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The broad message of this issue of the Journal is that the Global Financial Crisis has left its mark on many things, including pension design and management. For example, author Jean Frijns asserts the comforting mantra that Dutch collective pension schemes shield individuals from risk is no longer credible. While some risks can be pooled, most must, in the end, be individually borne. We do people no favor by suggesting otherwise. This important reality must be clearly communicated in other jurisdictions as well. Articles by Ponds and Cui, and by Jacobsen, Chan, and Barbee take fresh new looks at how individual life-cycle risks in employment-based pension plans can be best measured, analyzed, allocated, and managed. Ménard explores this new reality in the context of a compulsory, partially-funded national pension scheme: the Canada Pension Plan. Rhode and Dengsøe do so for the fully-funded Danish national supplemental pension scheme, ATP.

The world has changed at the individual fund management level as well. The Frijns article observes that many funds had been cranking up their risk dials at the very time their risk-bearing capacity was diminishing. This trend must be reconsidered. In a global survey of risk management practices, Halim, Miller, and Dupont found considerable differences in practices continue to exist, with some funds focusing largely on managing overall balance sheet risk, while others seem to focus much more on controlling tracking errors associated with active management. Guyatt and Lukomnik find that active management continues to imply high turnover for many investment managers, suggesting *short-termism* continues to be a problem. On the other hand, Kruse and Lundbergh argue that the future of pension fund management in a post-financial crisis world lies in understanding, and participating in the governance of long-term corporate sustainability. In a short piece laced with irony, an Anonymous (but very real) pension fund manager offers his peers advice on how to fail conventionally, rather than succeed unconventionally.

The Cooper article offers a sweeping assessment of the status of the Australian superannuation system. Based on the findings of the Super System Review launched by the Australian government last year, the article asserts the system should be re-engineered "to work for its members, not vice versa". Maybe the Review's most important recommendation is to require each provider of superannuation services to offer a low-cost, auto-pilot default option called *MySuper*, overseen by an independent, qualified board of trustees. In our view, this is a powerful idea well-worth considering in **all jurisdictions** where retirement savings accumulate in individual pension accounts.

## About Rotman International Centre for Pension Management

The mission of the Rotman International Centre for Pension Management (Rotman ICPM) is to be a catalyst for improving the management of pensions around the world. Through its research funding and discussion forums, the Centre produces a steady stream of innovative insights into optimal pension system design and the effective management of pension delivery organizations. Using *Integrative Investment Theory* as its guide, research and discussion topics focus on agency costs, governance and organization design, investment beliefs, risk measurement and management, and strategy implementation. The role of the *Journal* is to disseminate the new ideas and strategies that result from the activities of Rotman ICPM to a global audience. The Research Partners of the Centre believe that this broad dissemination is a win-win proposition for both professionals working in the global pension industry, and for its millions of beneficiaries.



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ISSN 1916-9833 (Print) – C$50.00
ISSN 1916-9841 (Online) – no charge