



## The Surprising History Behind “Retirement” and Why We May Be Approaching it the Wrong Way

### Description

On the whole, Canadians are freaking out about retirement. And that's not an exaggeration. It seems like every day, there's a new study on how anxious we are about the “golden years”: how ill-prepared we are, how we don't have enough saved, and how we're falling behind.

[Just last week](#), for instance, we heard that one out of every four Canadians feels like it's “going to take a miracle” to retire. Another [survey](#) says 79% of Canadians aged 55 or older are convinced their retirement income will not be enough to retire comfortably. Couple those with the 67% of Canadians who believe Canada is on the brink of a retirement crisis, and you'll see we're not exactly optimistic about our golden years.

But what if we have this whole “retirement” thing all wrong? What if we've adopted an outdated concept? What if we're treating retirement like a necessary rite of passage when, in fact, it's just a cultural idea?

No, that can't be right: retirement has been with humanity for centuries, right?

Wrong.

### The birth of retirement: 1889 Germany

The Western concept of retirement (and it *is* profoundly Western) goes back to 1881 Germany. At that time, young Germans were struggling to find jobs, and Germany's unemployment rate was getting dangerously high. The German Chancellor Otto von Bismarck, in the face of a Marxist uprising, proposed a radical solution: give workers 70 years and older government-funded support. That would help free up positions, he reasoned, and bring in younger workers.

“Those who are disabled from work by age and invalidity,” he said, “have a well-grounded claim to care from the state.” By 1889, the German government created the retirement system, which gave citizens over 70 what we would call a pension.

That might sound like a noble task. But “70” wasn’t a number pulled out of thin air. At that time, life expectancy was — wait for it — 70. Though the German government promised financial support to those 70 years or older, they didn’t expect them to live past 70. If anything, they paid out a few years of pension, at best.

In sum, German workers didn’t stop working until their lives were almost over. This is a far cry from the modern concept, which involves spending nearly a third of our lives surviving off money we saved during our working years.

## Why we might be approaching retirement wrong

If pressured to define retirement, most of us would respond, “not working.” Sure, there’s the savvy F.I.R.E. movement follower who might say “financial independence,” or the traditionalist who might say “golfing.” But, on the whole, many of us consider retirement as a time to sit back, relax, and enjoy never having to perform a certain task again.

But perhaps this is where we’re wrong. Perhaps retirement isn’t best defined by “not working” — not even financial independence. Perhaps retirement is best defined by doing something that matters to you. That could imply working, sure, but working in a way that makes aging more enjoyable.

A few years back, *Harvard Business Review* published a fairly compelling [article](#) on the flawed idea of retirement. They pointed to research done on the islands of Okinawa, which enjoys the longest disability-free life expectancy in the world. Interestingly enough, retirement literally does not exist there. They don’t even have a word to describe it.

Instead, they have this neat word, *ikigai*. At best, we can translate *ikigai* as “your reason for being.” *Iki*, in Japanese, means “life,” and *gai* means something like value or worth. Taken together, *ikigai* is that which gives you joy or bliss. “Your reason for waking up in the morning,” as the *Harvard Business Review* says.

Find your *ikigai*, the article suggests, and you may have found something more fulfilling than the Western concept of retirement could ever promise.

It’s interesting to note that it took a few years before the German Chancellor’s retirement program caught on. Many older German workers simply weren’t comfortable with the idea of conceding to their younger counterparts. Maybe they had found their *ikigai*. Or maybe they were terrified by never working again.

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