



Introduction

The Society of Actuaries (SOA) Research Institute Aging and Retirement Strategic Research Program is pleased to present this collection of essays that explores the impact of inflation on retirement and retirement-related issues. With the impact of inflation having wide-ranging reach, the goal of this effort was to address the topic from one or more perspectives and approaches.

1st PLACE PRIZE WINNER: *Inflation and Retirement – Thoughts by Sam Gutterman*

The first prize-winning essay discusses the shortcomings of the simplicity of the consumer price index. The author first addresses the various inflation measures that have been developed over the years, moving into a discussion of the heterogeneity between a country's CPI and the real effect of inflation on an individual. The author also considers wage differentials for pre-retirees saving for retirement, vulnerabilities both pre-retirees and retirees may face, and the uncertainty of inflation requiring the need for a contingency plan in retirement.

2nd PLACE PRIZE WINNER: *Right-Sizing Inflation Concerns Among Pre-Retirees by Colin Jarrett*

The 2nd prize-winning essay aims to answer two questions: How well-founded is the recent increase in concern about inflation in retirement among American pre-retirees (those who may retire soon)? And what steps are appropriate for pre-retirees in response to high-inflation periods and to address concerns about inflation more generally? To answer these questions, the author investigates the sources of income retirees will have in retirement and the expenses they can expect to have.

Impact of Inflation on Retirees by Anna M. Rappaport

In this essay, the author provides a summary of SOA Research Institute work addressing some of the issues facing retirees and providing her own thoughts and opinions on how these issues intersect with inflation and affect retirees.

Planning for Inflation in Retirement by Kenneth Steiner

This essay presents a process for developing a retirement plan using an actuarial model. The author provides an example and discusses various considerations such as changing assumptions to account for inflation, increasing investment in non-risky assets to cover inflation, and decreasing spending to avoid a significant decrease in savings due to greater-than-expected inflation.

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