

farmers, too, must plan for retirement

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In an earlier *Journal* article, Trent noted the important role that Extension can play in helping the elderly.¹ Pre-retirement planning was one of the areas listed in which Extension could help. I'd like to second Trent's concern and indicate some potential problems in farm retirement planning—an area in which it seems easy at first to build educational opportunities.

Pre-Retirement Planning

Planning can help people through transitions from one stage in the life cycle to another. In today's rapidly changing society, such planning is even more important. Inflation creates enormous concern about the feasibility of retiring. If inflation continues at its recent rate, many wonder if they'll have enough resources 20-40 years from now if they retire today.

Not long ago, living a quarter or more of one's life in retirement was unheard of. Now, it's commonplace. And how will current federal proposals affect benefits from Social Security and other programs? These issues would be important topics in any pre-retirement planning program. But, unfortunately, such programs are likely to reach only those definitely planning to retire. Those planning to continue working in later life fail to consider the fact that most people eventually do retire. This fact may be especially true for one of Extension's traditional audiences—farmers—who differ from many other occupational groups throughout their work careers.

Retirement History Study

People employed in farming differ from others up to and through the years normally associated with retirement. A nationwide Retirement History Study (RHS) conducted by the Social Security Administration provided evidence of this difference.² The research began with interviews of more than 11,000 people aged 58-63 in 1969. They were recontacted every 2 years through 1979.³ Two categories of people employed on farms were included: (1) farmers and farm managers and (2) farm laborers and foremen.⁴

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One of the questions asked in 1971 and repeated in 1973 and 1975 was related to work in later life: "Do you expect ever to stop working for a living?" Notice that the question wasn't in terms of retirement *per se*. That's because retirement can be defined in so many different ways. In 1971, 62% of both categories of those employed on farms said that they didn't expect to stop working, while only 39% of those employed in other occupations took this position (see Table 1). In contrast, only about 25% of those employed in farming expected to stop working, while 50% of those in other occupations thought they'd retire.

Table 1. Work expectations by occupation for 1971, 1973, and 1975.

Work expectations 1971, 1973, & 1975	Farmers and farm managers	Farm laborers and foremen	All other occupations
1971: Expect to stop working for a living:			
Yes	24%	20%	50%
Maybe	14	18	11
No	62	62	39
Percentage totals	100%	100%	100%
Frequency totals	366	78	4,597
1971 & 1973: Expect to stop working for a living:			
1. Expected retirees	6%	5%	22%
2. Unexpected retirees	9	5	9
3. Retirement planners	9	8	20
4. Work planners	40	42	16
5. Pro-retirement switchers	7	10	10
6. Pro-work switchers	6	4	5
7. Other patterns ^a	23	26	18
Percentage totals	100%	100%	100%
Frequency totals	363	78	4,554
1971, 1973, & 1975: Expect to stop working for a living:			
1. Expected retirees	9%	9%	32%
2. Unexpected retirees	16	16	11
3. Retirement planners	2	1	7
4. Work planners	25	26	8
5. Pro-retirement switchers	7	12	6
6. Pro-work switchers	6	0	4
7. Other patterns ^a	35	36	32
Percentage totals	100%	100%	100%
Frequency totals	362	76	4,495

^aNo other individual pattern contained as many as five percent of the respondents.

Changing Work Expectations

When examining changes in work expectations, it's helpful to recognize certain categories of people (based on response patterns that included at least 5% of the respondents). Six categories can be identified from the RHS:

1. *Expected retirees*: those who expect to stop working when first asked and then retire by a later interview.
2. *Unexpected retirees*: those who don't expect to stop working when first interviewed, but who retire by a later interview.
3. *Retirement planners*: those who say that they expect to stop working when first asked and in subsequent interviews.
4. *Work planners*: those who claim that they'll never stop working when questioned in the first and later interviews.
5. *Pro-retirement switchers*: those not expected to stop working when first asked, but expecting to do so when questioned in later interviews.
6. *Pro-work switchers*: those expecting to stop working when questioned initially, but not expecting to ever stop when asked in later years.

A seventh category (other patterns) includes the many other possible patterns, especially those with unsure ("maybe") responses in one or more years.

The initial differences between the 2 groups employed in farming and those employed in other occupations persisted when answers to the question were compared for 1971 and 1973 (see Table 1). More than 40% of the farmers and farm workers were work planners. People in other occupations tended to be expected retirees (22%) or retirement planners (20%), although 16% were work planners. And by 1975, 32% of those employed in other occupations were expected retirees. About 25% of both groups employed in farming still were work planners, although 16% of both categories now were unexpected retirees.

