

Financial Security in Later Life¹

A New National Extension Initiative

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As a member of the National Initiative Development Team¹ for Financial Security in Later Life, I am pleased to have the opportunity to share information about this new effort at this National Public Policy Education Conference. In coming years, we predict that many policy issues to be considered by this nation will directly or indirectly impact the financial security of us all. It will become increasingly important for those of us who work directly, or even at the margins, of public policy education, to understand the relationship of public policy to the individual and collective economic well-being of the nation. Clearly, public policy choices that are made now and in the future will impact the quality of life of every person in every community of the nation. We believe that the Cooperative Extension System, through its nationwide educational delivery system, can help prepare clientele and communities to address many later life issues.

In October 2000, the Extension Committee on Policy (ECOP) approved a five-year National Initiative on Financial Security in Later Life. The initiative directly relates to the Cooperative Extension goal of “economic opportunity and quality of life for individuals and families.” Recent research findings document a dismal financial situation for many individuals and families presently and project even more dire situations in the future. The economic divide between rich and poor in America continues to grow. Consumer credit indebtedness is approaching record levels while the personal savings rate is lower than in any other industrialized nation. Few individuals and families have adequately prepared to achieve financial goals that will fund their future income needs, retirement, and long-term health care. The complexity of financial products and services, along with the rapid changes in technology, information availability, and public policy, demand a financially literate consumer. Family financial security contributes to emotional stability in families, strengthened communities and a nation better able to leave a thriving economic legacy for future generations.

Public policy proposals that impact individual and family well-being will continue to be at the forefront of policy debate in America. Proposals related to health care financing, Social Security solvency, the privatization of Social Security, tax reform, and others are just a few of the issues that will impact financial security in later life.

The Action Plan for the Initiative includes a vision for the new initiative.....*a nation of*

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financially literate individuals and families who will be financially secure in later life. They will develop the knowledge, attitudes, skills and confidence to apply effective and successful retirement and long-term care planning strategies. Future community sustainability and prosperity, which are dependent on the aggregate financial well-being of its members, will be improved (2001).²

The target audience for this initiative has been identified although Cooperative Extension Programs must serve the needs of diverse audiences. Within the general population, those most in need of this initiative are members of the Baby Boom cohort during their pre-retirement and retirement years; women, minorities, immigrants, and self-employed individuals facing a retirement income gap; farm families, people working in agriculture-related businesses, and employees of small employers; and limited resource individuals. However, the financial and gerontological issues involved in this Initiative simultaneously affect younger, middle-aged, and older members of the same families. The financial, care giving, and health-related issues may be relevant for audiences of diverse ages.

The overall objective of this Initiative is to enhance the capacity of the Land-Grant University and Cooperative Extension System to develop, market, implement, and evaluate effective, research-based financial management programs focused on later life issues. Performance goals, outcomes and strategies are proposed in the Action Plan for 2001-2005 and a preliminary five-year timetable outlined.

Communications and marketing strategies include a website and a national capacity-building conference to launch the Initiative in March 2002 at a southeastern U.S. location. A national research agenda is proposed that will provide insights for effective educational strategies and to develop a research-based framework identifying factors critical for later life financial security. Identification of existing educational strategies and development of new approaches will be critical for Initiative implementation. A comprehensive evaluation approach will be used to document the impact of Initiative implementation strategies. Strategic partnerships will be developed for maximum outcomes.

End Notes

1. Team members include Co-chairs Nancy Porter (SC) and Jane Schuchardt (USDA/CSREES), Marlene Stum (MN), John Baker (IA), Claudette Smith (NC), Janet Bechman and Sharon DeVaney (IN), Carolyn Sanchez Wilson (NM), Nancy Granovsky (TX), Barbara Rowe (UT), Richard Poling (TN), Dora Rumsey (WA), Jinhee Kim (MD), Suzann Knight (NH), and Jeannette Tucker (LA).
2. Financial Security in Later Life. A National Extension Initiative Action Plan, 2001-2005. May 15, 2001.