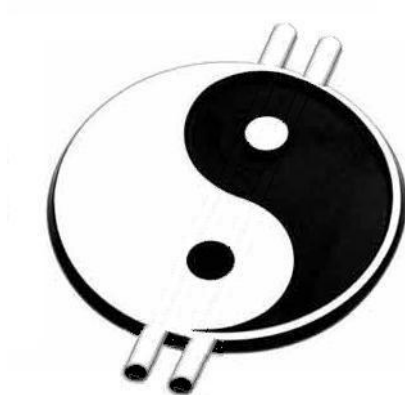


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The Association's primary purpose is to help bridge the gap between financial and life planning specialists, by supporting the development of methods and tools to further integrate them, and by supporting the establishment of viable ways for individual practitioners to work together. *The Integrative Adviser* advances this goal by providing education and publicity concerning holistic planning and advice concepts to our primary constituencies: the financial industry (financial companies and advisers), the life planning movement (individual practitioners and organizations that support them), other supporting organizations (such as employers and voluntary associations), and the broader community (including journalists, academics, and the general public).

We encourage people with diverse interests and views to contribute articles to *The Integrative Adviser*. If you have an idea or a manuscript to submit, contact the General Editor.

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Mental Budgeting: Strategies For Addressing Why People Spend Instead Of How Much

by Robert Laura

The financial dynamics of American households have changed dramatically. Within the last year, families have gone from discussing vacations, buying a second home, college funding and early retirement to foreclosure, unemployment, investment losses, and the struggles associated with living within their means.

The mental stress and anxiety associated with this change is overwhelming. It's foreign to many households who simply delayed this inevitable pain through the imprudent use of credit cards and home equity loans. Instead of traditional financial planning and investment advice, more and more people are desperately seeking support for the tough situations they're in and guidance on difficult decisions they need to make.

This harsh and growing reality has brought to the forefront of the financial planning industry the need to develop new strategies and techniques that address both the financial and mental aspects of money. This need also creates a new challenge for financial professionals: "Should they, and how can they, integrate aspects of financial counseling or coaching into their practice?" This article will introduce a new strategy called Mental Budgeting and will provide techniques for helping financial professionals integrate financial counseling and coaching into their practice.

Essentially, Mental Budgeting is a so-

lution for helping clients relieve the mental burden associated with the "New Normal". It's best described as a reconditioning process people can go through to establish the habit of making financial decisions based on the things that are truly important to them.

In the recent past, financial growth and easy access to credit minimized the impact money had on a person's mental or psychological make-up. Keeping up with the Joneses required only split-second financial decision-making. Now, however, consumers are being held accountable for their past recklessness, and many Americans have no clue on how to free themselves from their old ways, mindsets, and destructive financial behaviors.

In my own case, Mental Budgeting evolved as a planning tool from seminars that offered attendees a free consultation with a financial planner. These consultations revealed, on average, that three out of ten prospects had insufficient discretionary income to purchase a traditional product or enough assets to merit investment management. And yet, these prospects were employed in a profession, earning a good income and motivated about investing. But they were living paycheck to paycheck. It's a group I refer to as GINOS: Good Income, No Savings.

GINOS actually embody the dilemma

that has plagued the financial services industry for years. GINOS require a lot of a financial professional's up-front time and energy with limited potential for payoff. Why spend time helping someone develop a budget in the hopes that they'll stick to it and eventually have the wherewithal to purchase a product or service from you in the future when there are hoards of people with money who will work with you right now? The "go develop a budget and come see me when you have money" routine too often resulted in the "I tried to budget and it doesn't work" response. I find that Mental Budgeting techniques help GINOS overcome budgeting issues and difficulties in achieving their financial goals. These Mental Budgeting strategies, adapted specifically for GINOS, have now proven effective among the growing number of people who find themselves in a problematic and mentally straining financial situation and require a formal process to help get them out.

The Mental Budgeting process is unique in that it removes the biggest barrier people face in managing their money: the numbers. In Mental Budgeting, the client is never asked how much they make or to account for every little expenditure. Instead, the process asks the client to identify what's important to them and why it's important. Then clients are asked to categorize and prioritize their spending based on the role each expense plays in their lives. In effect comparing what they say is important to what they are actually doing with their money. By removing the numbers, advisors help clients build the mental strength they need to address the numbers and make long-term financial changes.

The Mental Budgeting process is comprised of two steps. First, the thoughts, feelings, and experiences with money that need to be examined. Second, specific exercises and techniques clients can use to develop a better financial decision-making process.

Step One

In the first step, it's important for advisors to help the client understand the role their thoughts, feelings, and experiences with money play in the results they currently have and hope to have in the future. This is accomplished through a series of questions designed to highlight conflicts between a client's thoughts and behavior. The questions deal with four areas of money management: Financial Life, Money, Personal Values, and Goals. For the sake of time and space we'll address the first two areas in this article.

The Financial Life questions represent a starting point that pinpoints both where a client is financially and where they want to be.

1. How would you describe your current financial situation?
2. How would you describe financial success or your ideal financial life?
3. What's the one thing you hope no one ever finds out about your financial life?

Question 1 and 2 identify where the clients are focusing their time and energy relative to their finances. Typically, people are so entangled in their current financial situation they have no idea what their ideal financial life might look like; and therefore have no plan or ability to get there. This is a

great series of questions to ask couples as well. By asking them to answer on separate worksheets and then comparing their answers you get a solid indication as to why money is a major factor in divorce. Often, how each partner defines financial success is so contrasting it requires third party intervention.

Question 3 quickly and concisely highlights the client's biggest source of financial stress, which in turn suggests what their primary financial goal probably should be. Creating an action plan to help clients reduce or resolve this issue is what will help clients feel motivated and empowered to take on other financial issues.

The Money questions help advisors understand the money messages that have been instilled into the client over the years. It's an important section because it helps identify any preconceived notions or money myths that may be holding the client back.

1. What was your first experience with money?
2. What did you do with your first paycheck?
3. What's important to you about money and why is it important?
4. If you won the lottery what would you do with the money and why?

Helping clients understand their upbringing relative to money provides insight into how they currently manage money. Bad influences or poor habits may have been learned early and reinforced often. These may need to be replaced with new, more appropriate thoughts, feelings and actions. One way to do this is to ask the client "whose rule is that and what

would happen if you broke it?"

Question 2 (of the money section) can reinforce aspects of question 1 and show clients that they haven't changed much since their first experience or paycheck. More than likely, if clients were spenders at an early age, they are still spenders, while savers tend to remain savers. Examining early relationships with money helps clients begin to connect their behavior with their current financial results.

Question 3 helps people accept the fact that money must have a purpose and role in their life. Someone who simply allows money to come into their life and then immediately go out never gives money the opportunity to work for them.

The lottery question can be used to see if questions from the Values / Goals section (not discussed here) show up in this answer. If items associated with their Values / Goals are not present, it's a good indication that they are not using any aspect of them in their current financial decision making process. It's also a great question to compare with question 2 of the Financial Life section, "how would you define financial success?" What's interesting is that many times a person puts more time and energy into the lottery question than when asked to define financial success in their own terms. This actually supports some research I came across several years ago that suggested many Americans feel they have a better chance of accumulating wealth by winning the lottery than through regular savings.

Step Two

In the second part of the Mental Budgeting process I use a software program that takes clients through

three exercises designed to replace old financial thoughts and patterns. The exercises are: Expense List; Expense Categorization, and Expense Prioritization. Each exercise results in a mental budgeting technique that compliments the exercise. The goal of Step Two is to help people begin to put into place and immediately practice new financial thoughts and behavior patterns.

The first exercise is to have a client create a list of their expenses. It's important that people see firsthand the number of expenses they have. By knowing they have 50 expenses, every financial decision either adds to that number or takes away from it. This enables their spending thoughts and behavior to become more supportive of what's important to them rather than a typical budget comparison of dollars available and the cost of an item. This is also a great exercise for couples who are fighting about money. A common argument with couples is "where does all the money go?" Well, when you have a list of 50 expenses looking back at you, it's much easier to get on the same page.

Mental Budgeting Technique:

Every time clients make financial / spending decisions, they simply need to ask themselves, "Is this creating positive financial momentum (energy or karma) or negative financial momentum (energy or karma). Then at the end of the day I ask people to score themselves with a positive sign "+" or negative sign "-" to identify their results for the day.

The second exercise asks clients to use their list of expenses to categorize each one as a Want, Need, Excessive Need, or as Supporting a Personal

Value / Financial Goal. This exercise is very different from anything else a client has ever done... and because of that it accomplishes something very important. It helps change the way they perceive and think about individual expenses. Expenses are no longer this overwhelming group of unmanageable items. It's a list that helps clients determine positive and negative attributes of each financial decision and clears the way for them to begin to use this information to change how they make decisions. The fun part about this exercise is that there is no right answer. I'm not using that as a cliché, but literally you can argue for days if an expense should go into any one, two, or three of the categories. The whole point is it doesn't matter. What matters is that for the first time clients are looking at their expenses at a much deeper level and examining why they spend instead of focusing on how much they spend.

Mental Budgeting Technique:

Teach clients to replace price tags with an Expense Category (Want, Need, Excessive Need, Value / Goal). Then, instead of rationalizing a purchase with how much money they have and how much it costs, they need to rationalize how it fits into their current life and future.

In the third exercise I ask clients to prioritize their expenses from most important to least important. This exercise has a very simple focus: the 10 least important expenses. If you have never prioritized your expenses it's quite the interesting process. What you'll find is that it's initially hard to decide which is more important food, shelter, clothing or transportation? But typically these expenses are fixed,

categorized as Needs, and share characteristics that make them all high priority expenses. On the other hand, the bottom 10 expenses are usually variable, categorized as Wants, and offer the best place to start making expense cuts or reductions.

One key point here is that my software program includes Goals as an expense. Since most Goals require savings, primarily from take-home pay, they are no different than groceries or a mortgage. So as clients list their expenses, advisors can see where expenses in each category fall and what items they place ahead of their Goals. Should a cell phone bill trump an emergency savings or debt repayment plan? It's a great question to ask a client, especially since it's what they said.

Mental Budgeting Technique:

Clients are asked to memorize their expense telephone number. Since most people can easily remember 10 digits, like a telephone number, I ask clients to commit their bottom 10 expenses to memory. The concept is simple, anytime clients spend money on their bottom 10 expenses, ahead of their other higher priority expenses, they are consciously lying to themselves about the role things play in their financial life. Eventually, this conflict serves as the catalyst for financial change.

Together both steps of the mental budgeting process help clients see for themselves the financial factors that may be keeping them from getting out of their paycheck-to-paycheck lifestyle, causing their impulsive or emotional spending, and finally helping clients get mentally ready, willing, and

able to live the financial life they desire.