Obviously, some respondents changed their minds in later years. Let's consider only those with "yes" or "no" answers on expecting to stop working as of the 1971 interview. Only 64% of these farmers and farm managers expected to continue to work in 1971 and were still working in 1973, or expected to stop working when asked in the 1971 interview and had stopped by 1973, or continued to say that they expected to stop sometime in the future. When the period from 1971 to 1975 was examined, only 42% had met their 1971 expectations (or continued to hold the same ones) by

1975. These percentages are 66% (1971-1973) and 52% (1971-1975) for those employed in nonfarm occupations.

Retirement Programs

The fact that more than 50% of the farmers changed from the expectations they'd selected only 4 years earlier points out some of the difficulties inherent in pre-retirement planning programs. Many people think they won't retire. Then, it's as if, all of a sudden, they are retired! That's why I'd rather talk about retirement programs—some will take place before retirement, but others will be necessary after retirement occurs.

Some programs truly can be labeled pre-retirement. They're for those who plan to stop working—retirement planners, for example, who then become expected retirees. A few of those changing late to expecting to retire also will take part, although that's well past the time necessary for good planning. Most pre-retirement planning programs are for people at least 50 years old, although some are now advocating planning beginning at least by age 35.⁵ Planning for retirement a year before the event isn't recommended.⁶ But data from the Retirement History Study indicate that it happens—perhaps more frequently than we'd like to admit.

For work planners who are successful in meeting their expectations, retirement programs are unnecessary. However, as many people change from the category of work planner as remain in it. Many of the work planners become unexpected retirees. These people are the last-minute entrants to planning programs or don't avail themselves of such programs until after they've retired. Thus, a crucial need exists for programs at the time of retirement for those who haven't planned at the time most would suggest.⁷

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The time Extension personnel invest in these programs could be great because so many individual problems needing detailed help will surface. In essence, the role will be that of counselor—especially in referring people to others who can handle the difficulties. Unfortunately, few agencies are fully capable of handling Trent's range of coping, expressive, contributive, and influence needs important to unexpected retirees.⁸

In addition, those who set up planning programs sometimes aren't the most sympathetic to those who fail to take advantage of such programs "when they're supposed to!"

Post-retirement programs are essential.⁹ At first thought, these could be seen as most important again for the unexpected retirees. Some of them might muddle through a few years before realizing that they now need help with planning the remainder of their retirement years. But some of the expected retirees also need help a few years after they leave the work force. Problems in the transition from work to retirement might occur that they hadn't anticipated.

Continuing retirement programs—before, during, and after the event—are needed. The facilitator role so frequently played by Extension staff members is useful in all retirement programs. Both public and private resources exist to aid in building educational programs on retirement. People from the local Social Security office frequently will help, as well as personnel from the county and/or area agencies on aging. Counselors in businesses employing relatively large numbers of people can be excellent—and frequently overlooked—resources.¹⁰

By nature of their lifetime work habits and financial status at retirement, farmers have special social, psychological, and financial needs.¹¹ But that should be the subject of another complete article. The diversity among farmers is as great as that for any other occupational group. Thus, different elements of retirement planning programs will benefit various categories of older people. But nearly all eventually retire. Developing programs on retirement could be an important part of Extension's educational mission as the proportion of older people grows.¹²

Footnotes

1. Curtis Trent, "The Elderly: A Priority Clientele," *Journal of Extension*, XIX (May/June, 1981), 38.
2. For detailed information on the first phase of this study, see L. M. Ireland and others, *Almost 65: Baseline Data from the Retirement History Study* (Washington, D.C.: U.S. Government Printing Office, HEW/SSA/ORS Research Report No. 49, HEW Publication No. (SSA) 76-11806, 1976).
3. Data had been released only through 1975 at the time this article was written.
4. Definitions of these groups correspond with those used by the U.S. Bureau of the Census.
5. Ruth Crary Blank, "A Changing Worklife and Retirement Pattern: An Historical Perspective," in *Economics of Aging: The Future of Retirement*, M. H. Morrison, ed. (New York: Van Nostrand Reinhold Company, 1982), p. 54 and Peter A. Dickinson, *The*

- Complete Retirement Planning Book* (New York: E. P. Dutton and Company, Inc., 1976).
6. Joseph C. Buckley and Henry Schmidt, *The Retirement Handbook* (New York: Harper and Row, 1971).
 7. Robert C. Atchley, *The Sociology of Retirement* (New York: Schenkman Publishing Company, Inc., 1976), p. 34.
 8. Trent, "The Elderly: A Priority Clientele," p. 37.
 9. For comments on the need for post- as well as pre-retirement planning, see J. R. O'Meara, *Retirement: Reward or Rejection* (New York: The Conference Board, Inc., 1977).
 10. Robert K. Kinzel, *Retirement: Creating Promise Out of Threat* (New York: AMACOM, 1979), p. 125.
 11. Marion Clawson, "Aging Farmers and Agriculture Policy," *Journal of Farm Economics*, XLV (February, 1963), 13-30; Willis J. Goudy, Edward A. Powers, and Patricia Keith, "Work and Retirement: A Test of Attitudinal Relationship," *Journal of Gerontology*, XXX (April, 1975), 193-98; and Loren W. Tauer, "Calculating the Values of Alternative Investments for a Farmer's Retirement," *North Central Journal of Agricultural Economics*, III (July, 1981), 101-108.
 12. Journal Paper No. J-10484, Iowa Agriculture and Home Economics Experiment Station, Ames, Project No. 2302.