and Retirement Income Sector*, 2018, p. 6, https://www.fca.org.uk/publication/corporate/regulating-pensions-retirement-income-sector-our-joint-regulatory-strategy (accessed 19 August 2019).

annuitisation had already effectively ended in 2011, but Osborne knew by 2014 that a 'wonderfully manipulable' media would help him to promote the policy anew as he completed the implementation process, with poor annuity rates starting to attract the ire of the tabloids.[7]

There is now, perhaps, a third revolution upon us, in the form of 'collective' defined contribution (CDC) provision, whereby savers share investment risks with each other, but not their employers. In the coalition era, this reform was advocated by the Liberal Democrats (who held the pensions ministerial brief), and it has been taken forward by the May and Johnson governments primarily on behalf of the privatised Royal Mail, as the company sought to shed its defined benefit pension obligations. The Communication Workers Union pushed for this outcome as an alternative to Royal Mail adopting a 'pure' defined contribution model. In CDC, the ability to 'self-annuitise' within the scheme leads to investment efficiencies which should provide for (marginally) better outcomes, and a greater degree of certainty in advance about what retirement outcomes may look like.

As it stands, CDC is likely to end up as the revolution that never was. It may be used by some employers to 'level down' existing defined benefit schemes, rather than 'level up' pure defined contribution provision (as is the case with Royal Mail, although arguably CDC represents a levelling up when contrasted with the prospect of a pure defined contribution scheme following privatisation). There are hardly any open defined benefit schemes left in the private sector anyway. The government has resisted demands to convert the National Employment Savings Trust (NEST; the

[7] D. Mabbett, 'The end of an era in pension reform', *The Political Quarterly Blog*, 25 March 2014, https://politicalquarterly.blog/2014/03/25/the-end-of-era-in-pension-refor/ (accessed 8 July 2021).

publicly-owned defined contribution scheme for small employers) from a pure to a CDC model – so we can hardly expect private defined contribution providers to lead where the government will not.

It is also worth noting that the state pension has been reoriented to support private, individualised pensions saving.[8] Third-term New Labour started the process of 'flattening' the state pension system so that it would, over the long term, provide a level benefit to all, at the poverty threshold. This would take most pensioners out of means-testing, but at the same time reduce the generosity of the additional state pension scheme, which New Labour had earlier increased the generosity of, especially for low earners and those with limited employment records, by replacing the State Earnings-Related Pension Scheme with the State Second Pension (S2P). The coalition government accelerated the flattening process by abolishing S2P in favour of a 'single-tier' state pension, in the process removing fiscal subsidies for private sector defined benefit provision.

A new role for the state

Providing the state pension remains the state's most important contribution to pensions provision, but its interventions into private pensions provision have intensified as state pension entitlements have been scaled back. As noted above, the state now mandates the provision of workplace pensions schemes, and directly owns and operates NEST. However, the Pensions Commission actually advocated

[8] C. Berry, 'Austerity, ageing and the financialisation of pensions policy in the UK', *British Politics*, vol. 11, no. 1, 2016, pp. 2-25.

an enhanced role for the state in providing *all* workplace pensions in the private sector. The Labour government opted instead for a fully marketised system; the creation of NEST, or something like it, had not been recommended by the Commission, but emerged as an apparent compromise between a predominantly public or exclusively private model for delivering auto-enrolment. The Commission even contemplated (but stopped short of recommending) the nationalisation of the annuities market, to ensure that all auto-enrolees would receive the fairest possible outcome from their saving.

The UK is left with a largely privatised system for delivering the public good of auto-enrolment. But this system is fundamentally dysfunctional, requiring state largesse to subsidise and even substitute for private provision.[9] Substitution is not synonymous with nationalisation: the public sector is essentially mimicking the private sector in delivering a public service on ostensibly commercial terms. As such, NEST primarily exists not to serve citizens, but rather the private pensions industry, since it enables the industry to focus on more profitable market segments without being constrained by public service obligations to offer their services to all. The state also underpins the Pension Protection Fund (PPF), ostensibly to provide benefits to retired members of occupational schemes in the event of employer insolvency. The PPF has also acted to relieve *solvent* employers of their pension obligations, offering bespoke deals to

[9] C. Berry, 'The substitutive state: neoliberal state interventionism across industrial, housing and private pensions policy in the UK', *Competition and Change*, advance online publication, 10.1177/1024529421990845.

large employers in the context of corporate restructuring, most notably in the case of BMI when the airline was sold by its parent company Lufthansa in 2012.[10]