There's no doubt that the financial dynamics of American households are undergoing a dramatic shift. And so too is the financial planning industry. People today are overwhelmed by the "New Normal" and mental strain that's accompanying it. Integrative advisors have a powerful opportunity to create new techniques and strategies to help clients deal with this new situation.

Mental Budgeting is a new development that can help financial professionals experiment with aspects of financial counseling and coaching as they seek ways to expand their practice. It's a simple and alternative way to address needs of an ever growing segment of the market. It's about addressing the root cause of people's inability to stick to a budget or achieve their financial goals and has everything to do with why people spend, instead of how much they spend.

Mental Budgeting is also a technique that life coaches and planners, and other non-financial consultants, can introduce to their clients to help them address and relieve some of their financial stress, so that they can focus more productively on the other critical life challenges they face.

For the first time, Mental Budgeting teaches people to measure their financial life in terms of what's important to them instead of in dollars and cents. The two-part process puts a person's values and goals on a collision course with their financial behavior, causing people to step back for the first time and see what their financial behavior truly says about them. This process is the foundation for creating long-term behavior changes and financial responsibility.

Robert Laura is a self-proclaimed financial junkie and author of *Financial Karma* and *The Five Most Important Financial Things They Don't Teach You In School*. He has been quoted in *Forbes*, *Smart Money Magazine*, *The Journal of Financial Planning*, *Bank Investment Advisor* and several other media outlets. He is the creator of the Mental Budgeting program myFinancial Reflection (www.myFinancialReflection.com). This program is available to financial professionals interested in mental budgeting techniques as well as financial counseling and coaching. Contact Robert at: rl@robertlaura.com or call 248-890-0834 for more information.

Humble Money Experts Are the Best Money Experts

by Rob Bennett

John Bogle is --

Not God.

It's the same with Suze Orman. It's the same with Warren Buffett. It's the same with Dave Ramsey.

It shouldn't be a controversial statement. And of course if you asked any of these people if he or she thinks of himself or herself as being infallible, he or she would say "no." However, when it comes to admitting and correcting mistakes, I have found that the people who make a living in the money advice business leave a great deal to be desired.

Bogle and Orman and Buffett and Ramsey all possess more education and experience in the saving and investing fields than does Rob Bennett (I am a journalist). Yet I can point to important mistakes that each of these "experts" has made in the advice that he or she offers. I can also point to places where their errors have been publicly discussed. And I can then point to subsequent statements showing that they did not take the criticism to heart, that they did not permit feedback from those trying to help out to influence the advice they offer.

This is bad.

Joel Lovell recently wrote a brave article ("What Do They Know? Confession of a Conflicted Money Guru," March 1, 2009) in the *Washington Post* point-

ing out the problem.* Lovell described a moment of conscience that hit him when writing a column for *GO* magazine. As he was reading the advice he had given to his readers, the thought occurred that what he was telling people to do with their retirement money might be the worst thing to do. He wanted to warn them not to take anything he said too seriously. But he also wanted them to keep reading the column and worried that revealing how little confidence he possessed in his advice was not a good way to achieve that goal.

All money advisors face a choice. They can fake it. At least in the short-term, that's the best way to win over the client or the reader. Or they can acknowledge it when they are not sure. That's more honest. But can it be done? Will people looking for money advice place their trust in advisors who confess their own uncertainties?

As of today, not too many will tolerate uncertainty in financial advice. I think that needs to change. The reality is that we just don't know it all. And pretending that we do is hurting both the people listening to money advice and the people giving it. For so long as most money advisors pretend to know more than they do about the subject matter they remain closed to

* <http://www.washingtonpost.com/wp-dyn/content/article/2009/02/27/AR2009022703590.html>

the new ideas that could help them over time develop a true grounded confidence in their message.

Lovell observed that: "It's weird and disconcerting that after all that has happened there are still so many experts out there willing to dispense wisdom with utter assuredness, day after day, despite having been so spectacularly wrong in the past." Precisely so.

So why do they do it?

I think I know what is going on.

Money scares people. Intellect is not the primary thing you need to become a successful money advisor. The primary thing that you need to be able to do is to put people's fears to rest. You need to be viewed as a reassuring presence.

Say that Bogle were to acknowledge that he got important things wrong in the investing advice he has been offering for three decades and that those mistakes have delayed the retirements of his follower by many years. What would the reaction be? Anger. No?

That's not right. That's not fair.

The truth of the matter is that our knowledge of how to save and invest effectively is primitive. We have not got it all figured out. Given that reality, we need to be understanding when "experts" acknowledge that they have made mistakes. We need to encourage that sort of thing. If we don't, the people we turn to for money advice will just keep repeating the same old bad ideas for years and for years, and we will all be the worse off for it.

A fellow with the screen-name "Nisiprius" made the point effectively in a post that he put to the *Vanguard Diehards* board at Morningstar.com on

May 5, 2009. He noted that nobody knows with certainty what works in investing and that, "in the absence of real knowledge, the gap gets filled by people who *sound* [the italics were added by me] knowledgeable." He explained that most experts "dazzle and baffle" by showing a sure grasp of complex points that don't really matter. The person listening to the advice that follows (on the points that do matter) is thereby "softened up" to give it more credibility than it merits. Pay no attention to the man behind the curtain furiously pressing levers and generating smoke! The Great and Powerful Oz has spoken!

It's a game we all play together. The experts pretend to possess more confidence than they do in the advice they are giving. And the people turning to the experts for reassurance pretend to be fooled by the game.

It's a dangerous game. For so long as we continue to play it, we cannot learn new things. All learning begins with an acknowledgment that existing knowledge is not perfect. An acknowledgment that existing knowledge is not perfect calls the perfection of The Great and Powerful Oz into question.

We're trapped. We pretend that we know more than we do to stop ourselves from feeling the pain of uncertainty as to what to do with our money. But by doing so we block access to the one true remedy for that pain – enhanced knowledge of the realities. I believe that it is this stupid game we play that is the primary cause of today's economic crisis.

Nisiprius is tough. He says that "99 percent of what we hear about investing is just the confident-sounding pronouncements of authoritative-sounding people with good presentation

skills.” He compares today’s money experts to doctors of the 1800s whose “sincerity and bedside manner carried conviction” while noting that “unfortunately, nevertheless, applying leeches mostly doesn’t work.”

Could it really be that bad? Is it fair to compare today’s money experts to doctors who bled their trusting patients with leeches?

I think it really is that bad. I view the comparison as a fair one.

I’ll give you a specific illustration of the problem to help you see how bad things are in the year 2009.

I was putting together a plan for early retirement in the mid-1990s. One of the things that I needed to do was to determine how much money I could pull out of my investment portfolio each year to cover my costs of living. I turned to the literature on safe withdrawal rates (SWRs) since most financial planners use SWR studies to answer these sorts of questions for their clients.

I happened to be reading a book by John Bogle (*Common Sense on Mutual Funds*) at the time. Bogle explained where stock returns come from (corporate earnings) and that price jumps not justified by economic growth don’t last – that artificial price jumps are given up in the inevitable Reversion to the Mean that follows them. That concerned me. I knew that stock prices were high and was worried that, if the SWR studies did not include an adjustment for the valuation level that applies on the date a retirement begins, all the numbers in these studies would be wrong.

I checked the studies. They don’t include such an adjustment.

The studies that just about all of us

use to plan our retirements get the numbers wrong. Not by a little bit. By a lot.

That’s not good.

In the years since, I’ve worked with a man with more of a statistical background than I possess (John Walter Russell, owner of the www.early-retirement-planning-insights.com/ site) to find out what the SWR is when it is calculated accurately. We learned that those who retired in January 2000 and crafted their retirement plans pursuant to what the SWR studies say is “safe” actually have only a one in three chance of seeing their retirements survive 30 years, in the event that stocks perform in the future anything at all as they always have in the past.

Our findings were confirmed by a number of big-name experts. William Bernstein, author of *The Four Pillars of Investing*, said that anyone giving thought to using one of the SWR studies to plan a retirement would be well-advised to “FuhGedDaBouDit!” Larry Swedroe, author of *The Only Guide to a Winning Investment Strategy You’ll Ever Need*, described the SWR studies as “Garbage-In, Garbage-Out” research. Ed Easterling, author of *Absolute Returns*, said: “The likelihood of financial success in retirement is considerably less than most pundits are advocating.”

The SWR studies were quickly corrected once the analytical errors in them became public knowledge. Apologies were made to the millions who used the incorrect numbers in the crafting of their retirement plans. New and more accurate studies were developed and marketed heavily so that middle-class investors could learn the realities of retirement planning for

the first time.

Well, actually – no. None of that happened.

Not one of the SWR studies has yet been corrected. What's up with that?

Dallas Morning News Columnist Scott Burns told us why in a column published in June 2005 (a column he wrote at my urging). He explained that the accurate SWR numbers are "information most people don't want to hear."

Yowsa!

Those seven words tell us more about why we are in an economic crisis today than the millions of other words put forward in an effort to come to terms with our recent troubles all combined, in my assessment.

Money is a big deal in our society. We all need to understand what is happening in our money lives to be able to make good decisions about career changes and about how much to spend on cars and houses and vacations. But when presented with the realities our reaction is to shut our eyes to "information most people don't want to hear."

We don't want to know the money realities because the realities often conflict with the bedtime stories that are told to us by the "experts." Money "experts," I have come to learn, are generally not really "expert" in the money realities. They are experts at salesmanship. They are experts at finding emotional hot buttons, crafting marketing slogans that push those buttons, and delivering the pitch in a confident sounding voice that soothes and reassures.

And leaves us busted in the long run, when the realities come to assert their inevitable influence.

I come not to bury the experts but to extend the hand of friendship to them. I have spoken with a good number of experts in connection with the SWR matter. These people are smart and good people. They are trying to help. I don't think they really are helping, however. I think they are faking it. I think they are caught in a trap and that we all need to work together to find a way to get that trap opened.

No one disputes that valuations affect long-term returns. Thus, all should be in favor of correcting the SWR studies, which use a methodology assuming that valuations don't matter. So why has my effort to get the studies corrected yielded so little fruit in the seven years since I went public with my finding that the studies are analytically invalid?

It is clear to me that the problem is not one of intelligence. The experts understand well that valuations matter. There has been academic research showing this (Yale Professor Robert Shiller is the lead figure in this area) dating back to 1981.

