

Current Social Security law gradually increases the full retirement age from 65 to 67 by the year 2027. (See page 29 for a discussion of how your Social Security benefits will be affected by a decision to retire early.)

WHEN TO RETIRE

Whether or not you elect to stay on the job past retirement age, the option you choose should depend on your personal circumstances. You may want to quit earlier, take your pension and find an easier job. You may want to work on past 65 to meet continuing high costs for medical care, the children's college costs or other needs. Or you may be ready to quit at 65 to take life easier.

Whatever you do, whenever you retire, remember that you face psychological changes. Idleness may give you a feeling of guilt and shame, a loss of self-esteem, a withdrawal from society.

It doesn't have to be that way. In retirement you must face yourself afresh. Keep free of self-pity and bitterness. Accept your situation, compensate for whatever losses might come, and remind yourself that what is important is not *what you've lost*, but *what you still have and still can do*.

In short, learn to focus on retirement as a positive experience. Retirement is a new beginning; it gives you the chance to develop and expand your interests in ways that were not possible during your working years. Before retirement, much of your time is taken up by the day-to-day necessity of work. In retirement, the end of that routine means the beginning of new opportunities.

EARLY RETIREMENT

Today, nearly 4 in 10 workers say they want to retire before age 65, according to the Employee Benefit Research Institute. In considering your options remember that if you stay even a few

extra years you can dramatically improve your retirement assets particularly if your job has a retirement plan and health insurance.

A major change in the retirement age is coming. The reason the next crop of retirees may stay working longer is primarily economics. They won't be as able to retire at 55, or maybe even at 65, because of inadequate savings, reduced employer benefits and the likely scaling-back of what the federal government will provide.

As the rules governing Social Security payments gradually change, with full benefits eventually not kicking in until age 67 instead of 65, that could be a further incentive to keep people working. Even without such a change in the rules, though, many retiring workers could be in for a shock at the size of their monthly checks.

It is probably true that today's older workers are better able to keep plugging away at a job. These 60-year-olds are healthier than those a generation ago. Moreover, fewer jobs now require heavy physical labor. Reeducating and retraining of older workers could prolong their work lives.

To those asking the question, should I retire early?, you should consider these questions:

Why? Retire early to what? Do you have a new life waiting for you?

For some workers, early retirement is not necessarily a free and happy choice. As many as one out of every five men who leave jobs before 65 do so because of their health or physical condition. A somewhat higher percentage of women retiring early cite such reasons.

If the work is getting too demanding, and particularly if doctors recommend taking things easier in your 50's or early 60's, retiring may be the right thing to do.

However, most are still physically fit and able to continue on the job up to 65—and beyond that common retirement age. Those who are should consider carefully the pros and cons of early retirement, the possible rewards and the potential pitfalls. Those who have worked for three or four decades will find inactivity difficult. They must substitute something for work.

They should have a carefully thought out new life ahead. While that is true for everyone who