By far the most significant state intervention in private pensions provision is pensions tax relief (PTR). PTR was redesigned in the mid-2000s to accommodate the rollout of defined contribution provision, and costs around £35 billion per year (although some of this is recouped through income tax on pensions in payment). PTR does not incentivise pensions saving, but instead simply represents a public subsidy so that providers, and the asset managers they contract, have a greater volume of capital to invest, and extract fees from. This does not mean that individual savers do not benefit from the subsidy too – especially given how low contributions are in defined contribution provision. But its benefits are heavily skewed towards higher earners, who receive relief at their marginal tax rate during their working life before become lower-rate taxpayers in retirement.[11]

This paradoxical role for the state – simultaneously liberalising and intervening – speaks to the quintessential nature of pensions provision. Pensions are not simply about deferred consumption, that is, putting some of our income aside now for a time when we are less able to earn a living in the labour market. This definition assumes that pensions are about preparing for a known future, and furthermore, that the inter-generational co-operation required to enable deferred consumption – the process of

[10] R. Fixsen, 'UK regulator justifies "disappointing" decision to let BMI fund enter PPF', *Investment and Pensions Europe*, 1 June 2012, https://www.ipe.com/uk-regulator-justifies-disappointing-decision-to-let-bmi-fund-enter-ppf/45833.article (accessed 5 August 2021)

[11] M. Echalier, J. Adams, D. Redwood, and C. Curry, *Tax relief for pension saving in the UK*, Pensions Policy Institute, London, 2013.

capital de- and re-materialisation, noted above – remain stable over time. Instead, pensions are a mechanism for coping with the certainty of *un*certainty, that is, the knowledge that the social and economic conditions required to sustain the pensions of tomorrow will be different to whatever we forecast today.

This is why all large-scale pensions provision requires an institutional guarantor – a temporal anchor – to ensure outcomes will accord approximately with expectations. The role traditionally played by employers in UK pensions provision has, however, given way to the hazy notion that individual self-interest and rationality can be relied upon, in place of concrete duties upon employers, as alternative cross-temporal constants to the role of institutional guarantors. However, pensions provision cannot function without temporal anchoring, and capitalism as we know it cannot function without pensions provision. Accordingly, the state rediscovers interventionism, not to directly assume the role of temporal anchor, but rather to prop up an increasingly dysfunctional system of private provision attempting to operate without a guarantor.

Pension politics

The state's growing presence in propping up private pensions provision has gone largely unnoticed. The basic mechanisms of auto-enrolment have received more attention, but their implications have our pension futures have not: the imperilment of current pensions provision remains thoroughly under-politicised. As suggested above, auto-enrolment actually has very few critics. Trade unions are of course aware of the system's many flaws and exclusions, but most trade union members belong to public sector defined benefit pension schemes. Trade union critiques were also tempered by the fact that a prominent trade unionist, Jeannie Drake, served on

the Pensions Commission alongside Adair Turner and the late John Hills, and the fact that all of the key measures were designed and legislated for by a Labour government.

The pension freedoms reforms, which undermine the value of auto-enrolment pensions for most low-earners, were actually welcomed by the Labour Party, and there are few serious suggestions to reverse the policy. Similarly, the single-tier state pension raised few eyebrows, despite the fact that Labour had decided against introducing such a system when in government, because the accelerated flattening of state pension payments created many losers as well as winners (with the former concentrated among the young).

Others on the left, such as those advocating greater economic democracy, tend to be more concerned with pension fund investment practices than issues around benefit design and risk allocation.[12] This is not to suggest that how pension funds and pension scheme providers (principally insurance companies in the UK) invest workers' pension capital is unimportant. But there has been little analysis of whether a more 'progressive' investment strategies, whether designed to enable long-term investments in the economy's productive capacity, or to help to address major societal problems such as climate change, would be possible. Current regulatory frameworks, the finance sector processes funds and providers are dependent upon,

[12] C. Parfitt, 'Contradictions of financialised neoliberalism: The contemporary practice of responsible investment', *Journal of Sociology*, vol. 54, no. 1, 2018, pp. 64–76.

and indeed the immediate financial interests of the workers whose capital is being invested would represent would represent significant barriers.[13]

There are only two pensions policy issues that enjoy any degree of prominence in national debates. First, the fate of the 'WASPI' women (Women Against State Pension Inequality) who claim to have been under-informed about, and therefore under-prepared for, plans to equalise male and female state pension ages. Equalisation was first legislated for in 1995, with the timetable accelerated by the coalition government. In a sense, this is a typical example of the welfare politics of distributive justice. But it is a quite *atypical* pensions policy issue, since it is mainly a question of whether this particular group is entitled to receive directly a greater proportion of public expenditure over the short term (and whether appropriate procedures were followed when the decisions to cut spending were taken).[14] More generally, increases in state pension age for both men and women, affecting younger cohorts over the longer term, have been treated as a *fait accompli*.

