

## **“RETHINKING RETIREMENT”**

**January 2004 Vital Aging Network (VAN) Forum  
Luther Seminary Board Room, Tuesday, January 13, 2004**

### **INTRODUCTION**

To focus the group’s attention on the topic, the meeting facilitator, Jan Hively, asked each participant to respond to the question, “What is the first attribute of retirement that comes to your mind? Here are some of the responses:

Overwhelming number of options

Sports

Adventure

Graduation

Travel

Change of pace

Freedom

Choice

Learning

Saving money

Broken routine

Second act

Height of skill

Time

Doing what I love

ReFirement

Jubilato

Recreating the concept

Health and longevity

Creative expression

Transition

New beginning

Changing the term

Life reorganization

Curiosity

Recreation and reorganization

New energy

Creative energy

Another new job

Keep on producing

Time with family

Mastery

Challenge

Whatever

Trip of the month

Fun

Spoiling grandchildren

## **PHYLLIS MOEN, PRESENTER**

Professor Phyllis Moen has returned from Cornell University to the U of M, where she earned her Ph.D. in 1978. She has the new McKnight Presidential Chair in Sociology. Her research concerns the ways in which work is organized, the needs of a changing workforce, and individual/couple choices and well-being, as they play out over the life course.

**Changing the lockstep life course.** Dr. Moen began by describing the need to change the lockstep life course through education for youth to work for adults to leisure for seniors. People should be able to create a lifelong mix of these elements and more – family, community, etc.

Metaphors matter and they are out of date. “Golden years”, “aged,” “elderly” are no longer appropriate. Phyllis uses the term “older people” but is open to new terminology. In America, we tend to define ourselves by our employment. Who you are is in large measure what job you do. When we are introduced, we ask men, “What do you do?” Because women’s lives are more complicated, we ask, “What are you doing now?” We ask retirees, “What did you do?” Metaphors such as “climbing the ladder” make it difficult to apply an appropriately broad definition of “career” to include avocation as well as occupation. When we move through the transition to retirement, we know we’re not who we were, and often feel that we’ve lost any identity. Similarly, higher education is still geared to young adults graduating from high school and going to college. This mode of operation doesn’t fit when you are 58. We need to cultivate hybrid identities, lifelong. We need to recognize that we all have multiple identities – and certainly more than what is associated with employment.

**Impacts of demographic change.** The changing demography demands that we pay attention to our aging workforce, and to the growth of a “retired” workforce. The typical focus of public officials is on the problems presented by the rapid aging of the society. “How will we provide for the baby boomers when they swell the ranks of Social Security beneficiaries?” “How can we exploit their resources now to support and protect them in the future?” There is a huge swell of boomers coming along, expanding the number of those over age 65 to 70 million by 2030.

Boomers were born from 1946 to 1964. The cusp year was 1968, when their music and concepts about war became dominant in American culture. Now, they are the old guard, and they don’t want to think or talk about retirement. Financial planning is OK, but lifestyle planning is not getting done. Just as current youth spend years planning their weddings but no time thinking about how they will raise kids, so the boomers assume that they will continue to just “have it all”. The workplace has not thought about upcoming shortages – of both social capital and human capital. As we look around, it’s obvious that people feel most comfortable remaining in their life ghettos. Thinking about changing your activities and schedule is disorienting. People say, “Just volunteer!”, but it’s not easy to communicate with those who don’t know you to find the right match between your interests and skills and their goals.

**The changing Social Contract.** The global economy has stimulated a new “Social Contract.” Work is being restructured to meet the demands of a service economy. There are concerns over productivity and competitiveness. Traditional careers are becoming irrelevant. Seniority no longer means security. Job ladders are being downsized and restructured. There is a dramatic increase in the contingent work force (on call, no benefits). Time is the focus for measures of productivity and commitment. As businesses move their machinery and labor offshore, they downsize in the U.S., focusing on older workers. Many have to choose between being laid off or “voluntary” retirement – often with less than 24 hours to decide. On average, people have been retiring earlier than they expected to – either because of health problems or downsizing. People come to retirement via many different paths, at many different ages. There is no institutionalized retirement planning.

Looking for a job late in life is difficult, because of the traditional expectations of employers. In general, they don’t allow older workers to do what they tend to want to do – scale back their work time. Instead, it’s 60 hours a week or nothing.

