INSTITUTE FOR SOCIAL RESEARCH • SURVEY RESEARCH CENTER
MICHIGAN RETIREMENT RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Promoting research on retirement and Social Security policy

Key findings on retirement wealth and savings

Phase IV working papers, 2014 to 2018

Understanding whether and how people save for retirement, comprehend Social Security benefits, and adjust to adversity is key to assessing retirement security. Here are related key findings from MRRC's current five-year funding cycle.

Family dynamics

Intergenerational Altruism and Transfers of Time and Money: A Life-cycle Perspective *by Uta Bolt, Eric French, Jamie Hentall Maccuish, and Cormac O'Dea* WP 2018-379

- Preliminary analysis of the unique cohort data suggests that around 40 percent of differences in average lifetime income by paternal education are explained by ability at age 7, around 40 percent by subsequent divergence in ability and different educational outcomes, and around 20 percent by inter-vivos transfers and bequests received so far. These findings are supported by results from a simple version of the model that has been calibrated to match wealth and labour supply moments.
- Using consumption equivalent variation to measure the welfare gains from higher-educated parents, we again find that differences in investments before and after the age of 7 are of roughly equal importance in determining lifetime utility differences between children of high- versus low-educated parents, with investments in ability and education looking much more important than differences in the level of inter-vivos transfers and bequests.
- Looking in more detail at investments in ability, we find that higher levels of time investments increase ability, and that the ability production function looks to exhibit dynamic complementarity, at least at younger ages.
- We present estimates of many of the investments that households make in their children, including time and money investments. We show that increased investment of time and goods of parents leads to higher ability children (as measured by test scores), and this higher ability leads to higher wages and incomes later in life.
- We show that higher income parents invest more in their children, and that these investments can explain much of the difference in lifetime incomes of children across the parental education distribution.

Marriage-related Policies in an Estimated Life-cycle Model of Households' Labor Supply and Savings for Two Cohorts *by Mariacristina De Nardi and Fang Yang* WP 2017-371

- We estimate a rich life-cycle model of couples and singles with marriage-related policies (marital income tax, and Social Security spousal and survival benefits).
- We find that these marriage-related provisions reduce the participation of married women over

their life cycle, the participation of married men after age 55, and the savings of couples.

- These effects are also large for the 1955 cohort that started with much higher labor market participation among married women.

Parents with an Unemployed Adult Child: Labor Supply, Consumption, and Savings Effects *by Kathryn Edwards and Jeffrey Wenger* WP 2017-368

- With longitudinal data on parents and children from the Panel Study of Income Dynamics, this study uses within-parent variation in behavior to identify the effect of a child's labor market shock on parental outcomes.
- The youngest mothers (younger than 62) who have the most margin to adjust their behavior change on nearly every dimension: They reduce their food consumption, increase their labor supply, and reduce their pension saving.
- The behavioral changes are larger than the monetary value of transfers — implying that either a) there are other mechanisms for transferring income to unemployed children that are not captured by cash transfers, or b) the behavioral response is in anticipation of changes in expectation about their child's career prospects or changes in the probability of future employment disruptions.
- The effect of child unemployment on mothers' labor market, consumption, and savings behavior is large and is likely larger than we describe since we exclude adult children cohabiting with parents.
- Younger mothers transfer money to their children when the child is unemployed, and older mothers transfer assets.

Couples' and Singles' Savings after Retirement *by Mariacristina De Nardi, Eric French, and John Bailey Jones* WP 2015-322

- We develop a model of optimal lifetime decision making and estimate key properties of the model. We find that singles live less long than people who are part of a couple, but are more likely to end up in a nursing home in any given year. For that reason, singles also have higher medical spending, per person, than people who are part of a couple.
- We also find that assets drop sharply with the death of a spouse. By the time the second spouse dies, a large fraction of the wealth of the original couple has vanished, with the wealth falls at the time of death of each spouse explaining most of the decline.
- A large share of these drops in assets is explained by the high medical expenses at the time of death. This suggests that a large fraction of all assets held in retirement are used to insure oneself against the risk of high medical and death expenses.

Understanding Participation in SSI *by Kathleen McGarry and Robert Schoeni* WP 2015-319

- Discussions of potential changes frequently include increases in the normal retirement age and changes to the Consumer Price Index— both of which will reduce benefits. These benefit reductions are likely to have significant implications for the well-being of low-income elderly who depend heavily on Social Security.
- There remains a subset of elderly with incomes below the poverty line, and many of these individuals are not enrolled in the SSI program. Here we begin to examine the relationship between family and public assistance.
- While we find some evidence of substitution between sources of assistance, it is small.
- We are currently augmenting our study with additional years of data and a more complete accounting of state benefits.

