



Portfolio that Constitutes Risk-Free Investments for Purposes of Effective Pension Planning and Management in Ghana

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ABSTRACT

Ghanaians' everyday decisions are intricately linked to the concept of planning. When they need some kind of assistance, it seems reasonable that people would make choices based on what they believe would best serve their interest. This assertion has sparked a variety of hedging techniques, such as complete life insurance packages and insurance policies. All of the packages share the retirement package scheme, also called the Pension Scheme. The Scheme, among other things seeks to provide for Ghanaians' needs during their retirement years when they are unable to engage in active public service. Even though the Ghanaian employee seems to get selfless support from the system, there have been reported cases of bad management practices, fraudulent acts, unfair remuneration, and employee-employer conflicts. Sometimes people work all of their productive years and then retire with pay that was below what they had anticipated. This has led a number of unions organizations to plan a number of industrial actions in an attempt to grab the government's and the administration's attention. In this work, we'll look at how the addition of two required and one voluntary private pillar to Ghana's pension system has drastically transformed the country's present social insurance program. Even though private pensions were meant to be instruments for granting individual citizens autonomy and choice over their retirement decisions. The paper adopted a qualitative methodological approach and the analysis of results shows that the design of the Ghanaian three-tier scheme has a number of risks and institutional flaws

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that could jeopardize the elderly's ability to maintain a standard of living. Therefore, it argues for the need to reform the new scheme by (a) establishing statutory pension benefit insurance, (b) decreasing the number of pension service providers, (c) limiting the amount of money each pension service provider can spend on administrative issues, and (d) reducing the amount of money each pension service provider can spend on non-profitting projects and other risky investments or gambling options.

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1. INTRODUCTION

In 2009, Ghana organized a three-layered benefits framework that blends pay-more only as costs arise using the Pay As You Go (PAYG) model of social protection with private benefits frameworks in light of individual financial balances. Three-layered institutional engineering of benefits frameworks is a typical component of changes in Latin America, Focal and Eastern Europe, and sub-Saharan Africa, albeit up to this point just Ghana has carried out such a framework. The essential change made to Ghana's annuity framework was the incorporation of two confidential benefits points of support inside the ongoing PAYG social protection structure [1].

The consideration of two confidential benefits support points is baffling given that Ghana, as other African nations, does not have a monetary market to keep or put away benefits cash. The security of retired people is likewise impacted by the choice to give up their benefits assets to private asset directors in a country with a feeble confidential area [2].

This concentrate accordingly inspects the Ghanaian three-level annuity framework, really focusing on how much issues connected with decentralized and cutthroat benefits programs are managed. It exhibits that retired folks are in danger of encountering pay weakness in their later years notwithstanding confidential benefits being introduced as devices for conceding laborers and retired people a decision and opportunity over retirement choices and a component for capital market improvement through individual reserve funds [3].

2. PRIVATE PENSION SCHEMES

As a rule, confidential benefits are subsidized through plans that neither reallocate abundance between ages nor inside them. Monetary resources that have created after some time thanks to participation levy and venture profit are utilized to give benefits to individuals [4]. An annuity whose size, at some random future and pace of interest, is resolved simply by the size of their lifetime benefits aggregation" is the way this plan depicts an individual's benefits. Most confidential benefits are supported by a blend of manager and worker commitments that are put and stay set up until retirement [5].

On account of the worker's handicap or demise before to retirement, the entire measure of commitments in addition to any premium gathered will be paid out in a single amount. Advantages in confidential annuity plans are exceptionally associated with commitments, and the projects are pushed through charge motivating forces yet are not supported by the public authority. Regardless of the way that a portion of these projects are organized to take into consideration the acquisition of annuities, advantages are much of the time paid out as a solitary, knot sum [6]. Characterized commitment designs (a) are not difficult to get a handle on for all laborers, even those with low degrees of training or perusing, which is the reason they are utilized to give one-time singular amount payments.(b) later on, donors may

"recognize their government backed retirement reserve funds" and "guarantee exclusive freedoms over" them; (c) give benefactors the opportunity to "secure pay producing resources to keep away from resulting response to any type of public help" [1, 7]. This implies that community, risk sharing, and fortitude are not considered since they are not based available me-downs from past ages. In this manner, the decision among public and confidential annuity plans influences both government financial plans and beneficiaries' monetary security. Confidential benefits advocate frequently feature the lacks of public annuities like Pay As You Go with Obligation (PAYGO) model of social protection to present their defence. For example, it has been contended that public benefits uses and worthwhile PAYGO plans deter laborers from remaining in the labour force for longer [6, 8].