The traditional social contract said, “I will give my energy and creativity over the years and receive health care.” But now, health care is a changing dynamic. Many retire but still must work for a health care benefit.

**Changing temporal, spatial and gender boundaries.** There is more permeability over, around and through boundaries. “Community” is much more complicated in contrast to the original geographic definition. Gender boundaries are not clear. “I’m glad that we’re not on a sinking ship! Who would go first?”

The dictionary meanings for retirement include: “retreat, recede, withdraw, recall.” For retirement, there are institutionalized, legitimated paths and rules of the game. Metaphors parallel policy and also affect the aspirations and expectations for retirement. They provide a yardstick for others and for ourselves. We have set the age when retirement is expected (65), but people typically retire at a younger age (average 62).

In the 1950s, retirement was a male transition. Now, we have dual earner couples, which makes retirement decision-making more complex. In a survey of dual earner couples: a) He plans to retire before her for 49% of the couples; b) She plans to retire before him for 34%; and c) 17% plan to retire in the same year.

Single people are more likely women – divorced, widowed, or never married. More of them can’t afford to retire. They didn’t earn as much or work as long as men in order to collect full Social Security. They were more likely to be in contingency jobs without benefits. More men take the retirement packages, but women have greater longevity and are more likely to have followed alternative pathways (delayed entry, part-time, intermittent employment). They are the survivors – often doing two jobs, and feeling the stress.

**Midcourse corrections.** Dr. Moen uses the term “midcourse” to describe a new life stage between early career development and old age. It describes the middle of adulthood, between pre and post retirement. She is interested in how people negotiate the status transition to life as an outsider, outside the workforce. Some see it as endless childhood – leisure time filled with golf, bridge, and traveling. Some see it as endless adulthood – “Work until I drop.” As the labor shortage grows, employers are likely to keep those boomers uncertain and make it costly for them to leave their jobs. What the boomers want is to retire from one job and go to something else.

What’s happening in other countries? Sweden does not have the emphasis on employment. Throughout life, people are expected to have a broader range of interests, work fewer hours, and accept financial support from the government for health care and retirement. Most Swedish residents own either a summer home or boat.

**Interest in part-time employment.** Estimates of the percentage of current retirees who have continued or returned to part-time employment vary from 20% to 40% of the total. Most older workers want to scale back employment gradually, but the major employers have neither provided for it. The choice is often between 60 hours a week or nothing. This employer attitude results in earlier retirement. Often workers retire and go elsewhere for a part-time job.

Why isn’t the workplace changing? It will change, following the usual pattern of moving from inertia to improvisation to innovation. The major change will occur when a sufficient percentage of boomers have retired to create a labor shortage.

**Models for retirement.** A Peter Hart survey shows that:

- 28% of boomers are facing burnout and want to fill their lives with rest and leisure time activities. Their attitudes may change after they have had a chance to relax for a year.
- 65% are looking forward to a new chapter, being productively active
- 6% want some of both
- 1% want neither because they want never to retire. However, it doesn’t matter what they say. Retirement happens.

**Supporting transitions.** Perhaps the best way to help people with transitions is to help them to try out new things. We need to create new pathways to and from retirement and employment, volunteer service and civic participation, accommodating changes in health or disabilities. By the way, research shows that there is an approximate 10% increase in volunteering around the time of retirement. More people will be involved in caregiving. Of those who become caregivers, women are more likely than men to retire, and men are more likely to work longer (to purchase the care). Third parties such as the Experience Corps, the Vital Aging Network, and employment agencies working with older workers are stimulating innovation – supporting new options to accommodate the interests and skills of older adults.

**Aging as developmental growth.** We need new models for a new stage of life. Factors to consider include: security, employability, experience in dealing with risk, opportunities for education and training, support for time out, entry portals, social inventions and incubators, etc. We tend to talk about “them – the elderly.” We should be talking about “us – who are aging.” “What do we want?” It should not be either/or – health deterioration or active aging. We need paths for crossing over, all the way to the time of death.

**The Vital Aging Network** exemplifies a way station inviting people to create new identities and bridge to others. The marketplace itself nurtures pockets of innovation. Welcome to the Third Age, the creative age!