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Early retirement selfish, unpatriotic

By Andrew L. Yarrow

When I hear my fellow baby boomers gleefully talk about their elaborate plans to retire ASAP, head for the Tuscan hills, or otherwise continue their lifelong quest for "self-actualization," I have to bite my tongue.

It's not that I'm all work and no play. But there's just something - make that lots of things - wrong, in general, with retiring at 55, 62 or even 65. I would go so far as to call it profoundly selfish and unpatriotic.

Dropping out of the work force while still in one's prime means ending one's contributions to America's strength, mortgaging our children's and grandchildren's future and leeching trillions of taxpayer dollars from the economy. An exaggeration? Perhaps. Some people, it is true, do not have the good health to continue working. And yes, many jobs are pretty miserable; it's easy to understand the desire to say, "Arrivederci, 9-to-5."

However, if Americans retired later, either staying in their current jobs or taking up "encore careers" - what Marc Freedman of Civic Ventures calls do-good, later-life jobs - we could significantly slow the growth of our multitrillion-dollar national debt, which is largely driven by rising Medicare and Social Security costs (as yesterday's Social Security trustees' report makes abundantly clear). We also could keep more people in a labor force that would no longer be growing appreciably if not for immigrants. Thus, working longer

would increase national output and personal wealth. And given our nation's crying need for teachers, social service workers and public servants, millions of "seasoned citizens" could serve our communities while giving meaning and money to people with decades of life and activity left in them.

When Social Security was enacted in 1935, with full benefits kicking in at 65, the average life expectancy in America was 63 and the average American worked nearly until he (or she) died. Today, life expectancy at birth is 78, and the average retirement age is 62. Well, maybe all of this is about achieving the "good life," "pursuing happiness" and other bromides suggesting it is great to stop working as soon as possible. Some Silicon Valley multimillionaires retire in their 40s and are widely envied.

However, since most Americans are much healthier at 60 or 65 than their grandparents were, we should be able to work longer. Few 62-year-olds in our youth-obsessed culture would want to be called "old." Yet three-fourths of 62-year-olds draw benefits from Old Age, Survivors and Disability Insurance - otherwise known as Social Security. No wonder that the Urban Institute's C. Eugene Steuerle calls Social Security a "middle-aged retirement program."

For individuals, working longer can mean more income and savings and something to bequeath to one's children. For the nation, if millions

of us worked until 67 instead of 62, Americans' wealth and consumption would increase appreciably, fueling stronger economic growth. That added income would provide about \$800 billion in additional tax revenues, and reduce government benefit costs by at least \$100 billion in 2045, according to Urban Institute calculations. This alone would cut the projected deficit in 2045 by 159 percent.

To encourage such behavior, Social Security benefits taken before age 66 or 70 could be more highly taxed, and employee rates of Social Security taxation could be progressively reduced for each year worked after 66 or 70. Or the government could provide a similar sliding tax credit for Americans who continue working beyond age 70.

Democratic Sen. [Herb Kohl](#) of Wisconsin has introduced legislation to reduce lost public and private benefits for those who work until 72. Other disincentives to working longer could be eliminated. Democratic Rep. Rahm Emanuel of Illinois has proposed creating 401(l) accounts - tax-deferred accounts with employer matches - to help middle-aged workers fund their retraining and education.

For everyone's good, Americans should at least be able to work as long as their shorter-lived, poorer grandparents did. By doing so, they would be unselfishly helping preserve and strengthen our nation's future by alleviating - rather than worsening - our national debt



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and making hands-on contributions
to our children and communities.

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