

JUST RELEASED: NEW P-FIN INDEX REPORT

Vast majority of adults know little about how long people tend to live in retirement

A staggering number of Americans are unaware of how long people tend to live in retirement, and this lack of longevity literacy may undermine retirement planning and saving, according to our new report, “An Unrecognized Barrier to Retirement Income Security: Poor Longevity Literacy.” The research uses data from the 2023 TIAA Institute–GFLEC Personal Finance (P-Fin) Index survey and expands upon our January report that discussed longevity literacy.

According to our new report, many American adults lack a basic understanding of how long people tend to live in retirement. As many as 65% of survey respondents did not correctly answer the question regarding how long a 65-year-old will live on average.



A narrow slice of the population fully understands longevity: Only 12 percent of Americans correctly answered three questions related to life expectancy of 65-year-olds in the U.S., demonstrating strong literacy. At the other end of the spectrum, nearly a third of respondents demonstrated weak longevity literacy. Most underestimated the number of years spent in retirement.

These findings are important as people with strong longevity literacy are better at calculating how much money they need to live comfortably in their retirement years. They are also more likely to save for retirement and feel confident about their financial security once they stop working.

Workers with strong longevity literacy tend to be better prepared for retirement

69%
Strong longevity literacy



53%
Weak longevity literacy

CONFIDENT THEY WILL HAVE ENOUGH MONEY TO
LIVE COMFORTABLY THROUGHOUT RETIREMENT

We also find a gender gap in longevity literacy, with women less likely to underestimate how many years people will spend in retirement. More men (32 percent) than women (29 percent) have weak longevity literacy.

Lack of longevity literacy adds to the lack of financial literacy among U.S. adults, jeopardizing the path to financial security. Findings from our new report suggest that programs and policies are needed to promote financial planning so that Americans can live financially secure lives after they stop working.

[CLICK HERE TO READ THE FULL REPORT](#)

“Unfortunately, poor longevity literacy cannot be improved by simply providing individuals with information. For example, only one-third of adults understand the practical implications of the term ‘life expectancy.’ One-quarter think that life expectancy is the age by which the vast majority of a group of individuals will die. So simply providing information is not enough. We have to do more to teach these important concepts.”

— **Annamaria Lusardi**
GFLEC Founder and Academic Director

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