

OFFICE OF COMMISSIONER JAMES H. QUELLO


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Enclosed idea from the United Retirement Bulletin becomes more appealing with each controversial month, but I'm too restless to retire at 65.

As long as I maintain a strong forehead and 75% of my marbles (local norm), I'll probably stick around. With J.C.'s indulgence and a 3 year supply of Vitamin E, I could break all records for age on the job.

Arthritically yours,

  
James H. Quello

Enclosure

## To Retire or Not To Retire . . .

A reader writes, "Retirement used to be a cinch. The date was your 65th birthday or some brief period thereafter. It was automatic and generally accepted as reasonable. Sure, some fellows took it hard. I remember a friend and neighbor who went out of the local Federal Reserve Bank at 65 and right into the local funny farm. For some reason or other, his sense of self-value was so hooked on his vice presidency of a major national institution that without it, his title, job, and perks, he felt valueless.

"And lots of guys worried about retirement income. Would it be enough? I remember that I, as the CEO who made sure that the age 65 retirement rule was observed almost to the letter, often would reassure the timid that, 'I have yet to see the man who hasn't found retirement living costs fall farther than retirement income. There's nothing to worry about.'

"But, for the overwhelming majority, retirement was easy. You hit 65, endured a retirement luncheon, thanked the boss for the watch, shook hands all around, and started a new life. As I saw it, for women it was even easier. I never knew one who resisted the idea at all. Their experience, it seemed to me, was a piece of cake.

### Decisions, Decisions, Decisions

"Not so now. It's not compulsory. Sometimes, the fuzzy rules on the subject suggest that you literally can work forever. All you do at 65 is start reviewing the options and make decisions. Actually, you can start at 62. Lots opt out then. One hardworking, high-pressure V. P. did just that. At 62, he said, 'To hell with corporate America.' He handed in his title, a good rate of pay, a bundle of perks, and lots of prestige and has, I'm happy to report, lived happily ever after. Of course, having his wife inherit a tidy package of securities removed much, if not all, of the economic sting from the decision.

"Lots of the females in my own company took early retirement, but almost to a woman this was because they had married men a few years

older and retired when they did. Now the possibilities are more varied. One can quit from 55 on, with a penalty in the form of a lower pension income on retirement before 65, and a bonus in the form of greater pension income after 65. In my own circumstances I think I get 3% more a year for every year I put off the inevitable. So, it pays to hang in there.

"Staying on and on is also tempting from the human point of view. There are people you have worked with whose company you enjoy. There are proteges whose continuing development you like to watch. There are your regular luncheon companions whom you are loathe to lose. And when you quit, you do lose these people. In my own experience, I do not know of a soul who ever came by for a chat, or lunch, or a drink.

"Lots of people like the neighborhood where they work. Take a live-wire city like San Francisco or Atlanta or a big place like New York or Chicago, terribly stimulating places to be. Can Hilton Head or your suburban home compete? And perhaps most of all, what if you simply like your job? You just like what you do, presumably so well. Why put it down until you have to?

### The Flip Side of the Coin

"First, every 65-year-old should know that 'in the end, we're all dead,' as Keynes once said. Second, the odds against doing your job as well at 65 as you did at 45 are long; certainly the odds at 75 become impossible. Thirdly, at 65 there are only a finite number of years left for the average soul to ride a bike, play 18 holes, or travel to Rome. Why squander precious time on that which you've already done for years?

"The evidence in this balance sheet is clear. Somewhere around 65, we should all decide to 'quit while we're ahead.' We should take the pension, take the trip, take the summer off, and try Florida in the winter. Our departures will leave but a brief gap, and it is later than we all think. As one very happy octogenarian wrote me: 'Complete retirement is not all that bad.'"