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## Making Flexible Retirements Work

By Dan Kadlec

Making the most of our retirement-age population has become a hot issue in Washington, where for the past 75 years federal policy has been designed around easing folks who are past 50 out of the workforce rather than enticing them to stay in it. If you're reaching that age now, however, you're headed for a whole new reality.

Everyone knows the fiscal pickle we're in: baby boomers are about to retire and tap Social Security, Medicare and Medicaid benefits. To make good on the promises of these programs, the government may have to go much deeper into debt or increase the tax burden up to twofold on those still working. The math is suffocating. Something has to give.

Inside the Beltway, one answer is increasingly heard: let's get a continuing economic contribution from folks after their primary career has ended and before they start draining the system's pension and health-care assets. That's bad news if you're looking forward to a kick-up-your-heels early retirement; the financial and cultural support for a purely leisure-filled later life is drying up. But if you crave opportunities for a flexible job that you will enjoy or volunteer work that makes use of your skills and speaks to your heart, then what's good for the federal budget may be good for you too.

The whole idea of productive aging--getting an economic return on the accumulated knowledge and skills of what might be called the young old--has political steam and will probably surface on the presidential trail next year. "There are candidates on both sides giving this a lot of thought," says Maya MacGuineas, fiscal-policy director at the New American Foundation, a think tank that promotes new ideas. We're a long way from fully tapping this vast resource, says Marc Freedman, author of *Encore: Finding Work That Matters in the Second Half of Life*. "But we're getting there," he adds. "You hear oxymorons such as 'young old' and 'retirement job.' Anytime the language starts collapsing on itself, something big is about to happen."

Already, most mandatory-retirement ages have been removed. But other obstacles to longer working lives--like required distributions from tax-advantaged savings plans in your 71st year and payroll taxes after age 65--should start to disappear, encouraging employers to hire seniors.

A little rejiggering of the pension arithmetic could improve things too. John Shoven, director of the Stanford Institute for Economic Policy Research, believes that when you start receiving a pension should be based not on how long you have been alive but on how much longer you are expected to live. By his calculations, counting back from the expected end of life rather than forward from birth would lead to reasonably delayed benefits that would boost the labor force 10% by 2050 and GDP as much as 10% a year. If those who retire volunteer at something, it bumps GDP an additional 5%.

To encourage such unpaid work, there might be a federal health plan for those who give 10 hours a week. But the most exciting news is here now: flexible work for pay in rewarding fields for folks past 50. Freedman notes these areas with gaping needs:

**Education.** Teachers are always in demand, especially in cities. If you have a college degree in any field, you can probably get into a program that will let you start as a substitute almost immediately. Check at the school or district office.

**Health care.** Hospitals actively recruit midlife career changers. You do not have to be a doctor or a nurse. In many cases you can train while you work for pay and benefits as a lab assistant or in areas like music or art therapy, or radiology.

**Nonprofits.** There are nearly 2 million nonprofits in the U.S.; they make up a fast-growing sector that offers lots of paid (as well as volunteer) positions. For a look at what jobs are available, go to [bridgestar.org](http://bridgestar.org)

**Government.** Civil service jobs are available in every state, and many of those jobs offer good benefits and flexible schedules. Start your search at [usajobs.opm.gov](http://usajobs.opm.gov)

Other promising later-life careers include working with religious ministries or the elderly or even launching your own nonprofit (and taking a salary). Today's average 65-year-old man has the same 2% chance of dying within a year as did the average 59-year-old man in 1970, says Shoven. "If you have a low chance of dying, you're not old," he maintains. So take advantage of the options opening before you. True retirement may be a thing of the past--or at least a thing of the much less immediate future.

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