Retirement preparedness

Addition to the RAND HRS Longitudinal Files: IRA Withdrawals in the HRS, 2000 to 2014 *by Michael D. Hurd, Erik Meijer, Philip Pantoja, and Susann Rohwedder* WP 2018-388

- This project derived new variables for inclusion in the RAND HRS that capture IRA withdrawals for HRS waves 2000 through 2014; HRS 2016 variables are in progress.

- About 15 percent of HRS households withdrew money from their IRA accounts since the last interview. Among those who made withdrawals, the average amount is about $23,000 in the later waves.

- The addition of IRA withdrawal variables to the RAND HRS will facilitate research on assessing economic resources of the older population and the importance of saving in tax-advantaged retirement accounts.

Assessing Economic Resources in Retirement: The Role of Irregular Withdrawals from Tax-Advantaged Retirement Accounts *by Michael D. Hurd and Susann Rohwedder* WP 2018-387

- Based on HRS 2014, irregular withdrawals from pensions and IRAs amount to $2,049 forsingles and $6,663 for couples on average among those age 55 and older, but they arezero at the median.

- Among those making withdrawals, the average amount is $17,000 for pensionwithdrawals and $10,400 for IRA withdrawals.

- Compared to total household income, irregular IRA and pension withdrawals amount toabout 5 percent of income for singles and 10 percent of income for married households.

- The irregular withdrawals are concentrated among those in the highest wealth quartileand those in the highest education group, reflecting the higher prevalence of pensions inhigh-paying jobs that are predominantly held by those with high education. Thus, theyhave little impact on poverty rates.

Cohort Changes in Social Security Benefits and Pension Wealth *by Chichun Fang, Charles Brown, and David Weir* WP 2016-350

- The near-elderly population in the most recent cohort is not as financially prepared for retirement as their peers in earlier cohorts. In relative terms, retirement wealth does not grow as fast as lifetime earnings; in absolute terms, retirement wealth declines among men and minorities since the turn of the century.

- There has been a stable shift from defined benefit (DB) plans to nonannuitized retirement wealth such as defined contributions (DC) or individual retirement accounts (IRA). The increase in DC and IRA was not enough to make up the loss in DB, which was reflected in the decline in retirement wealth. As a result, the proportion of Social Security benefits in total retirement wealth was increasing, especially among minorities.

- The HRS used different earnings projection methods to produce Social Security and pension wealth estimates. The earnings projection in Social Security wealth estimation requires administrative data linkage, but performs reasonably well for those who stay in the same job in 2010. The earnings projection in pension wealth does not require data linkage and is easier to implement, but pension wealth estimates in 2004 were affected by larger errors in earnings projection for the same group of respondents.

Measuring Economic Preparation for Retirement: Income Versus Consumption *by Michael Hurd and Susann Rohwedder* WP 2015-332

- The income replacement rate (IRR), the ratio of income after retirement to earnings before retirement, was developed to help people plan financially for retirement. For many people, however, such a broad rule of thumb is simplistic and misleading. The IRR does not consider other sources of support in retirement such as financial wealth; in the case of married persons it does not have a good way of defining retirement.

- We augmented the simplest of the IRR by including a drawdown of financial and IRA wealth; we defined and estimated a household IRR to more fully account for the advantages of dual-earner households in which joint ownership of resources results in savings. The augmented measures increased the percentage of the population economically prepared for retirement by as much as 20 percentage points over the simple measure.

- We compared these extended IRRs with a measure of economic preparation based on consumption, which is theoretically preferable because consumption translates directly into well-being. Further, in the consumption-based measure, we accounted for the likelihood of events that impact spending needs many years into retirement. Our estimated consumption-based measure indicates retirement preparation at 59 percent for single persons and 81 percent for couples, well over the quantities derived from income replacement rates (46 percent for both single and married persons). Moreover, there is little relationship between the income replacement measures and the comprehensive consumption-based measures. Even when broadened in scope, the IRRs do not give good guidance to individual households.