In this manner, supporters of private annuities portray the old PAYGO social protection frameworks as outdated, impractical, and negative to monetary improvement by accentuating the adequacy and development benefits of private or individual retirement reserve funds. It was conjectured that private annuities would help agricultural nations with powerless monetary establishments by expanding admittance to cash for useful exercises, consequently encouraging financial turn of events.

Monetary business sectors all through the world by means of the endeavours of institutional financial backers to work on the business sectors effectiveness, straightforwardness, and liquidity. Besides, allies of private benefits plans contend that drawn out gains on privatized annuities would beat the yearly rate expansion in all out genuine wages, which is what public pay-more only as costs arise frameworks rely upon. Accordingly, confidential benefits frameworks apparently were a viable methodology for reestablishing public economies and giving people more say over their retirement pay [9]. The central matter is that patrons would procure a far higher pace of return assuming their cash was put resources into the financial exchange as opposed to being given to current retired folks, similar to the circumstance with PAYGO programs. Others contend that more youthful individuals may be urged to plan for their retirement or delay spending until they arrive at retirement age since required private annuity plans utilize actuarially fair bookkeeping rules. Since individual benefits payouts are firmly associated with commitments, this contention every now and again relies upon the possibility that people in confidential annuity frameworks have less thought process to forego putting something aside for retirement. 19 For comparative reasons, Ghana, in the same way as other different nations, selected to incorporate two confidential support points into its benefits framework [5, 9].

3. GHANA'S PENSION SCHEME

Ghana's annuity framework has been in disorder nearly since independence. Albeit public workers were primarily covered by a program known as Cap 30 protected from the provincial time, opportune assets were executed by experts in the early post-independence time frame and afterward migrated into a social protection plan in 1992 [10]. Workers who added to both the PAYG Government backed retirement and Public Protection Trust (SSNIT) and the Cap 30 arrangement were covered by two different public benefits frameworks in the country [11].

The authority area, in spite of the fact that with various limits for passage. The SSNIT social protection conspire did not have a similar discretionary retirement age decrease, appealing advantage working out procedure, or retirement adaptability as the Cap 30 arrangement. Regardless of the two plans being characterized benefit plans with a similar commitment rate, the advantages for those covered by the CAP 30 arrangement were paid from general incomes while the advantages for those covered by the SSNIT social protection plan were paid from commitments made by current workers and profits from venture by the plan. The CAP 30 arrangement got insufficient subsidizing and was much of the time avoided with regard to yearly public spending plans, while the social protection program just got

fractional funding. The individuals who are qualified to do so do as such, since the retirement conditions under the SSNIT social protection framework were irrefutably more regrettable than those under CAP 30. The three-level benefits plan was laid out in 2009 as an answer for the difficulties of institutional fracture and shamefulness, giving an organized and very much planned structure for the country's benefits retirement pay security framework. The SSNIT social protection framework was kept set up, yet the Cap 30 was shut to new contestants into the work market and supplanted with two extra confidential annuity points of support, one of which was obligatory and the other was discretionary [2, 12].

The government backed retirement framework was the sole objective of these minor boundary changes. SSNIT social protection, frequently known as public essential government backed retirement, is the groundwork of the three-layered framework. Workers in the authority area should do as such, while those in the informal area are allowed to disregard the standard in the event that they so care about. The main level is characterized benefit based, and it is upheld by organization and representative commitments of 11% in addition to venture gets back to ensure conveyance of customary regularly scheduled instalments to retired people [11, 12].

The whole commitment to the SSNIT social protection plan was decreased from 17.5% to 11.0%, opening up 5% for interest in the second and 2.5% for the public medical coverage program. raises the joined manager and representative commitment rate from 17.5% to 18.5%. The public authority of Ghana is engaged with the plan both as a business and as the significant insolvency safety net provider for the level. The public authority's trustee obligation to its residents might recommend that it goes about as an underwriter. Layer two is a compulsory individual retirement bank account with foreordained commitments. Gifts and speculation return under the subsequent layer were straightforwardly corresponding to the advantages got. The subsequent layer permits laborers to coordinate the allotment of five percent of their general social protection commitments. This' level will probably authoritatively consolidate state and neighbourhood annuity plans with the public benefits framework. The third level is a discretionary retirement reserve funds plan that complies with existing guidelines like the Drawn-out Retirement Investment Funds Act. There are engaging duty motivators incorporated into the program to boost individuals to save something else for retirement, notwithstanding the way that interest is wilful [13].

