

New Book in a Nutshell
Working Longer: The Solution to the Retirement Income Challenge

Why Do We Need to Work Longer?

- Americans need to work longer due to a contracting retirement income system, longer lifespans, and rising health care costs.
- Working longer does not mean working forever — the goal should be to move the average retirement age from 63 to 66.
- Working longer improves retirement security by: 1) boosting monthly Social Security benefits; 2) allowing workers to build up larger 401(k) balances; and 3) reducing the period over which households must rely on their retirement assets.

Will We Be Able to Work Longer?

- Most people will be healthy enough to work until at least 66.

Will We Want to Work Longer?

- *Reasons for Hope:* For men, the century-long decline in their labor force participation has halted and even begun to reverse. For women, labor force patterns have been converging toward those of men.
- *Reasons for Caution:* The ability to claim Social Security benefits at age 62 is a powerful inducement to retire. Also greater job turnover makes employment more difficult for workers in their fifties.

Will Employers Want to Employ Us?

- *Reasons for Hope:* Employers value older workers' productivity and reliability. And some industries could experience labor shortages as the population ages.
- *Reasons for Caution:* Employers are concerned about older workers' wage and health care costs and question their ability and desire to keep their skills current. Also, many employers can tap a global labor market to replace older workers.

How Can We Encourage Longer Work Lives?

- Workers: Make a plan to keep working and stick to it.
- Employers: Redesign production and personnel systems to fit older workers.
- Federal government: Raise Social Security's Earliest Eligibility Age.
- State government: Develop job skills and job matching programs.

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