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Working longer may not be all that bad an option for American workers approaching retirement age. According to Census Bureau data, the number of Americans working past normal retirement age has risen by 50 percent in the last two decades.

This can be good for both the worker and the economy. Drawing a paycheck for a few extra years can help make up for the hit retirement plans took when the markets dropped. Think of it this way: For each year a worker does not draw upon retirement resources, it is the equivalent of adding the amount that was forgone to retirement savings. In other words, if your plan calls for you to draw \$40,000 per year from retirement assets, and you work three years beyond normal retirement without drawing that money, your account benefits to the tune of about \$120,000.

In the 1930s, Franklin Roosevelt envisioned a program that would alleviate the need for the American worker to continue performing strenuous physical labor beyond age 65. Since then, his Social Security program has become an indispensable part of the retirement plans of most American workers.

In Roosevelt's day, we had a manufacturing-based economy, and labor was strenuous. Today, our economy is less physically demanding of our work force. We are healthier and living longer.

And, according to a study recently released by Allstate Insurance, we're working longer because we enjoy doing so.

The Allstate research shows only a minority of respondents who indicated they would continue to work because they need the money. In fact, of baby boomer respondents, 59 percent said they would continue to work to stay mentally active, 54 percent because they enjoy social interaction, 53 percent because it gave them a chance to do something they were passionate about and 50 percent to feel useful and to contribute.

This trend bodes well for the future economy for a number of reasons.

First, having an older, better-trained work force helps hold inflation in check. There is not a large pool of younger workers available to take over from the baby boomers. Younger workers put inflationary pressures on the economy since they cost more to train, are less productive, earn less and eventually have to borrow more as they start out in life.

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Many companies realize older workers have skills that took years to hone along with a desirable work ethic. When they find these workers, employers often discover that the costs of training younger workers do not justify letting boomers go.

If the productivity level of the work force remains high, business can price competitively, and the economy can continue to grow.

Federal Reserve Chairman Alan Greenspan told Congress he expects the "fit elderly population" to increase its representation in the work force. He noted, "Americans not only are living longer, but they are generally living healthier. ... In addition, work is becoming less physically strenuous but more demanding intellectually, continuing a centurylong trend toward a more conceptual and a less physical economic output."

But it isn't just the economy that benefits. One's "meaning in life" still figures strongly for senior citizens. When looking ahead, the Allstate surveys show that respondents indicated they were worried about "not being productive" when they reach age 75 or beyond.

Psychotherapist Viktor Frankel noted that Nazi concentration camp inmates who felt their lives had "meaning" survived in greater numbers than others; similarly, a National Council on the Aging study suggests that those who believe their lives matter generally perceive life to be better than those who don't.

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