Abstract

Missing the Point; Finance, Crises and Pensions

Richard Minns

The financial crisis, in this case affecting pensions, is a misleading explanatory concept. That is because there are fundamental flaws in the structure of private pensions *per se*. Finance in general is a political construction, not a neutral force or arbiter of 'market forces'. It is controlled by institutions with their own political and economic interests.

Financial 'crises' are legion. The financial interests, and political interests such as the World Bank, articulate a theory of private finance and private pensions based on an unproven theory of economic growth. The point is that private pension provision is not really about pensions but about stock market growth and fund management fees.

The World Bank model has been applied in some countries in Latin America following the accumulation of unproductive 'odious' debt, used to buy weapons from the 'west'. The model has been applied in former Communist bloc countries, and in the middle east in Israel with proposals to extend it to the Occupied Territories (otherwise known as Palestine).

In essence, pensions are not about pensions. Financial crises highlight the 'swindle' ('estafa' as it is called in Argentina), involved in private pensions but they do not explain the basic issues and interests which dominate the elusive concept of 'finance'.

The vast amount of money involved in the otherwise boring subject of pensions is an example of the politics of money. The views of the World Bank show this very clearly.

Radical change includes communal provident funds which the World Bank sees as a backdoor to nationalisation. QED.

Richard Minns. Independent Researcher. London and Buenos Aires.