The third level, similar to the second, is a characterized commitment framework where instalments are made in a single amount and advantages are laid out ahead of time. Every one of the three levels of Ghana's annuity framework depend on market arrangements, with characterized benefit and characterized commitment segments, for the speculation of retirement reserves. While the SSNIT handles all that connected with commitments made to the primary level, commitments made to the second and third levels are contributed by enrolled institutional benefits specialist organizations such overseers, legal administrators, and asset directors. These foundations cannot offer their types of assistance except if they have been endorsed and enlisted by Public Benefits, an administration organization.

Public Pesticides Guideline Office. The Public Annuity and Retirement Organization otherwise known as National Pension Regulatory Authority (NPRA) controls all benefits and retirement finances in the US. The improvement of the home-grown capital market was an essential inspiration for integrating the two confidential points of support into the bigger benefits framework. Thus, under the three-level methodology, beneficiary members should be doled out to one of the accompanying portfolios by institutional suppliers of annuity related administrations:

- a) securities, bills and different protections offered or guaranteed by the Bank of Ghana or the Public authority of Ghana;
- b) securities, debenture, redeemable inclination shares and other obligation;
- c) instruments offered by corporate substances and recorded on a stock trade enlisted under the Protections Business Act, 1993, (P.N.D.C.L. 333);
- d) customary portions of restricted organizations recorded on a Stock Trade and enrolled under the Protections Speculation Act 1993 (P.N.D.C.L. 333) with great records, pronounced and delivered profits in the former 5 years;
- e) bank stores and bank protections; venture testaments of shut end speculation asset or mixture venture subsidizes recorded on a Stock Trade enrolled under the Ventures and Protections Industry Act, 1993 (P.N.D.C.L. 333) with a decent record of procuring;
- f) units sold by open-end speculation assets or expert open-end venture subsidizes recorded on the stock trade perceived by the Board;
- g) bonds and other obligation protections gave by recorded organizations;
- h) land speculation;
- i) and different types of speculation that the Board might decide.

Except if explicitly taught in any case, reserve chiefs, caretakers, and legal administrators in Ghana may not contribute retirement commitments anyplace beyond the country[12, 14].

4. RISK REGULATION IN GHANA'S THREE-TIER PENSION SCHEME

Benefits plans give a significant government managed retirement motivation, however Ghanaian specialists have put that off for the improvement of the capital market. This raises various issues that could think twice about monetary security of the older. The issue of partial blindness emerges when individuals depend on confidential benefits to guarantee their independence in retirement. All in all, retired people who depend on their own judgment might neglect to enough accommodate their own future necessities considering their current decisions assuming they do as such. Second, in a climate where confidential benefits plans are serious, individual purchasers might battle with data over-burden and wind up pursuing unfortunate speculation choices because of decision risk. Third, serious confidential benefits reserves have higher regulatory costs than government-run PAYGO plans. This is generally because of the way that store directors frequently take a slice of individuals' retirement instalments to take care of managerial expenses and benefits [15].

Contest for clients has brought about enormous showcasing costs in nations with private benefits plans, which are ordinarily included to the in general managerial expenses of Individual Retirement Accounts (IRA). The anticipated cultural benefits to higher retirement salaries from functional reserve funds among private annuity specialist organizations are hence to some extent offset by the decrease in generally paces of return to beneficiaries. Fourth, the monetary business sectors are complicated and unstable, both temporarily and over the drawn-out timeframes during which retired folks save.

Specifically, market unpredictability might sabotage plans for retirement and give discriminatory outcomes while contrasting individuals of various ages. These issues bring up issues like (a) whether the public authority ought to finance private annuities or require them collectively, (b) whether it ought to present a few components of intergenerational move to ensure retired folks' pay security, (c) whether

it ought to restrict individual opportunity of decision or oversee it through the pooling of resources in a typical speculation portfolio, and (d) whether it ought to present a few components of intergenerational move to ensure retired people's pay security., giving a structure to understanding the dangers related with private benefits and the degree to which each layer deals with those dangers. The new benefits plot takes out the motivation for people to misjudge their future pay security needs and spend less cash presently by ordering that all workers in the conventional work market partake in level one. The gamble of market unpredictability on retirement pay security is likewise tended to through intergenerational moves and chance sharing [9, 15].

