The Pandemic Retirement Surge
Increased Retirement Inequality
The retired population grew by 1.7 million additional people since March 2020.

Figure 1: The Pandemic Retirement Surge

Source: Current Population Survey
Note: Change in retired population, divergence from 2015-2019 trend
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Why does it matter?

• Early, involuntary retirement
  – Retirement earlier than planned leads to lower retirement income and falling standards of living

• Retirement inequality
  – If least well-off retire early while better-off workers can retire later, retirement wealth inequality will increase
Where did the additional retirements come from?

Figure 2: Retirement Trends for All Workers
Change in retirement rates, 2019-2021, by age.

Source: Current Population Survey
Retirement rate = share of adults in a group who are retired

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Where did the additional retirements come from?

Source: Current Population Survey
Retirement increased at all ages for workers without a college degree

Figure 2: Diverging Retirement Trends by Education
Change in retirement rates, 2019-2021, by age and education.

Source: Current Population Survey

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College workers 55-64 delayed retirement

Source: Current Population Survey

Figure 2: Diverging Retirement Trends by Education
Change in retirement rates, 2019-2021, by age and education.

Source: Current Population Survey

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College workers 65+ retired at higher rates

Figure 2: Diverging Retirement Trends by Education
Change in retirement rates, 2019-2021, by age and education.

Source: Current Population Survey

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Why the divergence between college-educated and non-college workers?

• Employment prospects
  – Low job security and bad job options out of unemployment → more retirement at younger ages for non-college workers

• Retirement readiness
  – More retirement wealth at later ages helps college-educated older workers retire
Pandemic retirement trends were unequal by race

Source: Current Population Survey

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THANK YOU

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