Discussant Comments:
Alternative Pathways to Retirement in a Household Context

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Households’ Pathways to Retirement

1. **Workers’ pathways to retirement** are often complex:
   - Phased-retirement
   - Bridge jobs
   - Periods of non-employment and ‘unretirement’
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2. Retirement-related decisions are affected by:
   - Eligibility for pensions and government programs
   - Stress on the job and physical limitations
   - Caregiving responsibilities
   - Planned leisure in retirement
   - Etc., etc., etc...
   - **Joint retirement considerations**
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This paper addresses both issues by modeling complex pathways in a dual-earner household context.
Households’ Pathways to Retirement

This paper’s contributions:

1. Characterize couples’ work-to-retirement pathways.
   - Individual-only framework will not capture important aspects of retirement-related decision-making.
   - Dual-earner couples face more complicated decisions.
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2. Constructs a rich dataset allowing the authors to explore heterogeneity by occupation, availability of part-time work, preferences for joint leisure, etc.
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This paper’s findings:

1. Most retirement transitions involve a discordant phase.
2. Clusters of retirement transition types:
   - N=478, mostly both fully retired
   - N = 1,292, wife works longer than husband
   - N = 1,003, husband works longer than wife
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   - N = 1,003, husband works longer than wife
3. Multinomial logit of discordance in retirement pathway shows heterogeneity:
   - Older husbands (older cohort) => less discordance
   - Higher husbands’ earnings => less discordance
   - Larger earnings difference => more discordance
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Suggested future work:
Households’ Pathways to Retirement

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Suggested future work:

- Disentangle age and cohort effects, but difficult in the HRS.
- Special consideration of teacher retirement (see Fitzpatrick 2017)
- Determine whether it is timing or sequencing of transition that is important.
Understanding Joint Retirement Pathways

Why study joint retirement transitions?

1. Better capture the effects of programs and policies.
   - A person might be affected by spouse’s financial incentives.
   - Policies changes may have compound effects.
Why study joint retirement transitions?

1. Better capture the effects of programs and policies.
2. Better characterize retirement income security.
   - Partners’ earnings capacity can insure against shocks.
   - Dual earner couples have more income to “replace” to maintain their standard of living.
   - Is it riskier financially if dual-earner couples synchronize retirement?
Understanding Joint Retirement Pathways

Why study joint retirement transitions?

1. Better capture the effects of programs and policies.
2. Better characterize retirement income security.
3. Understand how retirement is related to health and well-being of retirees.
   - Does retirement help or hurt health and well-being?
   - Does own health affect retirement?
   - Does spouse’s health affect retirement?
   - **Modeling retirement transitions jointly might yield clearer causal evidence.**
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3. Understand how retirement is related to health and well-being of retirees.
4. Understand how rising female labor force participation changed the labor market.
   - Women’s labor force participation has grown tremendously.
   - Do women retire differently than men?
   - **Does having a working wife change men’s retirement?**
   - Is retirement timing also affected by other changes in family structure?
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Future work: Do men’s retirement transition types vary based on whether a wife was working or not? What characteristics of the couple influence whether men “deviate” from a solo-career retirement path?