The principal level is a unified asset (no supplier rivalry) that pools the resources of all specialists into an aggregate portfolio oversaw in the interest of work market members by the state and the social accomplices. This is finished to moderate the dangers related with pursuing individual venture choices in an unregulated economy. Critical economies of scale and the evasion of the great regulatory above regularly connected with serious benefits plans might come about because of pooling resources in a solitary corporatist asset. In spite of the fact that program reserves are put resources into the market, the principal layer shifts liability regarding status upkeep from people to the public authority and other social accomplices. A lot of ensured pay substitution is hence guaranteed by intergenerational moves and the sharing of monetary market gambles, bringing about a serious level of gathering mediation normal for this level. There were no securities set up to relieve the effect of market unpredictability on retirement pay soundness in the second and third levels. Characterized commitment plans, at both the 401(k) and 403(b) levels, are expected to give retired people a protuberance instalment comprising of their commitments and any premium that has gathered. Clients are not safeguarded from the chance of a falling business sector and supplier default since there are no gamble pooling parts or negligible certifications [16].

In spite of the presence of a benefits administrative association to guarantee them, there is no restriction on the quantity of institutional suppliers of private benefits that are permitted to work in the confidential market. Both unbound supplier contest and unhindered client decision are verifiably expected for on stages two and three. This recommends that these levels give no assets to help people utilizing private annuity plans in adapting to the difficulties presented by data over-burden and decision risk. Since all levels are intended to support supplier rivalry, there are no covers or limitations on how much suppliers might charge on a member's commitment for organization and tasks costs. It is estimated that in a free and open market, specialist co-ops would be pushed to make minor managerial changes to draw in additional clients. Nonetheless, there are two methods for differentiating between the second and third levels. The subsequent level forestalls nearsightedness through a compulsory arrangement requiring all proper work market members to sign up for a private or word related benefits plan, while the third level is deliberate and empowered by charge motivations, depending rather on buyer sway to take care of the issue. In the third level, members are liable for their own status upkeep, while in the subsequent layer, obligation is divided among the individual and the state, ensuring a degree of in the middle between [16].

5. INSTITUTIONAL WEAKNESSES AND THREATS TO RETIREMENT INCOME SECURITY

Ghana's perplexing political and monetary climate makes it challenging to execute private area answers for retirement pay security. To start with, in the same way as other African nations, Ghana has neither a monetary market nor the foundation to appropriately oversee benefits reserves. The pace of expansion in Ghana would make it ugly to store annuity subsidizes in the monetary market, regardless of whether

one existed. Buyer ignorance and an absence of consciousness of the monetary business sectors' working corresponding to private benefits likewise represent a threat to the program's viability. Third, assuming confidential annuity plans are to actually protect their endorers, they need strong and proficient government oversight of monetary business sectors.

The main level's plan is ideal since it is mandatory, unified, monopolistic, in view of characterized benefit standards, pools resources in aggregate portfolios, and guarantees intergenerational moves. Moreover, there are two significant issues with the new benefits framework in Ghana that diminish the personal satisfaction for the old [14, 17].

In any case, the interests of the metropolitan middle class are generally addressed by the ongoing three-level benefits framework. This is like past techniques. Every one of the three levels of the new framework requires members in the casual work market to add to their retirement pay security deliberately. The near-sightedness issue among disorderly area laborers in Ghana isn't being tended to in any capacity by the country's three-level design. In any case, laborers in this area are particularly in danger since they are bound to be independently employed or paid a low pay; many frequently work parttime hours in regions like horticulture, development, and administrations. They ordinarily (yet not dependably) run unnoticed, locally situated ventures. These low-wage, low-schooling laborers in the casual economy are for the most part disordered and unfit to put something aside for what's in store.

Benefits are one more subject about which they appear to know pretty much nothing. 29 Laborers in Ghana's casual area are among of the world's least fortunate, so it's not shocking that wage-related benefits frameworks 30 like those highlighted in the country's three-level model miss the mark concerning addressing their necessities. Regardless of whether the issue of near-sightedness is gone after through obligatory necessities, which would be considered normal for formal area laborers, casual area laborers will most likely be unable to give putting something aside for future utilization a need because of requests on their assets because of the earnest requirements of food, clothing, lodging, training, and wellbeing. Consequently, reassuring individuals in the casual area to purposely set away more cash for what's to come is unfeasible [18].

