

# Shaky financial ground awaits many American retirees

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The burden of long-term economic security in the United States is moving away from employers and the government onto the shoulders of workers - a transformation that Yale University political scientist Jacob Hacker calls "The Great Risk Shift." The latest issue of *Public Policy & Aging Report* (PPAR) tackles the surrounding issues that older Americans will now face.

This publication presents analyses from five leading figures associated with identifying and tracking the shifting policy landscape of risk and responsibility. Hacker himself contributes the lead article -- outlining the trends and noting their dramatic consequences.

Economics professor Theresa Ghilarducci of the University of Notre Dame examines the risks working age Americans face due to the move from traditional pension plans toward individual investment accounts like 401(k)s. Alicia Munnell of Boston College quantifies this shift using that school's innovative "National Retirement Risk Index." Marilyn Moon, a vice president at the American Institutes for Research, addresses efforts to transform Medicare into a defined contribution program through the use of vouchers. Finally, the Employee Benefit Research Institute's Craig Copeland shows how this rising retirement risk for younger Americans has gone hand in hand with rising levels of debt among older Americans.

Taken together, these essays paint a disquieting picture of growing insecurity among the aged about retirement -- an area where U.S. social

policy has historically been most focused and where it has been most successful.

Source: The Gerontological Society of America

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