Comprehensive Wealth of Immigrants and Natives *by David Love and Lucie Schmidt* WP 2015-328

- Immigrants have lower total wealth than natives but appear to be drawing down resources at a slower pace in retirement.
- These drawdown patterns are consistent with the predictions of a life-cycle model of saving that includes roles for uncertainty in longevity, medical expense risk, bequests, and housing.
- The typical immigrant is relatively well situated in retirement, but more recent immigrants have low levels of total resources and are likely to have difficulty maintaining adequate levels of spending in retirement.

Home equity

How Home Equity Extraction and Reverse Mortgages Affect the Credit Outcomes of Senior Households *by Stephanie Moulton, Donald Haurin, Samuel Dodini, and Maximilian Schmeiser* WP 2016-351

- Senior homeowners can extract home equity through different borrowing channels, and the channel through which they borrow equity is associated with different credit trajectories both before and after extraction.
- Senior homeowners extracting equity through a home equity line of credit (HELOC) tend to have the strongest credit profiles of all types of borrowers prior to extraction that remain strong post extraction (e.g., high credit scores, low rates of delinquency). By contrast, senior homeowners extracting equity through a reverse mortgage had lower credit scores at the time of origination and were more likely to have had a credit shock prior to getting their loan than other borrowers and non-borrowers. The credit shock is observed as a drop in credit score of 25 or more points and an increase in credit card balances within the two years prior to loan origination.
- While there is some decline in nonhousing debt across all borrowing channels in the three years after extracting from home equity, the decline is the greatest among seniors extracting home equity through a reverse mortgage, and particularly for credit card debt.

Social Security benefits

Social Security Household Benefits: Measuring Program Knowledge *by Katherine Carman and Angela Hung* WP 2018-384

- Overall, we find that while many are aware of spousal and survivors benefits, knowledge about eligibility and benefit amounts is relatively low.
- Respondents are overconfident about how many questions they answer correctly.
- Individuals who have higher financial literacy, primary earners, and those with greater self-assessed knowledge of Social Security in general

have greater objective knowledge of spousal and survivors benefits.

- Looking at couples where both spouses responded to our survey, we do not find evidence of specialization, defined as one spouse having significantly more knowledge than the other.

Using Consequence Messaging to Improve Understanding of Social Security *by Anya Samek, Arie Kapteyn, and Andre Gray* WP 2018-383

- The consequence-messaging vignettes statistically, significantly improved subjects' understanding in the form of more correct responses to survey questions.
- The treatment effects are similar for written versus video vignettes.
- Receiving information about annuities and Social Security by regular mail is the most often preferred mode of communication, followed by reading an article online.
- The vignettes did not have a statistically significant effect on how respondents rated the importance of concerns related to retirement.

Exploring the Social Security Benefit Implications of Same-Sex Marriage *by Michael Pollard and Italo Lopez Garcia* WP 2017-377

- Same-sex couples tend to have higher household earnings than heterosexual couples, especially same-sex male couples largely due to dual employment.
- Same-sex married couples are less likely than heterosexual couples to qualify for spousal Social Security benefit payments.
- Given that they are eligible, male same-sex married couples could generally claim higher spousal benefit amounts than heterosexual couples (about $8,400 /year), while female same-sex married couples could claim similar amounts as heterosexual couples in spousal Social Securtiy benefits (about $7,200 /year).
- In 2017, we estimate there to be 308,000 to 524,000 gay men 66 and older, and 250,000 to 503,000 gay women in 2017. In 2040, we estimate that there will be, respectively, 465,000 to 868,000 and 364,000 to 825,000. Up to half of these populations intend to marry.

The Reintroduction of the Social Security Statement and its Effect on Social Security Expectations, Retirement Savings, and Labor Supply across the Age Distribution *by Philip Armour* WP 2017-373

- Individuals highly value information about their benefits from SSA. Individuals report the statement and my Social Security accounts (an online account on the Social Security website allowing individuals to check their potential benefits) useful for planning for retirement and deciding when to claim Social Security benefits, especially in years leading up to retirement.
- After being sent a statement, individuals are more likely to report expecting to receive future benefits, especially disability benefits. They are also less pessimistic about the possibility of future cuts to the social insurance programs, specifically about a 10 percent drop in their reported expectations that Congress will make the Social Security system less generous in the next 10 years.
- Among those already expecting benefits, there does not appear to be much change in expectations for either claiming age or the benefit amount upon claiming. There are no measurable changes in retirement savings through IRAs, pensions, or other long-term savings vehicles, although these estimates are preliminary and future analyses by subpopulations may allow for more precise measurements.
- Those who have a my Social Security account tend to be better informed about program details, even before signing up for their account.
- Among those sent statements, many either did not receive them or forgot having received them. These individuals are much more likely to be younger than 30.

