The Pensions Project held its 7th annual "Capital Matters: Managing Labor's Capital" conference on April 29 – May 1, 2009. Many of the sessions related to the challenges posed by the world-wide financial and economic meltdown but also the opportunities. For example, the conference opened with a European labor perspective on the impact on how the financial and economic meltdown has played out in European financial markets and economies, the diverse responses of European Union countries and perspectives on financial markets regulation.

The next day, to sessions focused on the American experience in several kinds of ways. They will assayed the merits of current and possible near term actions, primarily by the federal government here (and in conjunction with governments abroad) to stem and reverse the continuing downward spiral). They did so with an eye to how forces and relationships within the larger economy and our society were integrally linked to the downturn and will be linked to whether a recover is a vigorous and sustained one which benefits all workers. Remarks were made with special attention to pension funds' role in these momentous events and the impact of those events on pension funds.

These sessions were linked in several ways to an understanding of the behavior of corporations, especially financial corporations, what behaviors have to be changed, and how. Conference panels came at those issues in several ways. The luncheon speaker, Kayla Gillan, Deputy Chief of Staff to the SEC chairman, offered insights about the Security and Exchange Commission's agenda as it relates to corporate governance reform, especially as it pertains to proposals and demands made by pension fund and other institutional investors. The following panel probed a bit more deeply or differently into corporate behavior, particularly that of financial corporations, to consider the extent to which there is a need to look beyond long proposed corporate governance reforms and likely financial regulations to other factors or considerations that may strongly influence how corporate actors behave.

In other sessions, the focus shifted to pension funds. One current public sector trustee and one up until recently long-serving public fund trustee offered perspectives on lessons learned and thoughts about different kinds of action pension fund trustees might take in light of the meltdown. A related session that evening was spurred in part by the fact that despite often warranted perceptions about different forms of pension fund activism, depending upon the funds about which one is speaking, activism is non-existent or very modest. So the question canvassed was what needs to be done to increase activism. In a different way, the last conference session considered efforts by pension funds and others who have pressed or might pursue legal actions to remedy some of the harm they have suffered from the meltdown.

However active pension funds may be, if they rely just on their own resources, their effectiveness will be limited. The combined assets in defined contributions plans and Individual Retirement Accounts already far outstrip that of defined benefit plans and a good part of those assets of both are in mutual funds. A conference panel explored whether and how mutual funds might be not merely be opposed to or resist what activist pension funds are about but also be collaborators or allies.

For a number of pension funds, infrastructure investments have seemed to offer a secure and enduring port in the financial storm. If those investments are domestic ones they raise issues of government policy for investment in infrastructure and job creation and possible job less in connection with privatization. The conference turned the topic in two ways. Participants heard from the head of capital stewardship for the largest European union representing public sector workers, UNISON, on UK pension funds' involvement with infrastructure and problems with that involvement insofar as it is linked to the UK version of privatization. Attendees then learned about how the problems associated with currently available vehicles for pension fund investment in infrastructure have spawned first, a potentially innovative and important collaboration among American pension funds to create a different and more attractive vehicle and second, innovative and significant ideas for leveraging federal policy, particularly federal tax policy, to spur pension fund investment in infrastructure that will appeal to pension funds and labor.

Finally, events of recent months have suggested worsening prospects for financial security in retirement all household in the United States and the dimming prospects for the roughly half of American workers who at any given time are fortunate enough to participate in an employment based retirement plan. One session considered the current Washington consensus about what needs to be done, suggested reasons why it will likely fail, and featured critical and forward looking efforts to create a frame for, devise, and build a consensus for retirement policy reform that will to the job.

Two session issues canvassed critical issues arising from the financial markets and economic meltdown, include their origins and consequences, near-term remedies and the long-term agenda for financial markets regulation. A related third session focused on the interplay of a number of factors third,

The conference, attended by pension fund trustees, union officials and staff concerned with retirement security and pension fund investment issues, scholars and researchers