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### RETIREMENT

## Ask an advisor: My clients think America has no future. What do I tell them?

By [Nathan Place](#) March 27, 2023 7:26 PM



# Financial Planning



Polls have found that most Americans believe their country is on the wrong track. *stock.adobe.com/Pixels Hunter*

Welcome back to "Ask an Advisor," the advice column where real financial professionals answer questions from real people. The topic can be anything in the world of finance, from retirement to taxes to wealth management – or even advice on advising.

This week, as we do every so often, we're handing the mic to an advisor – Ron Strobel, a certified financial planner and the founder of [Retire Sensibly](#) in Meridian, Idaho. Strobel said many of his clients are deeply pessimistic about the future – not just their own, but the country's. Normally such political views would not be his concern, but Strobel said this bleak outlook may be discouraging his clients from saving for retirement.

In particular, these investors cite two areas of concern: Social Security and inflation. Unless Congress acts, Social Security will only be able to pay out [80% of its benefits](#) by 2035, according to the program's own board of trustees. Meanwhile, inflation remains stubbornly high – the year-on-year change in the consumer price index was [still at 6%](#) in February, a rate not seen before the last year since the early 1980s.

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But the malaise goes beyond just retirement. These investors also worry about the ongoing COVID-19 pandemic, the war in Ukraine, political gridlock in Congress and many other concerns. And they're not alone. According to one recent [NBC News poll](#), 71% of Americans think the country is heading in the wrong direction.

Amid all this pessimism, how can wealth managers motivate their clients to keep saving for the future — a future that many, rightly or wrongly, believe is uncertain? Here's how Strobel frames the question:



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### 4 reasons retirement readiness is declining

March 22, 2023 8:12 PM

Dear advisors,

*One thing I keep hearing over and over from clients is that they think America's best years might be behind it. There's just not a lot to look forward to, especially for the younger generations. They don't have pensions, their cost of living and cost of housing is soaring, they are constantly hearing about how Social Security is at risk and they will likely receive a reduced and/or delayed benefit, and then on top of all that we have all the turmoil in the world today — COVID, the war in Ukraine, highly polarized politics in the U.S., etc.*

*It's hard to envision what retirement might look like with that gloomy outlook, which may discourage investors from saving. I've heard several people mention lately that they don't know if they will live to retirement age or if they will ever be able to retire, so why bother saving when they can enjoy life today?*

*Are other financial advisors dealing with this malaise? How do you advise a client who feels so discouraged? Also, there are a lot of similarities between our time and the 1970s and 2000s, in terms of inflation, wars, market instability and interest rate volatility. For those who are old enough to remember, how did you weather the storm in those times?*

— Ron Strobel, CFP, Retire Sensibly

And here's what financial advisors wrote back:

## Attitude is everything

Howard Erman, a certified financial planner at [Edelman Financial Engines](#) in Seal Beach, California

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the challenges that seem insurmountable actually are surpassed over time. This is as true for this generation as any other.

## Non-retirement is an option, too

Jay Zigmont, a certified financial planner and the founder of [Childfree Wealth](#) in Water Valley, Mississippi

The challenge is to separate the facts from the fiction and meet the clients where they are. I work with child-free people, and many of the facts you mention are reasons why they chose to not have kids. It is rare for the younger generation to have a pension, it is reasonable to assume that Social Security will be cut or changed, and we are definitely in a time of turmoil.

It may be that we as financial planners need to start helping — not only helping retirees and preretirees, but also nonretirees. Retirement isn't for everyone, and if they are concerned about the challenges in the world now, maybe we just need to focus on helping them to achieve financial independence to get them through whatever tough times might come.

## Stop your bellyaching

Kashif Ahmed, a certified financial planner and president of [American Private Wealth](#) in Bedford, Massachusetts

None of this "turmoil" is new. The world has always had turmoil and, along with it, the usual carnival barkers peddling pessimism. Yes, conditions may be similar to the 1970s or the 2000s, and yet here we are — still alive and, mind you, much richer because there have been plenty of booms, bull markets, technological innovations, etc.

This is coming from an immigrant to the U.S. What's your alternative? If it is so bad here, where else are you going to go that is "better"? Name one, just one country, that people are still risking their lives to get to, every single day, no matter the odds.

Yes, there are no pensions. Yes, costs of housing and living are higher. Those are all fixable problems. Most of them are totally under your control.

Stop whining. Stop listening to naysayers. Do something.

If immigrants can come here — with no education, sometimes no skills, many times not knowing the language — and yet thrive over and over again throughout our history, then you can, too. Stop waiting for someone to rescue you. I will rescue you, if you promise to participate in that rescue.