- The effect of being sent a statement recently had a varied impact on work behavior. For those previously working more than 40 hours per week, the statement reduced hours worked. Being recently sent a statement was also associated with re-entry into the labor force among those previously not working.

The Effect of Social Security Information on the Labor Supply and Savings of Older Americans *by Philip Armour and Michael Lovenheim* WP 2016-361

- Older male workers changed their work behavior strongly after receiving their projected retirement benefit from the Social Security Administration, compared to similar workers who didn't receive a Social Security statement.
- Those who were working at or more than 40 hours a week left second jobs and switched to part-time; those working less than 10 hours per week started full-time work.
- After receiving a second, updated statement, people changed their work behavior toward what it had been before receiving a statement.
- Women reacted similarly, but less extremely.

Challenges to saving

Long-Term Effects of Leaving Military Service in a Weak Economy *by Italo Gutierrez and Jennie Wenger* WP 2017-369

- This study compares short- and long-run outcomes for veterans from the draft era who entered the civilian labor market during periods of relatively low unemployment with outcomes of similar veterans who entered the civilian market during periods of higher unemployment.
- Higher levels of unemployment are linked to a variety of negative outcomes, and the effects take years to dissipate.
- Veterans who entered the civilian market in periods of high unemployment have lower earnings for more than a decade, have lower levels of prospective Social Security wealth, and appear to delay retirement, perhaps to compensate for the negative effects experienced early in their careers.
- Veterans who began work during periods of high unemployment have higher levels of family instability in later decades. This could represent another measure of household well-being.
- Results suggest that young workers who entered the labor market during the Great Recession are likely to experience negative effects throughout the first phases of their career. Indeed, some of the effects could influence today's young workers through retirement.

Consumption Smoothing During the Financial Crisis: The Effect of Unemployment on Household Spending *by Michael Hurd and Susann Rohwedder* WP 2016-353

- We found that at unemployment, total monthly spending declined rapidly from the $3,560 it averaged during employment to about $2,980, a decline of about 17 percent.
- Spending remained at that level until about 30 weeks of unemployment when it declined further to about $2,500, or around 70 percent of initial spending.
- Spending on big-ticket items and other, infrequently purchased items decreased more rapidly than high-frequency expenditures such as those on food.
- Income decreased much more rapidly than spending to about 37 percent of pre-unemployment levels where it remained unless the duration of the unemployment spell was very long. An implication is that some spending while unemployed was financed out of savings or accumulation of debt.
- At re-employment, income increased rapidly, much more rapidly than spending.
- An overall conclusion is that households were able to maintain spending following unemployment

at a fairly high percentage of pre-unemployment spending provided the duration of unemployment was moderate.

Productivity Growth and Interest Rate Trends: A Long-Run Analysis *by Dmitriy Stolyarov* WP 2016-357

- Long-run interest rate rises slightly more than one for one with productivity growth rate.
- A combination of slowing population growth and lower productivity growth would cause a slowdown in global investment demand. The global interest rate could decline by 100 to 150 basis points within the next 25 years as a result.
- Long-run projections with intermediate assumptions show the real interest rate on 10-year U.S. government bonds in the 1.5 to 2.0 percent range.

The Interaction between Consumption and Health in Retirement *by John Karl Scholz and Ananth Seshadri* WP 2016-344

- We study the interaction between consumption and health in retirement. Our main contribution is the estimation of a consumption Euler equation taking health into consideration.
- We find that health shocks play an important role in slowing down the decline of consumption with age in retirement. Without health shocks, retirees will run down their wealth at a much higher speed.
- We also find that including health into the utility function provides interesting interactions between health and consumption and could help explain the heterogeneous consumption-age profiles related to health.
- Finally, we find that health investments, such as physical exercise, have a significant effect on the evolutions of both health and consumption in retirement.
- The findings in this paper suggest that public programs such as Medicare and Medicaid play an important role in shaping the consumption and health behavior of the retirees, as well as the retirement and saving decisions of working people.

Cognitive decline and fraud

How Well Can Medicare Records Identify Seniors with Cognitive Impairment Needing Assistance with Financial Management? *by David Weir and Kenneth Langa* WP 2018-391

- Cognitive impairment is a large and growing problem in the older population.
- Policies to assist SSA beneficiaries with financial management require a capacity to identify those in need.
- Medicare records offer a relatively low-cost source of information.
- Medicare records miss many persons in need of assistance and identify many who do not as having dementia.

