



The looming pension crisis

The looming pension crisis part IV: United States public pension plans COVID-19 update

The paper highlights the role that COVID-19 will have upon short-term fund investment strategy and the associated long-term feasibility concerns, while re-examining the absolute and relative effects of reducing plan assumptions to objectively sustainable standards in a world of historically low interest rates.

Having explored the intricacies of public pension systems and the unsustainable assumptions plaguing their misguided valuations in previous papers, the Mackenzie Global Pension Team has elected to revisit these topics during the global COVID-19 pandemic. With governments taking on increased debt from historic levels of unemployment benefits, fixed income yields having collectively dropped over 100 basis points, and pension funds having proved increasingly susceptible to equity market corrections, the COVID-19 pandemic may prove to be the catalyst which sparks the implosion of government pension plans in the US and also globally.

Previous research papers:

[White Paper - The Looming Pension Crisis Part I](#)

[White Paper - The Looming Pension Crisis Part II](#)

[White Paper - The Looming Pension Crisis Part III](#)