The trouble is that, while we all know that valuations affect long-term returns, we cannot discuss the implications of this reality out loud. It's taboo. The dominant model for understanding how stock investing works is the Passive Investing Model. If valuations affect long-term returns, investing passively does not make sense (if valuations affect long-term returns, investors should be changing their stock allocations in response to big price changes). If we fix the retirement studies, we are admitting that the conventional investing advice is poor advice. We are admitting that we were wrong in what we have told people about how to invest for over 30 years now.

I'm not the only one who thinks that. Warren Buffett recently remarked that much of today's conventional investing wisdom is "nutty." Rob Arnott (former editor of the *Financial Analysts Journal*) recently observed that the advice we hear about how to invest our retirement money is the product of "myth and urban legend." There are lots of others who have said similar things.

These are shocking statements. But they produced no shock in the financial planning community. So far as I could tell, they didn't even produce a shrug. Buffett said what he said and Arnott said what he said and the "experts" went back to offering the same "nutty" and "mythical" advice that they were offering on the day before these statements were put forward.

Today's money advice is poor. Not because we're dumb. Not because we don't work it hard. Not because we are not good people. Not because we are not capable of better. Today's money advice is poor because we are caught in a trap.

The money "experts" are faking it. That's the bottom line.

Here's Lovell again: "More than anything else it has come to represent an ongoing televised display of a culture in denial. The more terrifying and destabilizing the news, the more the financial-news sages seem to commit themselves to dispensing advice with unblinking certitude." He adds that: "The answer, I think, is to share our own doubts and talk openly about our own anxieties."

Jonathan Clements, who wrote the personal finance column for the *Wall Street Journal* for many years, wrote a column not too long ago with the heading "I'm Not Apologizing." That

came across as defensive to me. There clearly have been a number of people who have suggested that an apology is in order; otherwise, Clements wouldn't have thought to address the matter. I wish that the headline had been "My Apology." That would have opened the door to lots of wonderful learning experiences for both Clements and his readers.

Money magazine has played it the same way. One of the magazine's readers posed a wonderfully blunt question to the editors at a presentation that took place not long after the stock crash. He asked "Just how bad would things have to get before you guys would consider changing your advice?" The answer is – worse than it is today. *Money* is still offering the same Passive Investing advice it has been offering for decades.

Lots of people know that there are holes in the conventional advice. Maryland Financial Planner Michael Kitces told me that he has spoken with a number of planners who are privately questioning the Passive Investing verities. But we need this questioning to go public. It does no good for the experts to have doubts if those doubts are not shared with the public.

Doubts are good. Doubts are the reality principle's way of telling us that we have gotten something wrong. Experiencing doubt over the *status quo* is often the first step to moving in the direction of a wonderful future. So I often wonder why it is that we have been so slow to explore our doubts about the continued viability of the Passive Investing Model.

I believe that it is fear that holds us back. The fear of admitting a mistake, the fear of being seen to have been wrong. It's not considered "cool" for

money experts to get things wrong. So, when money experts see evidence that they have gotten something wrong, they don't follow up; they prefer not knowing what they have gotten wrong to having to acknowledge having gotten it wrong.

Our economic crisis presents us with an opportunity. Humans are often reluctant to change. But pain can be a powerful motivator. I believe that we are at a time at which we must rewrite the rules of what it means to be an investing "expert."

A true expert is not someone who knows it all or at the least puts on a

good act. A true expert is someone who always remains open to learning. A true expert is not someone who never makes a mistake. A true expert is someone who jumps on any sign that he has made a mistake as an indicator that he needs to dig deeper and come to a more advanced understanding. A true expert knows how to say the three hardest words to pronounce in the English language – "I" and "Was" and "Wrong."

Humble money experts are the best money experts.

Rob Bennett writes the "A Rich Life" blog (<http://arichlife.passionsaving.com/>) and is co-creator of "The Retirement Risk Evaluator," the only retirement calculator on the internet that factors in the effect of the valuation level that applies on the day a retirement begins (<http://www.passionsaving.com/retirement-calculator.html>).

Beyond Purpose in Life

by C.S. Yanikoski

One of the most positive, helpful messages that advisers and theorists have urged in recent times is that a sense of meaning and purpose in life is essential both to living a good life and to thriving through life's crises and transitions.

But I want to suggest that this message, though valid on the surface, and even somewhat below the surface, is deficient at a deeper level – and even at the surface may eventually be harmful if taken too much to heart. What we need is a deeper wisdom that embraces meaning and purpose, but can also put them in their right context, and help people move beyond them.

What's Right about Meaning and Purpose

On any scale of human needs, whether Maslow's or anyone else's, meaning and purpose have an important place. One might even say that they pervade the other needs.

For example, if we posit that physical survival is the most fundamental need, and if someone is in a situation where survival is in doubt, then surviving becomes the focus of that life. The thoughts and emotions and actions of that person are infused by the "purpose" of surviving, and all steps toward that end are "meaningful" and highly rewarding. A similar argument can be made for any other human need or desire: purpose and meaning infuse themselves into any quest to meet them.

But "quest" is the clue to what the discussion of meaning and purpose is really about. For many of us, once our most obvious needs are met, the quest is over, and we can be left with pretty mild choices. This has often been observed when people retire. Sometimes after a year or two of decompressing and/or "doing all the things I always wanted to do but didn't have time," the appetite is sated and...what's left? Or sometimes that feeling appears right away: the busy executive or worker suddenly has nothing to do, and no reason to do it.

The boredom, anomie, even despair that can set in as one makes the transition out of something without at the same time making a transition into something else, is well known. And the common advice is right on the mark: empty-nest parents, retirees, jilted lovers, victims of physical trauma, and those going through other such transitions or losses, need to discover or adopt new sources of meaning and purpose.

This advice serves both a practical and a deeper ("spiritual") purpose.

The practical purpose is to help people who have a gap in their lives fill that gap with something positive instead of negative. It is akin to recommending food to a hungry person: having the proverbial reason to get out of bed in the morning can be just about as important as having a decent meal once you do get up. It is, again, meeting a common human need.

On the deeper level, taking to heart a new purpose in life, engaging in acti-

vities that are meaningful, doesn't just fill a hole, it positively enriches us. It is in our nature – whether you see that nature as a divine gift, an expression of some underlying spiritual stratum in the universe, or simply a product of natural selection – to strive, and specifically to strive for the Good. Sages of all stripes, both religious and secular, have recognized this truth for as long as we have records of their teachings.

But if an emphasis on purpose and meaning serves us both practically and in at a deeper level, it also eventually fails us at both levels. Purpose is not enough.

When Meaning and Purpose Fail Us Practically

When we recommend that people in general, and especially those passing through retirement or other transitions, seek meaning and purpose in their lives, we generally are urging them to engage in some new activity. It isn't simply a matter of doing the same things – or the same nothings – and imbuing them with “meaning.” Rather, we are encouraging people to find something, or perhaps several things, that are or could become meaningful to them, and then to pursue those aims. Meaning and purpose have as their therapeutic goal both the movement toward some worthy end and the occupation of our time and attention.

This is great therapy for someone who is still physically or mentally able, and who still has the energy to adopt new pursuits – e.g., the prototypical “third ager” who is interested in “positive aging.” There comes a time in many lives, however – and probably an increasing percentage of lives, as medi-

cine continues to extend our lifespan – when we no longer have those advantages. Many of us, some day, will find ourselves in a bed in a care facility of some kind, with limited mobility, probably with reduced mental acuity, with waning energy, and with little opportunity to do anything or even see anybody apart from other people in the same condition, and our care providers.

What does the gospel of purpose and meaning offer to people at this stage in life? If you have filled your first eighty years with the idea that life was acceptable only when you could do things that had meaning and purpose, and now your biggest achievement is getting to your walker without falling down, or controlling your bowels for part of the day, how can you accept that?

Some people do accept that, but arguably, those are the ones who have not placed meaning and purpose at the center of their existence. Perhaps it would be better to say that they have put existence at the center of their meaning and purpose. But more of that in a moment.

Meanwhile, I want to observe that between here (wherever you or the person you are counseling is today) and that place you might well inhabit in your final years, there exists for most of us the prospect of a cascading series of disabilities and disappointments, during what some call the “fourth age.” Persuading, say, a new retiree that she should adopt some new purpose in life is indeed a good thing, but it is not the final answer, because it merely postpones the come-down that for most of us is inevitable.

In their latest book* Richard Leider and David Shapiro present the following statements for review as one's "Annual Purpose Checkup:"

- I work at what I love to do.
- My daily choices are driven by a strong sense of purpose.
- I am wholehearted and authentic in my actions and words.
- There is a clear alignment between what I say my priorities are and how I spend my time.
- I invest time in making a difference to others in the world.
- I put my whole self into all that I do.
- I know what I want to be remembered for.

These are all matters worth pondering, whether you are 35 or 65. But imagine yourself at 95. Most of these milestones of meaning border on the ludicrous at that age.**

* *Something to Live For: Finding Your Way in the Second Half of Life*, San Francisco: Berrett-Koehler Publishers, 2008

** In a recent study, Neal Krause found that a sense of purpose was strongly related to better health and decreased mortality in the elderly, and he suggested that we might promote health by promoting a sense of meaning and purpose ("Meaning in Life and Mortality," *The Journals of Gerontology Series B: Psychological Sciences and Social Sciences*, Vol. 64B, No. 4 – July 2009). This suggestion has merit, but I believe that the causal relationship works more often the other way around. People who are struggling to maintain their health, or are in danger of death soon, are less able and less in-

All of us end up the same way: whatever we have not given up voluntarily, death – and often various stages of decline before that – wrenches away from us. The latter stages of life should be, in part, about anticipating this, and learning to detach ourselves gracefully, and thereby with the least pain to ourselves. In the words of that immortal American philosopher, Sheryl Crow, "it's not about getting what you want, it's about wanting what you've got." In the long run, appreciating whatever it is we've got, however little it is, is going to pay off more than continuing to strive in an increasingly losing struggle to find greater purpose and deeper meaning.

Why Meaning and Purpose Are Not Enough for the Spirit

Kohlberg's notion of stages of moral development can probably be applied to almost anything. To eating, for example: between the infant and the gourmand, there is a range of increasingly sophisticated attitudes toward food. And to advising: from the know-it-all young adult that most of us once were to the perspicacious old adviser we are all becoming, there are also stages of insight, maturity, and appreciation that we could catalog if we wanted to.

So, too, with wisdom more broadly. There surely are stages of wisdom that parallel Kohlberg's, because what he did was to investigate the progression of wisdom from just a certain angle (morality and ethics). And as he himself seems to have perceived,

clined to be purpose-driven. Proselytizing them about purpose is not the best investment of our time or theirs.

there is a probably at least one stage beyond what he defined.

