



1,039 35

Views | CrossRef citations to date | Altmetric

0

Articles

REMAKING RETIREMENT INVESTORS

Behavioural economics and defined-contribution occupational pensions

[Paul Langley](#)  & [Adam Leaver](#)

Pages 473-488 | Received 08 Aug 2011, Accepted 01 May 2012, Published online: 24 Aug 2012

 Cite this article  <https://doi.org/10.1080/17530350.2012.691893>

Sample our
Humanities
Journals
>> **Sign in here** to start your access
to the latest two volumes for 14 days



 Full Article

 Figures & data

 References

 Citations

 Metrics

 Reprints & Permissions

Read this article

 Share

Abstract

Summoned up within the defined-contribution (DC) plans that now predominate in the UK and USA, the financial subject of the retirement investor is identified by behavioural economics as the crucial problem to be solved in present-day occupational pension provision. Interventions are being made that: promote individual participation in plans through auto-enrolment techniques; increase the rate at which individuals make tax-favoured payments into plans through contribution escalator schemes; and cater for the decision-making and risk management deficiencies of individuals by providing default option funds with in-built 'life-style' and 'target-date' investment strategies. After Deleuze and Foucault, we argue that this 'behavioural revolution' is a rearticulation of the heterogeneous elements which, in relation, produce the dispositif (apparatus) of DC plans as a distributed form of agency that places the retirement investor at its centre. Behavioural economics is shown to continue the inherently incomplete remaking of retirement investors within DC plans, necessarily precarious

financial subjects who face the highly uncertain prospect that returns on investment after fees will be sufficient to meet their expectations of security in old age.

Keywords:

retirement investors

behavioural economics

defined-contribution pensions

life-style and target-date funds

apparatus of security

Notes

1. For a recent example of this wider application of behavioural economics to address issues such as tackling crime and reducing obesity in UK public policy, see the ‘mindspace’ work of the Institute for Government and the Cabinet Office ([2010](#)) and the subsequent Department of Health ([2010](#)) white paper. We would like to thank Will Davies for drawing our attention to this.

Related Research Data

[Individual pension-related risk propensities: the effects of socio-demographic characteristics and a spousal pension entitlement on risk attitudes](#)

Source: Ageing and Society

[A new business model? The capital market and the new economy](#)

Source: Economy and Society

[Financialisation and the coupon pool](#)

Source: Capital & Class

[Mapping UK pension benefits and the intended purchase of annuities in the aftermath of the 1990s stock market bubble](#)

Source: Transactions of the Institute of British Geographers

[Social insecurity and the retreat from social democracy: occupational welfare in the long boom and financialization](#)

Source: Review of International Political Economy

[The Everyday Life of Global Finance](#)

Source: Unknown Repository

People also read

Recommended articles

Cited by
35

Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive personalised research and resources by email

 Sign me up