Second, the inequity in how the 'triple lock' protects and enhances the value of pensioner benefits, apparently at the expense of working-age benefits (the triple lock requires annual state pension increases by price or earnings inflation, or 2.5 per cent, whichever is higher). The prominence given to this issue highlights the impoverished way in which we understand inter-generational relations (and fiscal

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[13] For further discussion see C. Berry, B. Bonizzi and J. Churchill, 'Will consolidation make pension investments productive?', *ILC-UK Blog*, 5 August 2021, https://ilcuk.org.uk/will-consolidation-make-pension-investments-productive/ (accessed 5 August 2021).

[14] For an important critique of the WASPI campaign, see H. Pemberton, WASPI's is (mostly) a campaign for inequality', *The Political Quarterly*, vol. 88, no. 3, 2017, pp 510-516.

policy) in the UK. There is no trade-off between pensioner and working-age benefit expenditure: it requires internalisation of the flawed and dogmatic logic of austerity to suggest that pensioner benefit expenditure necessarily requires working-age benefit cuts. There is no doubt that the triple lock was introduced to benefit older voters, who tend to support the Conservative Party. But the UK has one of the least valuable state pensions in Europe: the triple lock will have to remain in place for several decades to catch up.

If it does, today's young people will be the primary beneficiaries. Young people today may be paying for the pensions of a relatively well-off cohort of pensioners, but they are raising their own state pension accrual rate in the process, establishing a higher-value pension for themselves that tomorrow's young people will finance. (It is also the case that the poorest young people – working in low-paid and/or part-time employment – are actually now paying very little income tax, due to increases in the personal allowance.) If we are unable to appreciate this very simple way in which public policy today will shape how we are able to live tomorrow, in the final decades of our lives, then there is little hope of raising awareness of the complex – and rarely immediately consequential – problems which afflict private pensions provision.

The missing political science of pensions provision

This is where we might hope political science can play a part. But scholarship on the politics of pensions provision in UK universities is a rarity. Political economists in recent years have analysed UK pensions to some extent, principally by identifying the risks involved for individuals in defined contribution saving as an example of

‘financialisation’[15], and documenting the growing power of the asset management industry in shaping investment by pension funds.[16] Neither literature considers pensions provision as a whole, but rather treats some aspect of provision, effectively in isolation, as a constitutive element of a broader political-economic process.

In mainstream political science, pensions provision tends to be categorised as a subset of welfare provision more generally. But this framing, while understandable, is limiting. Pensions provision is unlike other forms of social security, insofar as it is fundamental to capitalist industrial relations, even when provided by the state, rather than a form of financial support for those less able to participate in the capitalist economy. It also involves financial institutions – among the most powerful actors in any capitalist economy – far more than any other form of welfare. There is a great deal of excellent scholarship on pensions among comparative political scientists and political economists, but in these literatures, the focus tends to be on how *other* countries are coming to mimic the process of UK pensions liberalisation.

How can we explain the reticence of our discipline in this regard? As suggested above, the public’s indifference to pensions may be the root of our neglect. If pensions policy lacks salience among voters, then processes of political contestation will be quite shallow, offering little by way research-able phenomena. There has only been one paper in *Political Studies* since 2003 with ‘pension(s)’ in its title or abstract. There has been only one paper in *British Journal of Politics and International*

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[15] See for example P. Langley, *The Everyday Life of Global Finance: Saving and Borrowing in Anglo-America*, Oxford, OUP, 2008.

[16] See for example B. Braun, ‘From performativity to political economy: index investing, ETFs and asset manager capitalism’, *New Political Economy*, vol. 21, no. 3, 2016, pp. 257-273.

Relations with ‘pension(s)’ in its title since the journal launched in 1999, and a further two with this word in its abstract. Looking beyond the Political Studies Association stable of journals, *British Politics* has published two papers with ‘pension(s)’ in their title since launching in 2006 (one by the current author!), with a further paper with this word in its abstract. *Policy & Politics* has published twelve papers with ‘pension(s)’ in their title since 2003, but only one of these is focused on UK pensions, with a further two including the UK in comparative analysis (there are also two UK-focused papers with this word in their abstract).