I suggest that striving after purpose and meaning is only a middling stage of wisdom. And that in reaching higher stages, we need to go beyond the quest for meaning and purpose in a way that both rejects and embraces them.

This may seem contrarian and paradoxical, but it is really old news in wisdom literature, though it may not be commonly expressed in just that form. Let me illustrate this from three different perspectives:

- In what we might call the “holiness” tradition of Western religion, the highest of the saints are not those who adopt some great purpose but those who eschew all worldly purposes. The holiest are those who leave their families, abjure their wealth, and even abandon society altogether, who empty themselves of desire, because all desire is a distraction from what is holy, and therefore is, in the last analysis, sinful.
- In Eastern religion, true enlightenment is achieved only when the self is completely left behind. True understanding, meanwhile, lies not in grasping some truth, but in recognizing and completely accepting that the only truth worth having cannot be grasped at all, and that all that one can say of this truth, is, “Not this, not that.” And, along this path, all personal striving is left behind. Even the striving for enlightenment must finally be left behind in order to achieve enlightenment.
- In more advanced forms of modern secular belief, life is

seen as inherently, fundamentally meaningless. This leaves us free to import our own meanings into it, but doing so is just an accommodation to the realities of our mental nature. So we can act purposefully in life, just as we act purposefully within the rules of a game, because it makes the experience more enjoyable, but not because our purposes have any real or lasting value. Adopting purpose and meaning is therefore a tactic for living, but nothing more.

I do not mean to persuade you of these “truths” if you don’t already believe any of them, but I suspect that most seriously thinking people do have some sense of this higher wisdom, even if they conclude that living in such a fashion is far beyond them.

My point here is this: to the extent that adopting new interests or even adopting ambitious philanthropic goals in our lives succeeds, it actually undermines our ability to reach a higher form of wisdom, and tends to lock us into a lower place than we might otherwise achieve. And that is certainly true if we take the embrace of meaning and purpose as the highest plane we can reach.

What Does this Mean in Practice?

It doesn’t mean that we should stop preaching “purpose” and “meaning,” but rather that we should not think of it as the be-all and end-all.

And, as is true with most aspects of advice and counseling, it means we need to adapt to the place where the client is.

If there are levels of wisdom analogous to the levels of moral development, let’s hypothesize that some of

the same rules apply. In particular, it seems likely that it is hard to move people from one stage to the next, and virtually impossible to get them to skip a stage.

The prototypical workaholic who is facing the trauma of retirement, or the bored laborer who thinks retirement is just about kicking back and goofing off, is probably at a low level of wisdom – regardless of how high the intelligence level may be. Perhaps the next step up the wisdom scale, for those people, is to recognize that there are deeper purposes one can adopt, and that doing so will enrich their lives and the lives of those around them. That would be just the right message to convey.

But some people already understand the value of meaning and purpose – especially meanings and purposes that involve service to others or to some aesthetic or achievement that transcends the everyday. When they retire, or go through some other crisis or transition, perhaps a gentle reminder will help them get over the hump. But why not try to take them to the next level, too?

In the end, unless we die so suddenly that we don't even realize it's happening, we cannot die peacefully until we learn to detach ourselves from life. This does not have to be a lesson left to our final days. In the wisdom traditions of our most enduring cultures, detachment is seen as a fairly early step in achieving true wisdom, which can begin at any age.

And while detachment, in its ultimate expression, means leaving everything behind, in an individual well along the road to wisdom it does not so much mean the denial of our other purposes, or the rejection of what has

been meaningful to us, but rather the learning to put these things in their proper place. The Dalai Lama is deeply involved in the politics of Tibet, as well as in teaching his wisdom to Westerners, but these purposes, intense and time-consuming as they are, do not dominate his spirituality. The detachment that comes with wisdom allows one to engage in meaningful activity, while keeping it all in perspective and without impairing one's ability to let it go when that time comes. As it will, for all of us.

One new thing we could use is a test, like Kohlberg's test of the stages of moral development, that would help us place clients (and ourselves, if we could face the truth of it) on the Wisdom scale. For those who are lower down that scale, we should continue to seek effective ways to move them along. If the next step is one that calls for greater attention to meaning and purpose, then we could focus on that. But often the next step is lower down on the scale (say, for a divorced mom whose main concern is making ends meet and caring for her children). And sometimes, it is higher on the scale. But ultimately, we should want to get everyone to the level where the ability to detach supercedes the ability to harbor meaning and purpose, because only with the ability to detach, to let go of things with good cheer, does old age and death become endurable, even embraceable.

As a group, most advisers other than the best of the spiritual advisors are not there yet. But if we accept that this is a desirable aim, we are more likely to find some way to achieve it.

Chuck Yanikoski wears several hats, one of which is as general editor of this publication. Also relevant to the subject of this article is his lifelong interest in philosophy, which drew him to leave Harvard College after his freshman year and, after four years of independent study, to enter a Masters program at the University of Chicago Divinity School.

He is the author of an extended essay titled "How to Live Without God," which can be found in its entirety at <http://www.LiveWithoutGod.com>. He was the founder and editor, in 1986, of *Current Philosophy*. His work has also been published in the *Journal of Information Ethics*, and in the Syracuse University Library *Courier*.

A number of his essays on retirement planning are posted on the website: <http://www.StillRiverRetire.com>, while others have appeared in MarketWatch *Retirement Weekly*, the National Underwriter *Income Planning eNewsletter*, *Annuity Association News*, and *DSG Dimensions*. Chuck's work appears frequently in *Aging Well*, and he is a regular columnist for the Workforce50 website (<http://www.Workforce50.com>). He has also spoken on retirement planning before the National Tax Sheltered Accounts Association and the New England Employee Benefits Council.

For his company, Still River Retirement Planning Software, Inc., and its subsidiary, RetirementWORKS, Inc., Chuck is currently designing a comprehensive, fully integrated planning model for retirees and near-retirees that will take into account a full range of concerns, embracing both the financial and the non-financial – and even the spiritual.

People Skills: The Competitive Advantage in Today's New Economy

by Bill Bachrach, CSP

As a person whose professional life is all about coaching and training advisors, I am frequently asked, "What's the most important thing I can do to be more successful?" The answer is your people skills, also known as interpersonal or communication skills.

Your success as an advisor has more to do with your people skills than your technical expertise. Of course, it's a good idea to have both. But in today's new reality it's your people skills that set you apart. These are the skills that enhance your connection with your existing clients because you demonstrate empathy for the pain they may be experiencing as they make the mental and emotional transition to their new economic reality. These are the skills that allow you to communicate your advice so it's acted on. It's your people skills that help you help your clients adjust their goals or their time horizons. These are the skills that help you meet prospective Ideal Clients. These are the skills that help you engage potential Ideal Clients in a way that increases the likelihood that they will become your next new Ideal Clients. These are the skills that help you effectively ask for referrals and make the follow-up connections with the people to whom you are referred.

What if you're not a natural people person? Don't worry about that. The problem with the "natural people person" is that they tend to talk too much. Talking skills are not the same as people skills.

How do you develop these people

skills if you are new to our business or polish them up if you've allowed them to get a bit rusty?

Three key things: Ask good questions. Listen with empathy. When it's your turn to talk, be able to articulate your ideas and your advice with conviction so your clients and your prospective clients respond positively. It also helps if you genuinely care about people. It's hard to fake liking people.

Your people skills are invaluable for building your business by referral and self-referral. In fact, regardless of your preferred client acquisition system, sooner or later you're going to have talk to a human being. The more you do it the better you get.

Over the past 20 years I've seen several studies about how people with money meet and / or want to meet their Financial Advisor. Typically 90% or more say "referral." The other methods share the remaining 10%: cold call, direct mail, drip marketing, seminars, advertising, or radio shows.

Of course, I'm not telling you anything you don't already know. No doubt, you've read the same research. I'm simply proposing that you finally suck it up and get good at actually asking for referrals and making the follow-up calls. Can you think of anything more intelligent than becoming good at meeting new Ideal Clients the way they say they want to be met? You might have been able to get away with not-so-intelligent marketing in the old economy, but the new world is

far less forgiving. Acquiring new Ideal Clients by referral is also the most cost-effective method. Your cost per Ideal Client will be the lowest by referral. Can you think of a better time to implement the most effective and least expensive method for acquiring new Ideal Clients? It will be your people skills that will have the biggest impact on the success of your referral-based client acquisition strategy. That and consistency of execution are the keys to success for all client acquisition methodologies. You might as well consistently execute the system for acquiring Ideal Clients that those prospective clients have told you is the way they would like to be "acquired."

The Self-Referral

The self-referral is simply my terminology for the process of referring yourself to people you already know and new people you meet in the course of your everyday life. You meet lots of people you could engage in conversation that might lead to a business relationship, but you probably choose not to. Another excellent way to implement a self-referral program is to strategically put yourself in places where you know your potential Ideal Clients tend to be, provided these are places you genuinely enjoy being. It's painful to hear about advisors who pretend to be interested in the symphony just to meet wealthy donors. You will be far more effective when you get involved in things you actually enjoy and meet potential Ideal Clients as part of living the life you want to live anyway.

Like all repetitive motion result-producing activities, at first these "muscles" may be weak. With consistent "exercise" they become strong. Being a professional advisor you

would probably like to have a formula that produces a predictable result. Here you go:

- Ask good questions
- Listen with empathy
- Resist the temptation to talk about yourself and / or what you do and how you do it
- Ask more good questions
- Continue to listen with empathy
- Continue to NOT talk about yourself and / or what you do and how you do it
- Lather. Rinse. Repeat (the sound advice you find on the back of the shampoo bottle)
- When it's your turn to talk, say something relevant to them and offer something of value for them, whether they ever do business with you or not.

Because you were genuinely listening with empathy you will remember the things they say that are legitimate reasons to propose a next step, which might be a telephone conversation or a face-to-face meeting. In adult learning theory this is called "creating relevance."

Sending a relevant gift, like a book or an article or something else that might help them in the areas they have told you matter to them is also a good idea.

If appropriate, say something like, "Based on the things you told me about _____, _____, and _____, I think you would get value from our process for helping people like you make smart choices in a way that positively impacts your ability to _____, _____, and _____."

What goes in the blanks? The most compelling and emotionally charged things they just told you while you were listening with empathy as they answered your great questions. How do you remember what they said? You listened. People with good people skills pay attention when others are talking and remember what they said, at least for the few minutes while they are together. (Later you may want to jot down a few notes to refresh your memory.)