Exploring the Risks and Consequences of Elder Fraud Victimization: Evidence from the Health and Retirement Study *by Marguerite DeLiema, Martha Deevy, Annamaria Lusardi, and Olivia S. Mitchell* WP 2017-374

- The fraction of older persons reporting they had been the victims of fraud within the five-year retrospective window was 4 percent in 2008, 5 percent in 2010, and 7 percent in 2012. The overall rate for the pooled sample was 5 percent. These figures are less than half the national prevalence rate for all U.S. adults that was estimated for 2011, but they are similar to others' reports that 4 percent of adults 45 and older were victims of a major consumer swindle in the past year.
- Age was negatively associated with people reporting that they had been the victim of a fraud. Men were more likely to report being defrauded than were women.
- Better educated people were less likely to report

being victimized, while being wealthier was not systematically associated with greater prevalence of fraud.

- The subgroup most likely to report being defrauded was low-educated, white, married couples, comprising 40 percent of the total victims. Highly-educated, white, married couples made up about a quarter of the group, with smaller fractions among the remainder of the population.
- Being victimized was not systematically associated with lower levels of health or wealth in the pooled data, controlling for baseline status.

Sources of Lower Financial Decision-making Ability at Older Ages *by Shachar Kariv and Daniel Silverman* WP 2015-335

- Our prior research (Choi et al. 2014) shows a substantial negative relationship between age and the consistency of choices with economic rationality (decision making quality). This paper investigates the sources of that negative correlation using panel data on more than 4,000 members of a panel study in the Netherlands (LISS).
- The LISS data reveal, after late middle age, an economically substantial and statistically significant negative correlation between age and measures of economic rationality in the experiment. Rationality scores are significantly lower for those 63 and older.
- There is no evidence that the negative relationship between age and economic rationality in the experiment is attributable to a cohort effect. Conditioning on the ability of participants to implement a particular choice using the experimental interface does not alter the negative correlation between rationality and age. Older people are more likely to have trouble with the interface in this way, but this ability is not strongly correlated with violations of transitivity in the experiment.
- There is also no strong evidence that the correlation between age an economic rationality is the inevitable result of normal aging and its associated cognitive declines. Performance on the standard cognitive ability task is lower among older people in the sample, but conditioning on this measure of cognitive ability does not much alter the negative correlation between rationality and age. Thus, the lower levels of economic decision-making ability among older people appear to be a distinct phenomenon.
- There is no evidence that health is an important driver of the negative relationship between age and economic rationality. Older people who self-report worse health, are at an unhealthy weight, or report more difficulties with activities of daily living do not have lower decision-making abilities in the experiment.
- The results of the study thus support the idea that age leads to declines in economic decision-making ability that are distinct from other forms of cognitive decline and are not primarily a consequence of declining health more generally.

Personality and planning

Quicksand or Bedrock for Behavioral Economics? Assessing Foundational Empirical Questions *by Victor Stango, Joanne Yoong, and Jonathan Zinman* WP 2018-378

- "Behavioral factors"—psychology-based deviations from classical economic preferences, beliefs, and problem-solving approaches—are quite prevalent in a representative sample of U.S. individuals
- A "B-count" measuring how many B-factors an individual displays is strongly predictive of self-assessed financial well-being, as well as "hard" measures of retirement preparedness, such as wealth and stock market participation
- The findings can help financial service providers and policymakers design products and communicate information in ways that improve decision-making associated with savings and retirement planning.

Alternative Measures of Noncognitive Skills and Their Effect on Retirement Preparation and Financial Capability *by Gema Zamarro* WP 2017-365

- Noncognitive skills and personality traits, such as grit, conscientiousness, and neuroticism are found to be significantly associated with levels of financial capability and the retirement preparation of adults in the Understanding America Study.
- The authors find that alternative measures of these noncognitive skills, based on self-reports and performance task measures such as the degree of carelessness in responding to surveys, are significantly associated with important financial outcomes, even after taking into account differences in cognitive ability and relevant sociodemographic information.
- Results highlight the importance of considering psychological factors when designing policies that aim to improve the level of financial capability and retirement preparation in the population.