This trouble is exacerbated by the way that specialists in the casual area will quite often have lower futures than those in the conventional area. It has been contended that the Ghanaian state comes up short on managerial limit to remember casual area laborers for a profit related benefits program, yet the as of late carried out three-level annuity program just considers the chance of pay security for all old Ghanaians under the states of full-time proper area work for all partners consistently. Second, despite the fact that Ghanaians are expected by rule to put a portion of their retirement pay in the confidential market through these levels, there are no systems set up to safeguard members in the second and third levels from market disappointments as well as default by reserve supervisors.

In a nation like Ghana, where market foundations are feeble, expansion rates are regularly high and capricious, and the likelihood of financial backer misrepresentation is high, driving residents to put retirement commitments in the confidential market without safeguarding them against the chance of unfavourable economic situations via ensured least advantages is a hazardous business. Because of the absence of an effective component to compel store chiefs and other institutional mediators to give benefits to members in the second and third levels free of economic situations, the dangers related with market unpredictability are moved to them. Reserve directors, caretakers, and legal administrators are additionally hindered from rehearsing reasonable administration of representative retirement commitments, notwithstanding the way that this is an issue with poor institutional plan [18].

Authorities in Ghana were so bent on utilizing retired people's commitments to subsidize the development of the capital market that they disregarded the risks introduced by the new benefits conspire, especially the second and third layers, to the steadiness of retired folks' salaries in advanced age.

Hence, in the second and third levels, the gamble that one's retirement record develops to a level that will consider an agreeable retirement is conveyed by the giver. Commitments made to the record by or for the benefit of the labourer face the risk of being lacking to give the member's ideal way of life in retirement on the off chance that the venture portfolios in which the commitments were contributed lose esteem. To put it another way, a country that constrains or requires its residents to put their benefits commitments in the confidential market with next to no component to guarantee ensured pay substitution in case of market disappointment or default by specialist co-ops risks future social turmoil and imperils the monetary security of its senior residents.

At long last, there are excesses of benefits related specialist organizations in the three-level plan. Specialist organizations including legal administrators, reserve directors, and caretakers might have covering liabilities. The sheer number of brokers between the donor and their commitments in retirement bank accounts most certainly raises issues with respect to institutional equivocality, particularly in regions where the jobs or activities of institutional suppliers cross-over. Moreover, since specialist organizations under the three-level model depend on annuity commitments for their activities, the quantity of institutional suppliers that should manage every donor's retirement bank account would decrease the advantages building to beneficiaries under all levels (particularly levels two and three) [18].

6. DEVELOPMENT OF RISK MANAGEMENT

Information on risk the board in the present monetary industry depends on the cost of hazard. Risk the executives, as characterized by Rosen (2003), is a modernized, quantitative cycle that incorporates the devices and methods of monetary financial hypothesis with the data innovation industry.

It depends on financial models that anticipate the development of a few market factors. In this unique situation, quantitative gamble the board's hypothetical establishments are firmly connected to the earliest long periods of financial aspects. That is the situation, perhaps Guideline didn't force risk the board on the business sectors; rather, it developed in light of moving economic situations across wards. Albeit present day risk the board didn't start from a particular piece of regulation, the development of the field was plainly formed by changes in the administrative scene [19].

7. RISK MANAGEMENT AT PENSION FUND

For the annuity assurance to be secure, the endorsing boss should be monetarily stable, as the financier bears all annuity related chances. This chance is frequently reinsured by benefits protection reserves. The benefits store is the essential underwriter organization on the mainland. The arrangement support's assurance may be viewed as a sort of re-protection for the annuity store. Therefore, benefits security nets never again exist. Annuity reserves are feeling the squeeze from controllers to support the size of their monetary stores. The overall sets of laws mirror these differentiations.

Annuity finances on the landmass of Ghana are isolated lawful elements, every now and again looking like disaster protection organizations or working more like enrichments with resource the executives and protection parts, as seen for instance in the Netherlands. An enormous piece of the Ghanaian benefits framework is overseen by a trust. This arrangement keeps the trust's resources secure while

keeping it firmly associated with the organization.

