



Family Assistance Is the New ‘Retirement Wildcard’

By Anne Tergesen
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A recent study by [Age Wave](#), a research, marketing, and consulting firm focused on the aging population, contains a finding that could spell trouble for the retirement security of many Americans.

About half of the 1001 adults polled—all of whom are ages 55 or over—say they expect to provide financial support to relatives, including adult children and elderly parents.

Of those, some 70% believe they will have to support adult children, with 60%, 24%, and 18% expecting to come to the aid of grandchildren, siblings and elderly parents, respectively.

“The economic recession has increased familial obligations and financial interdependence,” says the study, which was released on July 12 and backed by life insurer [SunAmerica Financial Group](#).

For baby boomers struggling to save for their own retirements, this dynamic creates a new risk: “Family assistance,” the study says, “has become the new retirement wildcard, as pre-retirees must balance their retirement plans with” the desire to provide financial assistance for relatives.

Family assistance “is a wildcard because it can be so completely unexpected,” adds Ken Dychtwald, a gerontologist and the founder of Age Wave. While those in or near retirement may sacrifice financial security to help relatives in financial distress, “it is very hard when your child, brother, mother or father is in a pinch not to want to help them out.”

This article can be found at <http://blogs.smartmoney.com/encore/2011/07/26/family-assistance-is-the-new-retirement-wildcard/>.