Here's what it might sound like when you incorporate their personally compelling information: "Based on the things you told me about wanting to help your family be happy and successful, having more interesting experiences in your life like your goal to see the Grand Canyon, and getting more involved in community service, particularly programs to help at-risk youth, I think you would get value from our process for helping people like you make smart choices about your money in a way that positively impacts your ability to help your family be happy and successful, have more interesting experiences in your life, and get more involved in community service, particularly programs to help at-risk youth. Would you like to explore that?" Yes it's a mouthful. It's a mouthful of things that matter to them.

The key is to have a process. The next step in your process is likely a telephone appointment or a face-to-face meeting in your office, preferably with both spouses and all their relevant documents.

Where do you have these conversations? Short answer: everywhere you meet people.

The little "secret" to make this work is simply to substitute meaningful conversations driven by your questions for the superficial chit-chat about sports, hobbies, the weather, and politics that frequently dominate how many people interact.

Keep your list of these questions on a 3x5 note card in your pocket and refer to them often. Are these really the kind of things people with great interpersonal skills do? Absolutely. The glib, spontaneous people person is rare. Most have dedicated themselves to being students of this skill. Think about being to people skills what a professional athlete is to their sport or a professional musician is to their instrument or a best-in-class surgeon is to their specialty. What would your business be like if you had world-class people skills?

What do you say during these conversations when they ask what you do? This may not work exactly for you, so adjust it accordingly, but this is what we teach the advisors we coach: "I help people make smart choices about their money so they achieve their goals and fulfill their values. We do this by helping them get their entire financial house in order and keep it that way forever."

Whatever questions you get asked, answer them succinctly and directly immediately followed by another one of your questions. The objective is to keep them talking.

What are some good questions?

- What's important about money to you?
- What are your aspirations for the future?
- Who do you care about?
- How does money affect these re-

relationships?

- What's changed for you as a result of the recent economic events?
- What are you doing to cope with this change?
- How would you like your Financial Advisor to help you?
- When you meet a stranger try this: "I'm a Financial Advisor. Is there anything on your mind you'd like to talk to me about?"

My co-author of *High-Trust Leadership*, Norman Levine, was brilliant at this. He called his self referral process the non-interview. He described it to me this way, "I meet new people, strike up a conversation, and sometimes nothing comes of it. Sometimes I make a new friend. Sometimes I get a new client." Nothing bad ever happened to Norman by striking up conversations with strangers, but lots of good things occurred in his 50+ years in our business.

Let me wrap up with a few things you can do to keep your people skills sharp:

- Have a list of questions.
- Get in the habit of engaging people wherever you are.

- Keep your interacting-with-people muscles active. Remember, muscles you don't use do NOT get stronger by themselves.
- Buy a small digital recorder and record your client meetings, both initial interviews / discovery meetings, implementation meetings, and progress meetings.
- Listen to the recordings to see how well you ask questions and listen. One objective is to hear their voice on the recording much more than yours.
- Go to a communication skills class, preferably one that puts you on video and provides personal coaching. You MUST see yourself on video. Painful? Probably. Valuable? Absolutely! An excellent and cost effective program is the Decker Communications Course: www.decker.com.

It's a great time to be an advisor... if you have people skills.

Bill Bachrach was named "one of the four most influential people in the Financial Services industry" by *Financial Planning Magazine*. As the "father" of the Values-Based Financial Planning™ philosophy and the Trusted Advisor concept, Bill's work has had a profound impact on how Financial Professionals conduct business, and he has stood at the forefront of the movement to transform the Financial Services industry into a true profession.

Mr. Bachrach is the author of four of the industry's most definitive works, including *Values-Based Financial Planning and High-Trust Leadership* (co-authored with Norman Levine), and he has delivered well over 1,000 presentations worldwide including presentations for Financial Planning Association's Success Forum, Million Dollar Round Table, Top of the Table, Court of the Table, NAIFA, CAIFA and virtually every major firm within the Financial Services industry.

Bill is a member of the Speakers' Round Table; an organization comprised of 20 of the most celebrated speakers in the world.

Bachrach's articles have appeared in numerous publications, including *Financial Advisor Magazine*, *Registered Rep*, *Investment Advisor*, *Advisor Today*, *Life Insurance Selling*, *Financial Planning Magazine*, *National Underwriter*, *Agent Sales Journal*, *On Wall Street*, *Blue Chip Magazine*, *Research Magazine*, *Financial Services Journal*, *Horseshmouth.com*, *Executive Excellence*, *Personal Excellence* in addition to many company and association publications.

News of the Association

The AIFLP Integrative Adviser Online site is up and running. There are several open threads that you can contribute to, at <http://www.integrativeadviser.org/>. If you want to start your own thread, email your posting to site manager Matthew Clement, at matthew@matthewsclement.com.

The AIFLP Resource Directory continues to grow (http://www.aiflp.org/AIFLP-LPN_Resource_Directory_Main.htm). New items will be posted in mid-September. If you have not already submitted information about yourself, your business, your publications, your products, and/or your services, we'd like to hear from you. Send all the pertinent information, including a brief description (just one or two sentences, please) to the editor, Chuck Yanikoski, at csy@StillRiverRetire.com.

The AIFLP Discounts Page was started in the last two months and now includes seven entries of professional interest, including services, books, and software (http://www.aiflp.org/AIFLP_Discounts.htm). Please check out these listings. And if you are interested in offering your own products or services to AIFLP members at a professional discount, send the relevant information to Chuck Yanikoski, at csy@StillRiverRetire.com.

AIFLP is teaming up with the Life Planning Network to create a set of database and website functions, starting with membership info. When this project is complete, you, as an AIFLP member, will be able to update your own information, and also obtain a list of other AIFLP members, which is not available to the public. We expect the new database to be in place by the end of the year.

Research Notes

Please contribute to this column by sending us notices or links for research related to aging, advising, demographics, financial decision-making, retiree attitudes or lifestyles, death and dying, or any of the numerous other topics of broad interest to financial and life planners.

Advising

David Dubofsky and Lyle Sussman present the results of a survey of 1,374 financial planners about their involvement with coaching and life planning within their practices. The results are eye-opening. "The Changing Role of the Financial Planner, Part 1: From Financial Analytics to Coaching and Life Planning" appears in the August 2009 *Journal of Financial Planning* (Vol. 22, No. 8). Part 2 (by Sussman and Dubofsky), "Prescriptions for Coaching and Life Planning," addresses the personal, professional, and ethical implications of holistic approaches to planning. It appears in the September issue and is available online temporarily at:

<http://www.fpajournal.org/CurrentIssue/TableofContents/TheChangingRoleoftheFinancialPlannerPartII/>

Elizabeth Jetton's August 2009 paper, "Moving from Financial Planning to Financial Life Planning," describes the scope, importance, methods, and success measurement of holistic planning, urging traditional financial planners to step up to this kind of approach. Sponsored by the TIAA-CREF Institute, her article can be found at:

http://www.tiaa-crefinstitute.org/pdf/research/trends_issues/ti_financialplanning0809a.pdf

In "Financial Planning Gets Personal," Janet Paskin discusses the pros and

cons of financial planners trying to dig below the surface to uncover their clients' feelings, desires, and problems. Using comments from advisers and clients, she indicates mixed results for both parties. Her article, from *SmartMoney*, was posted online on June 30, 2009. It can be found, along with some reader comments, at:

<http://www.smartmoney.com/investing/stocks/Financial-Planning-Gets-Personal/>

Ronald F. Duska notes that need, equality, and merit are reasons to come to the aid of the "deserving." But what should prevail when legitimate concerns conflict? His article, "Who Deserves What?" appears in the September 2009 issue of the *Journal of Financial Service Professionals*.

Aging

Rebecca E. Ready *et al* report that Older adults may have superior emotion regulation skills than younger adults, and the authors suggest that as emotion regulation capacities increase with age, emotions may be less swayed by external events or even by internal traits. Their article appears in July 2009 issue of *Experimental Aging Research* (Vol. 35, No. 3). See the abstract at:

<http://www.informaworld.com/smpp/content~db=all~content=a911230988>

Heinz Juergen Kaiser writes about "Mobility in Old Age" in the August 2009 issue of the *Journal of Applied Gerontology*.

tology (Vol. 28, No. 4). He argues that in addition to removing barriers to mobility, more emphasis is needed with respect to emotional, motivational and social aspects of being mobile. For the abstract, go to:

<http://jag.sagepub.com/cgi/content/abstract/28/4/411>

Omer T. Njajou *et al* discuss the "Association Between Telomere Length, Specific Causes of Death, and Years of Healthy Life in Health, Aging, and Body Composition, a Population-Based Cohort Study" in the August 2009 issue of the *The Journals of Gerontology Series A: Biological Sciences and Medical Sciences* (Vol. 64A, No. 8). They find that telomere length may not be a strong biomarker of survival in older individuals, but it may be an informative biomarker of healthy aging. You can find the abstract at:

<http://biomedgerontology.oxfordjournals.org/cgi/content/abstract/64A/8/860>

Márcia Lorena Chaves *et al* present their research on "Predictors of Normal and Successful Aging Among Urban-Dwelling Elderly Brazilians" in the September 2009 issue of the *The Journals of Gerontology Series B: Psychological Sciences and Social Sciences* (Vol. 64B, No. 5). Successful agers participated in significantly more leisure activities (34%) than did normal agers (21%). The number of living children was a risk factor, whereas confidants and family income were protective factors for successful aging. The abstract is available at:

<http://psychsocgerontology.oxfordjournals.org/cgi/content/abstract/64B/5/597>

Psychology and Neuroscience

Sidney J. Segalowitz, editor-in-chief of *Brain and Cognition*, presents a skeptical editorial in the forthcoming November 2009 issue (Vol. 71, No. 2). More information about "A Quantum Physics Account of Consciousness: Much Less Than Meets the Eye" can be found at:

http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6WBY-4X1S239-2&_user=10&_rdoc=1&_fmt=&_orig=search&_sort=d&_docanchor=&_view=c&_acct=C000050221&_version=1&_urlVersion=0&_userid=10&md5=0b381c298fae366741a78f9fcca952f3

James N. Laditka *et al* report on "Promoting Cognitive Health: A Formative Research Collaboration of the Healthy Aging Research Network" in the July 2009 issue of *The Gerontologist* (Vol. 49, No. 3). This and other articles in the same issue discuss the "Healthy Brain Project," a large study across various socioeconomic groups, and also discuss early results from analysis of the data. For more information, go to:

<http://gerontologist.oxfordjournals.org/content/vol49/issueS1/index.dtl>

Sociology and Demographics

John Cromartie and Peter Nelson have produced a report for the U.S. Dept. of Agriculture Economic Research Service, titled "Baby Boom Migration and Its Impact on Rural America" (August 2009). According to their analysis, if baby boomers follow past migration patterns where older people tend to relocate to more isolated and less costly settings, the nonmetro population age 55-75 will increase by 30 percent between now and 2020. For a summary, and links to the report, go to:

<http://www.ers.usda.gov/Publications/ERR79/>

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2008 data from several sources has been added to the AGing Integrated Database, AGID, available from the U.S. Administration on Aging. This new data enables users to look at results and trends from 2000 through 2008, and can be found at:

<http://www.data.aoa.gov/>

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Emily Beller argues that studies of how fathers influence their children's future financial success tell only half the story. Her study, titled "Bringing Intergenerational Social Mobility Research into the Twenty-first Century: Why Mothers Matter," appears in the August 2009 issue of the *American Sociological Review*. An abstract is temporarily available at:

<http://www2.asanet.org/journals/asr/abstracts.html>

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The U.S. Census Bureau has released "Current Population in the United States" data tables for 2007 and 2008. To link to these, go to:

http://www.census.gov/population/www/socdemo/age/age_sex_older.html

Investment and Personal Finances

Anthony Webb makes "The Case for Investing in Bonds During Retirement" in an August 2009 report for the Boston College Center for Retirement Research. He argues that for retired households seeking a secure and dependable income, the true risk-free asset is a portfolio of bonds, particularly inflation protected bonds. This paper is available in full at:

http://crr.bc.edu/images/stories/Briefs/ib_9-17.pdf

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Anthony Webb also asks "Should You Carry a Mortgage into Retirement?" in a July 2009 issue brief for the Boston College Center for Retirement Research. He argues that you should not, but instead pay off the mortgage if liquidity allows, since you will be unlikely to achieve risk-free investment returns that exceed your mortgage interest rate. For the full report, go to:

http://crr.bc.edu/images/stories/Briefs/ib_9-15.pdf

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The U.S. Department of Labor and the U.S. Securities and Exchange Commission held joint hearings on June 18, 2009 on "Investment of 401(k) and Other Retirement Plans in Target Date Type Plans." Webcasts for each of the nine panels can be found at:

<http://www.dol.gov/dol/media/webcast/hearing/>

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In "Why do the Elderly Save? The Role of Medical Expenses," Mariacristina De Nardi *et al* find that for many elderly people, the risk of living long and requiring expensive medical care is a more important driver of old age saving than the desire to leave bequests. An abstract of this National Bureau of Economic Research working paper published July 2009 can be found at:

<http://papers.nber.org/papers/w15149>

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Taking into account long-term investment cycles, John Harris suggests that safe withdrawal rates in retirement fall in the 2-4% range. His article, "Market Cycles and Safe Withdrawal Rates" appears in the September 2009 issue of the *Journal of Financial Planning* (Vol. 22, No. 9), and can temporarily be viewed online at:

<http://www.fpajournal.org/CurrentIssue/TableofContents>

[tents/MarketCyclesandSafeWithdrawalRates/](#)

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Annamaria Lusardi *et al* examine “Financial Literacy among the Young: Evidence and Implications for Consumer Policy” in a recent working paper for the Pension Research Council. They find that fewer than one-third of young adults possess basic knowledge of interest rates, inflation, and risk diversification. Financial literacy is strongly related to sociodemographic characteristics and family financial sophistication. For the abstract, visit:

<http://www.pensionresearchcouncil.org/publications/document.php?file=802>

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Gerard Rainville provides an executive summary of the “AARP Bulletin Survey on Consumer Debt and Loans” (July 2009), finding that those age 18-49 and those age 50+ do not differ in regard to their levels of debt and their ability to take action to reduce these financial obligations. The executive summary is available at:

http://assets.aarp.org/rgcenter/econ/bulletin_debt_09.pdf

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Joseph A. Mikels and Andrew E. Reed, in “Monetary Losses Do Not Loom Large in Later Life: Age Differences in the Framing Effect” in the July 2009 issue of the *The Journals of Gerontology Series B: Psychological Sciences and Social Sciences* (Vol. 64B, No. 4) report that older people do not show the same discrepancy that younger ones do when risk tolerance toward potential losses is compared to risk tolerance toward potential gains. You can view the abstract at:

<http://psychogerontology.oxfordjournals.org/cgi/content/abstract/64B/4/457>

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London-based banking giant HBSC has

published its fifth annual global review of financial readiness to retire, titled “The Future of Retirement: It’s Time to Prepare” (2009). They report on a “perfect storm” of need and unpreparedness, in countries including Brazil, Canada, China, Dubai, France, Hong Kong, India, Japan, Mexico, Saudi Arabia, Singapore, South Korea, Turkey, the UK, and the US. For the full report, go to:

<http://www.hsbc.com/1/2/retirement/interactive-report>

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“Will Retirement Assets Last a Lifetime?” presents the results of a quantitative research study, jointly sponsored by the Society of Actuaries (SOA), LIMRA, and the International Foundation for Retirement Education (InFRE). It was conducted to better understand how retired individuals with investable assets make decisions about investing their assets and buying financial products. The full text of this 2009 report, presented in slide-like pages, can be found at:

<http://www.soa.org/files/pdf/research-pen-assets-lifetime.pdf>

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Jing Jing Chai *et al* have produced a paper on “Extending Life Cycle Models of Optimal Portfolio Choice: Integrating Flexible Work, Endogenous Retirement, and Investment Decisions with Lifetime Payouts” for the Michigan Retirement Research Center. This August 2009 paper adds annuities to the customary equities/bonds investment mix, and examines the changes this enables in terms of earlier retirement dates and other factors. The full paper is located at:

<http://www.mrrc.isr.umich.edu/publications/papers/pdf/WP204.pdf>

John McArdle *et al*/examine the association of cognitive skills with wealth, wealth growth, and wealth composition for people in their pre- and post-retirement years. An abstract of "Cognition and Economic Outcomes in the Health and Retirement Survey," National Bureau of Economic Research working paper 15266 (August 2009), can be found at:
<http://www.nber.org/papers/w15266>

Pensions, Annuities, and Social Security

Ning Tang *et al*/examine "The Efficiency of Pension Menus and Individual Portfolio Choice in 401(k) Pensions." They report that while most plans offer an appropriate array of investment options, the allocation choices that participants make are poor, and these poor choices are the cause of 75% of losses. The complete paper, produced in July 2009 for the Michigan Retirement Research Center, is available at:
<http://www.mrrc.isr.umich.edu/publications/papers/pdf/WP203.pdf>

See also: Ning Tang *et al*, "The Efficiency of Sponsor and Participant Portfolios Choices in 401(k) Plans," a 2009 working paper for the Pension Research Council, at:
<http://www.pensionresearchcouncil.org/publications/document.php?file=800>

In the August 2009 issue of the *Journal of Financial Planning* (Vol. 22, No.8), Gaobo Pang and Mark J. Warshawsky present "Comparing Strategies for Retirement Wealth Management: Mutual Funds and Annuities." After reviewing six alternative strategies involving annuities, mutual funds, or a combination, they find that no one strategy dominates, so they suggest segmenting assets and adopting multiple strategies, while taking account of pension and

Social Security income.

The University of Michigan Institute for Social Research has updated its Prospective Social Security Wealth Measures of Pre-Retirees data set, to Version 2.0, as of August 2009. For more information and access, see:
<http://hrsonline.isr.umich.edu/news/ndex.php?p=shownews3x1&hfyle=news268>

Michael Tucker calculates that the maximum value is derived for men from Social Security when they begin benefits at age 62. But if they prefer to maximize their spendable income later in retirement, they are better off waiting. His article, "Optimal Retirement Age under Normal and Negative Market Conditions Considering Social Security," appears in the July 2009 issue of the *Journal of Financial Planning* (Vol. 22, No. 7).

Craig Copeland, of the Employee Benefit Research Institute, has authored an August 2009 issue brief titled "Individual Account Retirement Plans: An Analysis of the 2007 Survey of Consumer Finances, with Market Adjustments to June 2009." This report documents the relatively meager retirement savings in the typical account, which were further reduced by the economic downturn. For an abstract, see:
http://www.ebri.org/pdf/briefspdf/EBRI_IB_8-2009_No333_SCF.pdf

Stephen P. Utkus and Jean A. Young have produced a report for Vanguard titled "Update on Participant Behavior through June 2009," released in August. The authors observe that most plan participants made no changes to their retirement savings and investment pro-

gram. For the complete report, visit:
https://institutional.vanguard.com/iam/pdf/CRR_NPB.pdf

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Jack VanDerhei *et al* ask, in a July 2009 report, "What Does Consistent Participation in 401(k) Plans Generate?" Their issue brief for the Employee Benefits Research Institute gives the numbers, and indicates (not surprisingly) that contribution amounts, investment results, and loan/withdrawal activity determine how well these accounts do. The full study is available at:
http://www.ebri.org/pdf/briefspdf/EBRI_IB_7-2009_No332-SR_ConsistPart.pdf

Work and Retirement

The Pew Research Center reports that "Recession Turns a Graying Office Grayer," showing that economic uncertainty is motivating older workers to stay on the job longer, while keeping younger people out of the workforce. For more information on this September 3, 2009 release, go to:
<http://pewresearch.org/pubs/1330/american-work-force-is-graying>

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Richard W. Johnson and Mauricio Soto of the Urban Institute prepared a study for AARP, titled 50+ "Hispanic Workers: A Growing Segment of the U.S. Workforce." Their June 2009 report, describing the number and share of Hispanics that are employed, where they work, how much they earn, and their attitudes toward work, is available in full at:
http://assets.aarp.org/rgcenter/econ/hispanic_workers_09.pdf

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The U.S. Equal Employment Opportunity Commission held hearings on July 15, 2009 regarding "Age Discrimination

in the 21st Century – Barriers to the Employment of Older Workers." Remarks and biographies of ten witnesses are available, along with a Q&A on waivers of discrimination claims in severance agreements. See:
<http://www.eeoc.gov/abouteeoc/meetings/7-15-09/index.html>

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Eric R. Kingson and Maria T. Brown examine the question: "Are Age-62/63 Retired Worker Beneficiaries At Risk?" The findings indicate that persons first accepting Social Security retired worker benefits at ages 62 and 63 experience varying degrees of risk to their well being at these ages, and that these risks condition their well-being in retirement and survival probabilities. This August 2009 paper for the Boston College Center for Retirement Research is available in full at:
http://crr.bc.edu/images/stories/Working_Papers/wp_2009-13.pdf

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Brent A. Neiser discusses the financial, mental, and cultural lack of preparation for retirement among "at-risk" Americans – i.e., households earning \$30-100 thousand annually. His article, "Averting At-Risk Middle America's Retirement Crisis," appears in the July 2009 issue of the *Journal of Financial Planning* (Vol. 22, No. 7).

