Despite our organisational re-configuration the project’s researchers have been working hard.

**The Politics of Pensions in the 1980s**

Aled Davies has undertaken very extensive research in the official government files held at the National Archive in Kew.

In these files, which proved even more extensive than expected, Aled has uncovered a rich seam of material relating to the formation of pension policy under the Thatcher governments. That process of information gathering is now almost complete and over the next few months we intend to analyse these records in great detail.

It has been particularly interesting to look at the consultation process undertaken on behalf of the government through Norman Fowler’s inquiry into provision for retirement, and to start to evaluate how this process interacted with the government’s political and ideological agenda.

One of the most interesting aspects of the Thatcher government’s reform of pensions in the 1980s is its complex and uncertain attitude towards occupational pension schemes. On one hand, the post-war extension of occupational pensions had demonstrated the capability of the market to provide welfare in place of the State, and had given millions of workers a stake in the private economy.

Yet some of the most influential groups and individuals involved with the government’s pension reforms – notably Nigel Vinson and Philip Chapel (Centre for Policy Studies), Walter Goldsmith (Director General, Institute of Directors), and John Redwood (Downing Street Policy Unit) – believed that this institutionalisation of pensions...
saving and investment obscured the direct relationship between the individual and the private economy.

Occupational pensions were seen as paternalistic gifts from employers which insulated the individual from the responsibility of making their own choices and managing their own risks, and thus constraining individual freedom. From this perspective, personal pensions were the means by which occupational pensions could be gradually replaced with mass individual provision and individual freedom enhanced.

These findings challenge the notion that Thatcherism was simply an attempt to ‘roll-back’ the State, and demonstrates that contained within the ‘Thatcher project’ was a radical liberal commitment to dismantling all coercive, collective institutions in both the public and private sector.

However, such radicalism conflicted with the traditional Conservative championing of good occupational schemes as an alternative to State provision, as well as a pensions ‘industry’ committed to employer-based schemes. This tension is a fascinating case study of the ideological and practical tensions within the Thatcherite political project – even more so than we had dared to hope.

The Actuarial Profession

Our doctoral student, Tom Gould completed his examination of the Institute and Faculty of Actuaries’ (IFOA) archive, and moved onto the files of the Government Actuary’s Department (GAD) in the National Archive. His work confirms our perception of two main phases to the reforms.

Phase 1 – 1979-1983

A period in which policy was essentially reactive, conditioned by the difficult economic environment, the legislation of the 1970s, and inherited issues such as the ‘early-leaver problem’. A by-product of policy was a marked increase in expert understanding of the pensions environment.

Phase 2 – After 1983

With the 1983 election out of the way came a political determination to confront the consensus on pensions that had been established in the 1970s. That determination, and the unwillingness of the government to listen to objections was the subject of alarm in the profession.