

the regressive nature of the contribution levying. *Journal of Public Economics*, September 1995, 58(1): 429–451. (Reprinted with permission of North-Holland Publishing Company.)

Do 401(k) Contributions Crowd Out Other Personal Saving? by James M. Poterba (Massachusetts Institute of Technology), Steven F. Venti (Dartmouth College), and David A. Wise (Harvard University)

During the late 1980s, contributions to 401(k) plans eclipsed contributions to Individual Retirement Accounts (IRAs) as the leading form of tax-deferred individual retirement saving in the United States. In this paper we describe patterns of participation in 401(k) plans, contrast these patterns with IRA participation, and evaluate the net impact of 401(k) contributions on personal saving. We find that 401(k) participation conditional on eligibility exceeds 60% at all income levels. In contrast, IRA participation at the height of that program rose sharply with income. We use two methods to evaluate the net saving effect of 401(k) contributions on personal saving: we compare the financial assets of families who are eligible for 401(k) saving with the assets of those who are not eligible, and we consider the change over time in the assets of like groups of savers. We find little evidence that 401(k) contributions substitute for other forms of personal saving, including IRA contributions. *Journal of Public Economics*, September 1995, 58(1): 1–32. (Reprinted with permission of North-Holland Publishing Company.)



EMPLOYEE BENEFIT ISSUES

Voice Asymmetries in ERISA Litigation, by Mitchell Langbert (Dowling College)

ERISA's equitable remedies limit employees' access to the courts. The law fails to protect workers with short tenure and low wages—for example, female workers—because trial costs often exceed damages. In single-employer plans, unions improve access, but in multiemployer plans they do not. The reason is that in single-employer plans unions bargain at arm's length with plan sponsors while in multiemployer plans they do not. Plaintiffs' win rates are approximately 50 percent in single-employer union ERISA cases but are significantly below 50 percent in nonunion and multiemployer cases. *Journal of Labor Research*, Fall 1995, 16(4): 455–466. (Reprinted with permission of the *Journal of Labor Research*.)

Pension Coverage and Borrowing Constraints, by Michael A. Curme and William E. Even (Miami University)

Using data from the 1983 Survey of Consumer Finances and taking a measure of borrowing constraint status as an indication of a worker's discount rate, we find evidence that borrowing-constrained workers are less likely to be covered by a pension plan, and that the borrowing constraint effect is significant only for de-

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