pricing noise is greater than product innovation efficiencies. True or false this suggests that there is a broad field of future, fruitful research and development not only in institutional product innovations but also in process solutions adapted to specific customer segments. This book is an important foundation stone on a long road of product and process innovation for both the institutional and retail markets.

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Reconsidering Retirement: How Losses and Layoffs Affect Older Workers. Courtney C. Coile and Phillip B. Levine. Brookings Institution Press, 2010, ISBN 978-0-8157-0499-7, 156 pages. doi:10.1017/S1474747213000152

As economists we like to crush myths, to prove that something assumed to be true by many actually turns out to be wrong. One such myth is the story of how the financial crisis and resulting economic downturn affected workers at the brink of their career. When the stock market plummeted, the story goes, elderly workers just could not afford to retire as planned, since their future pensions were invested in pension funds, which again were invested in the stock market.

Like a playwright preparing a climax the authors first document how this story has grown roots in the American public debate. Then, like a pike in the willows, they start documenting how 'media accounts such as these seriously missed the real story' (p. xi) Because, there is also another story, less known, about another group of workers, also for whom the financial crisis turned out to be dismal.

The economic downturn made millions of Americans jobless. Clearly some of these were elderly. And clearly, these elderly workers face particularly dismal labor market prospects. At the same time, these newly unemployed workers qualify for social security pensions if they are 62 years or older.

This book tells the story about a large group of workers who lost their jobs in the financial crisis, and to make ends meet started their pension much earlier than planned. Consequently they face a long and economically meager time as retirees.

The authors have written a book not just for economic scholars but for everyone interested in how business cycles affect retirement decisions and outcomes.

As it aims for a broader audience the book is popularized in the sense that an econometrician interested in technical details will not always find what he is looking for. Rather than describing every little detail they sometimes blur their methods by describing them instead as sophisticated statistical techniques. This way of writing is something we also recognize from the blockbuster *Freakonomics*, where the economist and his fantastic toolbox are given action-hero status. For the occasional peer reviewer this way of writing may give rise to some suspicion, whereas the non-scholarly readers probably find it amusing. Hence, popularizing is a double-edged sword and it is hard to accommodate all readers at once. Given that the book reaches wider than within the field of economics I think the authors have done a good job at this point.

The main contributions are in the three chapters analyzing the impact on retirement behavior of fluctuations in the stock market, housing market and labor market. At first sight one may believe that it is the effects of the current market crashes which are studied – but it is not. Instead they use data for a long period before the current financial crisis. Hence, their data cover 'several full cycles in labor market activity, stock returns and housing prices' (p. 47). In a nutshell, their analysis therefore consists of two steps. First, using historical data, they study the effects of market fluctuations on retirement behavior. Second, they use these estimates to simulate the effects of the current economic crisis on retirement behavior.

The book could have made an even better contribution if they used data for the current financial crisis directly. However, at the time of writing that kind of data may not have been available and there is no point in arriving after the party has ended – even if you have the nicest dress.

Since the current economic downturn is far deeper than anything we have seen in the last decades it is quite a stretch to assume that parameters estimated in less turbulent times should remain the same during a crisis. I believe this aspect should have been discussed in greater detail as it may turn out to be important. Readers skimming the book are easily misled by the chapter titles ('Impact of the stock/housing/labor market crash') to believe that it is the current crisis that is being studied; it is not.

Briefly summed up, their findings are as follows. The housing market played little or no role explaining retirement behavior. The stock market made relatively well-off workers work longer as these workers lost a substantial fraction of their private pensions. Less well-off workers were however unaffected because they had no such private pensions anyhow. The labor market crash also made people retire, particularly workers over 62 years with little or no education.

The analyses are topped off by a synthesis of their partial estimations where the total impact for different groups of workers is calculated. They find that the economic downturn expedited retirement for workers in the bottom third of the income distribution with as good as no private pensions savings. Early retirement as a result of job-loss made this group much worse off since their social security pensions is spread over more years. The authors find that the income reduction in their retirement period may be as large as 30 percent. However, the downturn also caused some workers to delay their retirement. As their private pensions partly vanished they chose to work longer to compensate their loss. Still, they will also face reduced retirement income, but on another scale – at least in relative terms. The authors find their loss to be in the ballpark of a few percent. Finally, they find that the first is larger than the latter; still it has until now received little public attention.

Shedding light on the financial crisis' cruel consequences for relatively poor Americans is in my view the most important contribution of this book. All in all their analysis is convincing and their results are important. The book is easy to read and should be read by many, not least outside the field of Pension Economics.

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Reforming Pensions for Civil and Military Servants. Noriyuki Takayama, ed. Maruzen Publishing, 2011, ISBN 978-4-621-08469-4, 183 pages. doi:10.1017/S1474747213000164

This book summarises an international seminar held in January 2011 where academic experts discussed the arrangements for public sector employees' pensions in a range of countries. The editor, Noriyuki Takayama, is the director and CEO of the project on intergenerational equity at the Research Institute for Policies on Pensions in Tokyo. The Institute produces a range of international studies on public policy issues, and has produced here another valuable resource on an aspect of pensions that is somewhat neglected in the literature.

In some countries, as the collected papers outline, public sector pensions are paid in addition to other basic state pensions or social insurance pensions. In others, there is some degree of integration and comparability with private sector schemes. Critically, in most countries, there has been a tradition of favoured treatment for pensions for civil servants. The book asks whether this dualism makes sense any more. As the Global Financial Crisis continues to affect sovereign states, and as Defined Benefit (DB) plans in the private sector have struggled, the favoured situation of civil servants has been put under increased scrutiny.