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Richard Rogerson and Johanna Wallenius have produced a rather opaque paper for the Michigan Retirement Research Center on models for explaining retirement decisions. The burden of "Retirement in a Life Cycle Model of Labor Supply with Home Production" (August 2009) appears to be that these models are too focused on why people leave work, and need to focus more on what they want to do at

home. The full text can be found at:
<http://www.mrrc.isr.umich.edu/publications/papers/pdf/WP205.pdf>

Health, Medicine, and Elder Care

Courtney Monk and Alicia H. Munnell consider "The Implications of Declining Retiree Health Insurance" for the Boston College Center for Retirement Research. Their August 2009 paper concludes that a full elimination of such employer-sponsored benefits would primarily affect early retirees who would face the cost of much more expensive insurance or of financing illness without insurance, particularly prior to Medicare eligibility. It is available in full at:
http://crr.bc.edu/images/stories/Working_Papers/wp_2009-15.pdf

The U.S. Dept. of Health and Human Services lets people compare how hospitals perform for people with certain medical conditions or undergoing certain surgical procedures. This website can be found at:
<http://www.hospitalcompare.hhs.gov/Hospital/Search/Welcome.asp?version=default&browser=IE%7C7%7CWinXP&language=English&defaultstatus=0&pagelist=Home>

Judy Kruger *et al* discuss "The Prescribed Amount of Physical Activity in Randomized Clinical Trials in Older Adults" in the July 2009 issue of *The Gerontologist* (Vol. 49, No. 3). They argue that the research literature appears to have underestimated the benefit of physical activity for previously sedentary older adults because the prescribed dosages are not consistent with those recommended. For the abstract, see:
<http://gerontologist.oxfordjournals.org/cgi/content/abstract/49/S1/S100>

The U.S. Dept. of Health and Human Services Medicare website is offering a new set of pages to help caregivers, offering: general advice, information on care-giving options, and specifics about Medicare coverage and billing. The new site is:
<http://www.medicare.gov/caregivers/index.asp>

Julia Homes *et al* have produced a report for the National Center for Health Statistics titled "Aging Differently: Physical Limitations Among Adults Aged 50 years and Over: United States, 2001–2007" (July 2009). They find that health problems are more likely in women rather than men, the less educated rather than the more educated, and in non-Hispanic black men more than in white men. The full report is available at:
<http://www.cdc.gov/nchs/data/databriefs/db20.pdf>

The National Institute on Aging has produced a new 136-page booklet titled "Caring for a Person with Alzheimer's Disease: Your Easy-to-Use Guide." This May 2009 publication can be downloaded from:
http://www.nia.nih.gov/NR/rdonlyres/6A0E9F3C-E429-4F03-818E-D1B60235D5F8/0/Caring_for_a_Person_With_Alzheimers_Disease_YourEasytoUse_Guide_from_the_NIA509ty.pdf

Sukyung Chung *et al*, in "The Effect of Retirement on Weight" in the September 2009 issue of the *The Journals of Gerontology Series B: Psychological Sciences and Social Sciences* (Vol. 64B, No. 5) document that people who are close to retirement age show the highest rates of weight gain and obesity. The abstract is available at:

<http://psychogerontology.oxfordjournals.org/cgi/content/abstract/64B/5/656>

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A May 2009 report by Gary A. Ferguson on a "Medigap Policyholders Survey" sponsored by AHIP (America's Health Insurance Plans) and Blue Cross / Blue Shield of Chicago reveals that most Medigap insurance policyholders are happy with their policies. For the Powerpoint summary of results, see:

<http://www.bcbs.com/issues/medicare/background/Medigap-Enrollees-Presentation-June-09.ppt>

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Joseph E. Gaugler *et al* report on "Predictors of Change in Caregiver Burden and Depressive Symptoms Following Nursing Home Admission" in the June 2009 issue of *Psychology and Aging* (Vol. 24, No. 2). This unusually large study of this topic confirmed that most caregivers experience reduced stress once the care recipient enters a nursing home, but also confirmed that some experience greater burden and depression. The authors identify the factors that relate to these opposite responses. For the abstract, go to:

<http://psycnet.apa.org/journals/pag/24/2/>

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Charlotte A. Schoenborn and Kathleen M. Heyman are the authors of "Health Characteristics of Adults Aged 55 Years and Over: United States, 2004–2007," National Health Statistics Report No. 16 for the Centers for Disease Control, dated July 8, 2009. This report, highlighting selected health characteristics of four age groups of older adults — 55-64 years, 65-74 years, 75-84 years, and 85 years and over — using data from the 2004 through 2007 National Health Interview Survey, is available in its entirety at:

<http://www.cdc.gov/nchs/data/nhsr/nhsr016.pdf>

Data on personal health expenditures by sources of funds and by type of expenditure for the years 1960-2007 is available from the U.S. Centers on Medicare and Medicaid Services, at:

<http://www.cms.hhs.gov/MedicareMedicaidStatSupp/LT/itemdetail.asp?filter-Type=none&filterByDID=0&sortByDID=2&sortOrder=descending&itemID=CMS1218816&intNumPerPage=10>

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Richard W. Johnson and Corina Mommaerts report that Medicare Part D has significantly reduced the proportion of income older Americans spend on health care. Most now spend less than one-eighth of income on health care, mostly for premiums, though for the poor this proportion is often closer to one-fifth. For the complete text of "Are Health Care Costs a Burden for Older Americans?", a July 2009 brief for the Urban Institute, go to:

http://www.urban.org/uploadedpdf/411924_health_care_burden.pdf

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Suzanne C. Ho *et al* report on the "Impact of Caregiving on Health and Quality of Life: A Comparative Population-Based Study of Caregivers for Elderly Persons and Noncaregivers" in the August 2009 issue of the *The Journals of Gerontology Series A: Biological Sciences and Medical Sciences* (Vol. 64A, No. 8). Based on studies performed in Hong Kong, they found that high caregiving burdens are correlated with adverse physical and psychological health and with poor quality of life, especially in women caregivers. You can find the abstract at:

<http://biomedgerontology.oxfordjournals.org/cgi/content/abstract/64A/8/873>

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In the same issue, Mikaela B. von Bonsdorff *et al*, in their article, "Physical Activity History and End-of-Life Hospital

and Long-Term Care," find that People who have been physically active since *midlife* need less end-of-life inpatient care, though patterns differ between men and women. The abstract is located at:

<http://biomedgerontology.oxfordjournals.org/cgi/content/abstract/64A/7/778>

The U.S. Centers for Medicare and Medicaid Services has published a new booklet titled "Medicare Basics." This excellent new resource for consumers (and people who advise them) is available at:

<http://www.medicare.gov/Publications/Pubs/pdf/11034.pdf>

Heejong Choi and Nadine F. Marks studied "Transitions to Caregiving, Marital Disagreement, and Psychological Well-Being" in a working paper for the National Survey of Families and Households. These findings suggest that the psychological effects of becoming a caregiver for a biological parent or spouse are contingent on marital role quality. For the full report, see:

<http://www.ssc.wisc.edu/cde/nsfhw/nsfh90.pdf>

The U.S. National Institutes of Health have a relatively new website on "Complementary and Alternative Medicine." The main purpose is consumer education, not advocacy for or against (though they reference NIH studies in the field). To view the site, go to:

<http://nihseniorhealth.gov/cam/toc.html>

The U.S. Centers for Disease Control have published the results of the 2007 National Home and Hospice Care Survey. Files containing the survey instruments and the data can be downloaded from:

<http://www.cdc.gov/nchs/nhhas.htm>

Leslie A. Curry *et al* discuss "Individual Decision Making in the Non-Purchase of Long-Term Care Insurance" in the August 2009 issue of *The Gerontologist* (Vol. 49, No.4). Five themes characterize decisions not to purchase long-term care insurance: the determination that a policy is "too costly", skepticism about the viability and integrity of private insurance companies, family dynamics, psychological responses, and feelings of being overwhelmed and inadequately informed. For the abstract, go to:

<http://gerontologist.oxfordjournals.org/cgi/content/abstract/49/4/560>

In "Why Do the Elderly Save? The Role of Medical Expenses," Mariacristina De Nardi *et al* report that for many elderly people the risk of living long and requiring expensive medical care is a more important driver of old age saving than the desire to leave bequests. For the full Federal Reserve Bank of Chicago report, dated July 2, 2009, report, go to:

http://www.chicagofed.org/publications/workingpapers/wp2009_02.pdf

House and Home

Kelly Haverstick and Natalia A. Zhivan's report for the Boston College Center for Retirement Research is titled "Older Americans on the Go: How Often, Where, and Why?" The first of a two-part study, their paper examines the migration patterns of older adults, and is available in complete form at:

http://crr.bc.edu/images/stories/Briefs/ib_9-18.pdf

See also: Esteban Calvo, Kelly Haverstick, and Natalia A. Zhivan, "Determinants and Consequences of Moving Decisions for Older Homeowners," also for the BC/CRR, at:

http://crr.bc.edu/images/stories/Working_Papers

[/wp_2009-16.pdf](#)

J.R. Beard et al report on a study of "Neighborhood Characteristics and Change in Depressive Symptoms Among Older Residents of New York City" in the *American Journal of Public Health* (July 2009, Vol. 99, No. 7). They found strong connections. The three main negative factors were neighborhood socioeconomic influences, residential stability, and racial/ethnic composition, with positive neighborhood socioeconomic influences being significantly protective against worsening symptoms. For an abstract, see: <http://www.rwjf.org/pr/product.jsp?id=45549>

The Summer 2009 issue of the *Public Policy & Aging Report* (Vol. 19, No. 1), from the National Academy on an Aging Society is devoted to the concept of "aging in place." For more information, go to: http://www.agingsociety.org/agingsociety/publications/public_policy/previous.html#current

The U.S. General Accounting Office released a study on June 29, 2009 titled "Product Complexity and Consumer Protection Issues Underscore Need for Improved Controls over Counseling for Borrowers," finding that marketing materials related to reverse mortgages sometimes contain inaccurate or incomplete information, or use questionable sales tactics. For the full report, go to: <http://www.gao.gov/new.items/d09812t.pdf>

The MetLife Mature Market has produced a report titled "Tapping Home Equity in Retirement: The MetLife Study on the Changing Role of Home Equity and Reverse Mortgages" (June 2009).