A more cynical explanation is that most academics employed by UK universities have not been directly affected by the pensions revolution(s). Many of us are in a public sector pension scheme, the Teachers’ Pension Scheme. Many are in the Universities Superannuation Scheme (USS), which is undergoing significant turmoil, engaging UK academics in an ongoing industrial struggle. But it is not the same pensions struggle that most people in the UK are engaged in (whether they know it or not). Some political scientists would perhaps also fear accusations of hypocrisy if they researched pensions politics, since even if USS benefits are further diluted, we will remain better off, from a pensions perspective, than most people.

There is another possibility, intriguing and alarming in equal measure. The study of power is the beating heart of political science. Yet we are still reluctant to embrace the definition of power advanced by Colin Hay as ‘context-shaping’ (refining Steven Lukes’ understanding of the ‘third face’ of power), that is, ‘the capacity of actors to redefine the parameters of what is socially, politically and economically possible for

others'.[17] The temporality of pensions provision means it does not conform to a more simplistic notion of power whereby A gets B to do X, either by controlling decision-making or the institutional settings in which political problems are defined. This approach depends on the existence of 'observable conflict' between those with power and those they have power over.[18] Such conflicts are evident in pension politics but they are not the main story. Instead, power is exercised in ways which render the analytical tools of political science less useful, through the application of seemingly neutral actuarial science to make sense of unknowable futures, and by obscuring the interests of those who profit from pensions provision beneath a seemingly philosophical debate about the balance between state, market and individual responsibility.

The context in which political science is conducted has itself been shaped by the forces and discourses which underpin UK pensions policy. While many of us refuse to accept the story we are being told about our own pensions, when it comes to pensions provision more generally, we accept population ageing, believing it to align with evidence seen with our own eyes, without questioning whether it is genuinely novel. We accept the pensions policy has been 'depoliticised', to some extent, because it seems to align with one of the contemporary discipline's organising concepts, indeed one which is ostensibly critical. We accept the welfarist framing of pensions policy at face value, assuming that it represents a rather conventional case of state/market interaction: normatively, we may want the state to provide more, but

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[17] C. Hay, 'Divided by a common language: political theory and the concept of power', *Politics*, vol. 17, no. 1, p. 50.

[18] Ibid., p. 47.

we recognise that welfare states in practice never do all things for all people, and dismiss pensions reform as just another form of retrenchment, however regrettable.

It is of course reasonable that the technical nature of pensions provision is foreboding for scholars trained predominantly in political science. I would certainly not have embraced pensions policy as a research area had I not worked for several years as a pensions policy practitioner, inside and outside government. Nevertheless, mastery of the technicalities is not required for us to appreciate *why* pensions provision seems highly technical: its peculiar temporality. But if we understand its peculiarity, we can then start to discern the highly political nature of the choices being made about the design of pensions institutions.

Conclusion

It is time for political science to take pensions policy more seriously, even if the public probably never will. Ultimately, if our neglect allows the imperilment of UK pensions provision to continue unchecked, millions of people will be significantly worse off in later life. Political science alone is not going to find the answers, but we can at least start asking the right questions. These questions, in summary, would focus on both the appropriateness of a model of workplace pensions where risks are loaded primarily onto individuals, when employers and the state are much better placed to bear them, and how this model was introduced with so little meaningful debate. We would ask further about the genesis of a political culture in which the exclusion of many groups from even the meagre benefits of auto-enrolment, and indeed from a labour movement who might otherwise have been expected to represent their interests. Similar questions would be asked state pension reform,

interrogating how policy elites could have succeeded in further diminishing the UK state pension's value – and why criticism centres on one of the few mechanisms (the triple lock) which might address this problem.

Above all, it is necessary to consider why the state has been content in recent years to intervene on an enormous scale to bail out large employers undergoing corporate restructuring, subsidise the private pensions industry, and ultimately create new opportunities for profit within the finance sector (while itself shouldering the burden of providing defined contribution pensions to unprofitable market segments). We would ask whether the state's resources would be more appropriately allocated to underpinning consumption deferral processes for all, more systematically, as a recognition of decent pensions as a fundamental entitlement of social citizenship.

The state has taken on this role due to the unique temporality of pensions provision. Capitalism needs pensions provision, since pensions provide part of the compensation which workers require, rooted in the biological fact of human ageing, but individual capitalist enterprises cannot deliver alone. We must therefore stop treating pensions provision as an opportunity for profit by such enterprises, underpinned by the state, and treat it instead as a fundamental part of how any economic system is able to reproduce itself.

Biography

Craig Berry is Reader in Political Economy at Manchester Metropolitan University.