Time Discounting and Economic Decision Making among the Elderly *by David Huffman, Raimond H. Maurer, and Olivia S. Mitchell* WP 2016-347

- We find that implied Internal Rates of Return (IRR) used by our older respondents to discount future payments is 0.54.
- IRRs rise with age, such that a 15-year increase in age from 70 to 85 would be associated with about a one standard deviation higher IRR.
- Whites and the better-educated have lower IRRs, while people with serious health conditions implying reduced life expectancy have 11 to 30 percent higher IRRs. Also IRRs are 35 percent higher than average for individuals diagnosed with a cognitive condition (dementia or Alzheimer's).
- Net wealth is significantly lower for the least patient individuals. Additionally, the impatient are much less likely to engage in healthy behaviors and make little provision for end-of-life challenges.

Narrow Framing and Long-Term Care Insurance *by Daniel Gottlieb and Olivia S. Mitchell* WP 2015-321

- We evaluate how key elements from prospect theory shape insurance decisions and delayed retirement. Theory suggests that narrow framing plays a particularly important role in decision making under uncertainty.
- We show that narrow framers have a substantially lower demand for long-term care insurance, and the result is robust to controlling on a host of factors including health, cautiousness, risk aversion, probability of needing LTC, and socio-demographics.
- Narrow framing is a more important deterrent to people's LTC insurance purchases than factors previously suggested, such as risk aversion and private information.
- Narrow framing, therefore, is an important contributor for people's unwillingness to buy long-term care coverage, thus exposing them to old-age poverty.

Veterans

The Retirement and Social Security Benefit Claiming of U.S. Military Retirees *by David Knapp, Beth Asch, James Hosek, and Michael Mattock* WP 2016-336

- Theoretically, under alternative exploratory assumptions, the income effect will tend to dominate at higher levels of the military pension, implying that the military retirement benefit increases retirement.
- Empirically, the income effect is also the dominant effect; a higher military retirement benefit increases the likelihood of retiring from the labor force among Medicare-eligible military retirees, conditional on still working full time at age 64.
- The difference-in-difference estimate is statistically significant and large, implying that a

1 percent increase in the monthly benefit would result in a 5.9 percent greater likelihood of retirement at ages 65 and older.

- Expansion of the military pension is also associated with delayed claiming of Social Security benefits, though our estimates are not statistically significant.
- Additional research is needed, preferably using administrative military personnel data merged with Social Security data, permitting larger sample sizes for analysis.
- The preliminary policy implications of the findings are:
  - Military retirees are a distinct population in terms of their retirement and claiming behavior.
  - Consequently, their welfare during retirement as well as the cost of Social Security benefits are likely to differ from that of the general population.

Declining Wealth and Work among Male Veterans in the Health and Retirement Study
by Alan Gustman, Thomas L. Steinmeier, and Nahid Tabatabai WP 2015-323

- We study the characteristics, wealth and retirement of veterans and nonveterans in four cohorts of males from the Health and Retirement Study, ages 51 to 56 in 1992, 1998, 2004, and 2010.
- In the oldest cohorts, roughly half the male population served in the military, while in the presence of a draft. Only about one sixth of the youngest cohort had served, and that was as a volunteer in the all-volunteer military.
- Veterans in the 1992 cohort were better educated, were healthier, had more wealth going into retirement, and were more likely to work into a later age (less likely to retire) than nonveterans.
- Relative to nonveterans, the cohort of veterans in 2010 is less well educated, less healthy, has lower wealth entering retirement and is less likely to work than nonveterans.
- After standardizing for differences in observable variables, the wealth of veterans from the 1992 cohort entering retirement is similar to the wealth of nonveterans. This is not the case for the 2010 cohort. After standardizing for differences in observable factors, veterans have about 10 to 13 percent less wealth than nonveterans.

INSTITUTE FOR SOCIAL RESEARCH • SURVEY RESEARCH CENTER
MICHIGAN RETIREMENT RESEARCH CENTER
UNIVERSITY OF MICHIGAN

www.mrdrc.isr.umich.edu

Michigan Retirement Research Center
Institute for Social Research
University of Michigan
426 Thompson Street, Room 3026
Ann Arbor, MI 48104-2321

Director: John P. Laitner
Associate Director: Dmitriy Stolyarov
External Relations: Susan Barnes
Administrative Manager: Cheri Brooks

Phone: (734) 615-0422
Fax: (734) 615-2180
E-mail: mrdrcumich@umich.edu
Web: www.mrdrc.isr.umich.edu

The Michigan Retirement Research Center is supported by a cooperative agreement with the Social Security Administration.