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Retirement may be easier to swing than you think

P.E.B

Q: I am a 60-year-old computer programmer who has endured some bumpy years.

I have no cash in the bank and no money in retirement funds, which were cashed out along the way. What I do have is debt: credit cards, a mortgage and a small auto payment.

I recently landed a job after a period of unemployment that allows me to start seriously paying off the credit cards, but there is no retirement plan.

I know you have good advice about putting pennies away and over 30 years or so they will become big bucks, but I don't think I will have 30 years. And so my question is: Is it too late for me?

A: If your dream is to buy a fancy yacht and sail the world, then, yes, it's

probably too late for you to build a retirement nest egg that would support that lifestyle.

If your dream is simply to retire someday, then it may not be too late, as long as you're willing to make difficult choices.

As a guide, pick up a copy of "Your Money or Your Life" by Joe Dominguez and Vicki Robin (Penguin Books, 1999). This book describes the strategies and lifestyles of people who radically altered their ideas about how much money they need to live. Many retired in their 50s, 40s or even younger or at least switched to part-time work they enjoyed.

These are not folks who drive luxury cars or ski Aspen in the high season.

Most lead extraordinarily frugal lives. But they've unchained themselves from the work-spend cycle that keeps many people stressed and in debt.

You actually have an advantage that younger advocates of this "financial independence" movement lack: You soon will have a guaranteed source of income. The statement you should be getting each year from the Social Security Administration will show how much you can expect to get each month if you retire at 62, 65 or 70.

If you can ratchet your expenses down to the smallest amount shown (the benefit at age 62), then conceivably you could retire in two years. More likely, you wouldn't want to live on quite that little and will want a few more working years to pay off your

debts, build up reserves and increase your future Social Security benefits.

To get to your goal, you will probably need to make drastic changes in how much you spend now as well as in retirement.

That may sound grim, but lots of people live on small, fixed incomes in retirement and still have happy lives.

As Ralph Warner explains in his book "Get a Life: You Don't Need a Million to Retire Well" (Nolo Press, 2005), money is only part of the retirement equation: Good health, good relationships and absorbing interests matter, too.

Questions for Money Talk can be submitted at www.lizweston.com.