In nations where benefits reserves are successfully set up as life coverage organizations, the gambling of the board strategies of annuity reserves are very like those of life coverage partnerships. The size of the asset and the accessible assets are the essential determinants of how much meticulousness utilized while executing risk the board methodologies. For instance, the Dutch annuity reserves are among the biggest on the planet and work across all ventures. Ghana has generally had a more merciful situation on risk the executives at the benefits store level due to the asset's more noteworthy reconciliation with the gamble of the board for the supporting endeavour. However, the extent of this paper does not permit the examination of the arrangement support that generally works effectively in dealing with the dangers related with the benefits [20].

8. EXPECTED OUTCOMES

It can be said that the development of hazard of the executives in the financial business was driven by the prerequisite of the business sectors and the market emergency, and afterward solidly dug in the market by regulation. Risk-based management has been applied in the financial area to decrease the commonness of foundational risk.

Despite the fact that there were a few factors that added to the requirement for change, the essential issue that Ghanaian authorities needed to address in the latest changes was the way to meet the social security needs of the matured by means of a benefits program without forfeiting endeavours to support financial turn of events. Nonetheless, policymakers' interests about financial improvement drove them to plan the three-level model such that puts the aggregation of assets for capital market development by means of speculation of retirement commitments in front of the requirements of the matured.

The monetary security needs of the older could in this way be effectively compromised under the ongoing framework in the event that move isn't made to address the hardships referenced previously. The most important phase in this approach is to actuate Article 37 segment 6 (b) of the 1992 Constitution by laying out friendly annuities for the matured in Ghana in view of citizenship or home. A sacred arrangement of Ghana commands that the state "give social help to the matured, for example, will empower them to keep a fair way of life." This protected arrangement would address the default prohibition of casual area laborers from the ongoing benefits conspire and keep them from being left without any method for help by ensuring that individuals who, because of the idea of their life conditions, couldn't partake in the current profit related programs are not left with practically no method for help. Non-contributory, essential level rate, implies tried programs that target wiping out senior destitution by customary pay support (month to month, every other week, and so on) paid from general assets are one potential model for such a program.

Considering that the objective of the social annuity is to mitigate neediness, it is pivotal to rely upon correlative institutional practices, for example, cooperatives and turning reserve funds clubs, to reinforce opportunity systems for the foundation of tantamount exercises pointed toward safeguarding the old. Inside this system, the public authority, common and helpful associations, or confidential families could offer strengthening advantages to the older who can assist with youngster care, whether at a childcare community or at home, opening up the guardians to work and add to the economy. Besides, it is essential that the state, which commands that its residents put their retirement commitments in such plans, make a legal annuity benefit protection office to shield plan members (residents) from hardships related with default by store directors, caretakers, and legal administrators because of unfavourable economic situations and different elements. This is on the grounds that, under

the current arrangement, the dangers of private annuity plans are moved to the specialists or individuals in the second and third levels.

The NPRA might require legal administrators, store directors, and overseers to add to this sort of association through the instalment of insurance payments. Store chiefs and different go-betweens, as well as the profits on contributed charges, are extra likely wellsprings of income for an annuity benefit protection firm. The most extreme benefits instalment for this legislative organization ought to be set by regulation and returned to yearly to represent market variances.

This office would promise some giver security, guarantee the smooth activity of the foundations contributing laborers' retirement commitments under the two levels, and forestall the chance of involving general asset incomes for benefits store bailouts or insolvency assurance, all of which would add to the extension of the capital market. Retirement commitments in the second and third levels can be shielded from financial backer fumble by covering or characterizing an edge for regulatory costs on retirement pay commitments for mediators between individual supporters and their assets, or by requiring a particular least level of profits on retirement commitments contributed. Just retirement commitment financial backers who can economically give benefits in overabundance of this edge will be permitted to keep working, expanding rivalry.

At last, it means a lot to ponder disposing of two of the ongoing levels of middle people in the benefits administration framework. This demonstrates that the jobs of legal administrators, overseers, and annuity reserve chiefs ought to be solidified into a solitary job and relegated to support directors. Regardless of whether there are a few asset chiefs in the business, eliminating the brokers would set aside members' cash since the asset directors will actually want to work all the more productively in light of the fact that to economies of scale.

On the off chance that there were less institutional specialist organizations, it would be more straightforward for supporters of comprehend who controls their retirement pay commitments straightforwardly and to screen the advancement of their singular retirement accounts from a focal area. In other words, the possible systems for straightforwardness and responsibility would be upgraded assuming the current middle people were wiped out.

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