It examines what people can do and what they choose to do with home equity in order to increase income security, enhance financial resilience, and improve debt management. The full study is available at:

<http://www.metlife.com/assets/cao/mmi/publications/studies/mmi-tapping-home-equity-retirement.pdf>

The U.S. Senate Special Committee on Aging also weighed in on reverse mortgages, with hearings on June 29 on "Reverse Mortgages: Leaving Seniors and Taxpayers on the Hook?" For more information, go to:

http://aging.senate.gov/hearing_detail.cfm?id=317031&

In "Technology at Home: Innovations for Aging in Place," Michael Moran discusses technology products that make living at home more feasible for elders, including aids to communication, house-keeping, safety, leisure, comfort, and medication tracking. His article appeared in the July/August issue of *Aging Well* (Vol. 2, No. 3), available at:

<http://www.agingwellmag.com/archive/063009p26.shtml>

"Growing Smarter, Living Healthier: A Guide to Smart Growth and Active Aging" addresses the basic principles of "age-friendly" neighborhoods and town designs that are healthier for people and the environment. This guidebook, released by the U.S. Environmental Protection Agency in August 2009, is available in full at:

http://www.epa.gov/aging/bhc/guide/2009_Aging.pdf

In "Go West, Old Man: Where Older Adults Feel Young at Heart," the PEW Research Center reports that the West-

ern U.S. states report a higher proportion of age 65+ adults who are healthy and don't feel old. For details on this August 7, 2009 report, go to: <http://pewresearch.org/pubs/1301/older-americans-west-feel-younger-healthier>

Family and Social Networks

Linda Waite was interviewed on June 1, 2009 about the "Health Effect of Marriage and Other Social Relationships," by Mary Mederios Kent of the Population Reference Bureau. The complete, roughly 20-minute webcast can be heard in its entirety at: <http://www.prb.org/Journalists/Webcasts/2009/marriage.aspx>

The MetLife Mature Market Institute surveyed U.S. grandparents, and found that 70% have given money to their grandchildren in recent years (median amount = \$3,000), but most do not offer financial advice, unless asked. There are also survey questions about how their adult children raise and advise the grandchildren. The study, "Grandparents: Generous with Money, Not with Advice" (June 2009), is available for free at: <http://www.metlife.com/assets/cao/mmi/publications/quick-facts/mmi-grandparents-generous-money-not-advise.pdf>

Jiska Cohen-Mansfield *et al* report on "Wisdom of Generations: A Pilot Study of the Values Transmitted in Ethical Wills of Nursing Home Residents and Student Volunteers" in the August 2009 issue of *The Gerontologist* (Vol. 49, No.4). The most prevalent theme among both nursing home residents and students was "interpersonal relations." Differences between groups of respondents were especially evident for the theme of "education," which was

given by over a half of the older persons and none of the students. For the abstract, go to:

<http://gerontologist.oxfordjournals.org/cgi/content/abstract/49/4/525>

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Sheyna Sears-Roberts Alterovitz and Gerald A. Mendelsohn studied personal ads to uncover differences in what men and women in various age groups seek in a romantic partner. An abstract of "Partner Preferences Across the Life Span: Online Dating by Older Adults" (*Psychology and Aging*, June 2009, Vol. 24, No. 2), summarizing some of the results, is located at:

<http://psycnet.apa.org/journals/pag/24/2/>

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Mary Elizabeth Hughes and Linda J. Waite investigate "Marital Biography and Health at Mid-Life" in the September 2009 issue of the *Journal of Health and Social Behavior* (Vol. 50, No. 3). Both the divorced and widowed who do not remarry show worse health than the currently married on all dimensions. Dimensions of health that seem to develop slowly, such as chronic conditions and mobility limitations, show strong effects of past marital disruption, whereas others, such as depressive symptoms, seem more sensitive to current marital status. The abstract is available at:

<http://www.ingentaconnect.com/content/asoca/jhsb/2009/00000050/00000003/art00007>

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Sandra Timmerman suggests that, with the economy in a meltdown and today's parents confronting the high cost of day care, coupled with heightened concerns about bringing an unknown person into their homes to care for the children, the idea of Grandma moving in with the family may make a comeback. Her article, "Generational Reciprocity: What

Does It Mean in the 21st Century?" appears in the September 2009 issue of the *Journal of Financial Service Professions*.

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Timothy W. Smith *et al* found that older couples display less negativity during disagreements with one another, and more warmth while collaborating in decisions, than younger couples do. An abstract of "Conflict and collaboration in middle-aged and older couples: I. Age differences in agency and communion during marital interaction," *Psychology and Aging*, June 2009 (Vol. 24, No. 2) can be found at:

<http://psycnet.apa.org/journals/pag/24/2/>

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Jenny de Jong Gierveld *et al*, in "Quality of Marriages in Later Life and Emotional and Social Loneliness" in the July 2009 issue of the *The Journals of Gerontology Series B: Psychological Sciences and Social Sciences* (Vol. 64B, No. 4) report that emotional loneliness is stronger among women in second marriages, whereas marked social loneliness is especially characteristic of older men with disabled spouses. Moreover, smaller social networks and less contact with children also increase emotional and social loneliness in later life. The abstract is available at:

<http://psychogerontology.oxfordjournals.org/cgi/content/abstract/64B/4/497>

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The U.S. Population Reference Bureau presents a summary of research on aging and happiness in "Social Support, Networks, and Happiness," Issue #17 of Today's Research on Aging (June 2009). This publication is available online at:

<http://www.prb.org/pdf09/TodaysResearchAging17.pdf>

Jay Stewart's August 2009 study for the U.S. Bureau of Labor Statistics, titled "The Timing of Maternal Work and Time with Children," finds that employed mothers shift enriching childcare time from workdays to nonwork days. On workdays, full-time employed parents shift enriching childcare time toward evenings, but there is little shifting among part-time employed mothers.

<http://www.bls.gov/osmr/pdf/ec090030.pdf>

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Richard F. Stolz interviews several experienced planners concerning marital disagreements over financial issues, in his article, "When Couples Clash over Finances," in the July 2009 issue of the *Journal of Financial Planning* (Vol. 22, No. 7).

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Bankrate.com has created a new segment of its site titled "Family and Finance – Financial Literacy," which covers some unusual topics related to couples, children, blended finances, and even pets, and can be found at:

<http://www.bankrate.com/finance/financial-literacy/families-and-finance.aspx>

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Nan Sook Park writes about "The Relationship of Social Engagement to Psychological Well-Being of Older Adults in Assisted Living Facilities" in the August 2009 issue of the *Journal of Applied Gerontology* (Vol. 28, No. 4), finding that friendly relationships with staff, and mealtime relationships with other patients, are important factors in life satisfaction and avoiding depression. For the abstract, go to:

<http://jag.sagepub.com/cgi/content/abstract/28/4/461>

Leisure

Susan D. Pressman *et al* studied the "Association of Enjoyable Leisure Activities with Psychological and Physical Well-Being" in *Psychosomatic Medicine* (2009), confirming that enjoyable leisure activities, taken in the aggregate, are associated with psychosocial and physical measures relevant for health and well-being. The abstract is available at:
<http://www.psychosomaticmedicine.org/cgi/content/abstract/PSY.0b013e3181ad7978v1>

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Thomas R. Prohaska *et al* report on "Walking and the Preservation of Cognitive Function in Older Populations" in the July 2009 issue of *The Gerontologist* (Vol. 49, No. 3). This investigation provides insight into the extent to which walking is associated with preservation of cognitive health, setting the stage for future longitudinal studies and community-based interventions. For the abstract, go to:
<http://gerontologist.oxfordjournals.org/cgi/content/abstract/49/S1/S86>

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In the same issue, Fenyan Tang looks at "Late-Life Volunteering and Trajectories of Physical Health," finding that volunteering was associated with improved health and decreased functional dependency, though not with the number of chronic conditions. The abstract is located at:
<http://jag.sagepub.com/cgi/content/abstract/28/4/524>

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Barbara A. Butrica *et al* present their research on "Volunteer Dynamics of Older Americans" in the September 2009 issue of the *The Journals of Gerontology Series B: Psychological Sciences and Social Sciences* (Vol. 64B,

No. 5). Older adults are more likely to stop volunteering than to start. Volunteers who contribute intensely and for many years and who are married to volunteers are the least likely to quit. And nonvolunteers are more likely to start volunteering if they have been uninvolved for few years and their spouses volunteer. The abstract is available at:
<http://psychogerontology.oxfordjournals.org/cgi/content/abstract/64B/5/644>

Spirituality, Purpose, and Meaning

The MetLife Mature Market Institute has followed up its "Discovering What's Next" study, built on Richard Leider's concepts about purpose in life, with the "Discovering What's Next Workbook: Your Guide to the Good Life" – a wide-ranging, though not detailed, way for consumers to explore the big decisions they face in the second half of life. This resource is available for free, but you need to contact the company if you want the accompanying DVD. The booklet is at:
<http://www.metlife.com/assets/cao/mmi/publications/studies/mmi-discovering-what-matters-workbook.pdf>

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Neal Krause, in "Meaning in Life and Mortality" in the July 2009 issue of the *The Journals of Gerontology Series B: Psychological Sciences and Social Sciences* (Vol. 64B, No. 4) reports that older people with a strong sense of meaning (and particularly a strong sense of purpose) in life tend to live longer, and that this is strongly connected with their better overall health. You can view the abstract at:

<http://psychogerontology.oxfordjournals.org/cgi/content/abstract/64B/4/517>

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In the same issue, Ellen L. Idler *et al*

write about "Religion and the Quality of Life in the Last Year of Life." They find that religious involvement tends to remain quite stable until very near the end of life, and it is positively correlated with quality of life. For details, see:

<http://psychogerontology.oxfordjournals.org/cgi/content/abstract/64B/4/528>

<http://pewresearch.org/pubs/1320/opinion-end-of-life-care-right-to-die-living-will>

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Angus S. Deaton uses data from the Gallup World Poll to study correlations between religiosity, gender, health, and other factors. His findings support the customary observations, but reveal additional details – and also variations by country. An abstract of "Aging, Religion, and Health," National Bureau of Economic Research working paper 15271 (August 2009), can be found at:

<http://www.nber.org/papers/w15271>

End of Life Issues

Mercedes Bern-King offers "A Framework for Categorizing Social Interactions Related to End-of-Life Care in Nursing Homes" in the August 2009 issue of *The Gerontologist* (Vol. 49, No.4). She suggests five categories to identify the stance toward the possibility of dying: dying allowed, dying contested, mixed message dying, not dying, and not enough information. For the abstract, go to:

<http://gerontologist.oxfordjournals.org/cgi/content/abstract/49/4/495>

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The Pew Research Center reports on public attitudes in "Coping With End-of-Life Decisions," providing poll results concerning the right to die, providing written instructions on end-of-life medical treatment, and discussing these issues with adult children. For more information on this August 20, 2009 release, go to: