



What Do Early Retirees Want? Surprise—It's Not Retirement

Description

One of the biggest misconceptions about early retirees—that is, those who retire in their 50s, 40s, or even 30s—is that, after reaching retirement, they never want to work again.

This might be true for some. But get a room of early retirees together, and you're guaranteed to hear grumbles and disagreement if you claim that's all they want.

So what exactly do early retirees want? Simple. Financial independence.

Financial independence

Many early retirees grew up in households where debt was an accepted part of life. Their parents might have taken out car loans, because, well, "it helps the credit score." Or their parents might have taken out a home equity loan to renovate the house, because "it will increase the home's value."

Early retirees, however, have a different perspective on debt and assets. They want to be independent, not just from creditors but employers, too, such that they could leave their current job with little or no financial consequences.

Financial independence is something of a buzzword now, but, in its most basic sense, it means being independent of everyone—employers, creditors, your parents, the government, genies—for your livelihood. It means you have "enough." You could walk out of your job today, and you'd have enough savings to last until the end of your life.

The keyword there is "could." Believe it or not, many early "retirees" reach financial independence then decide to continue working. It can, in fact, feel empowering to choose your job, not out of compulsion, but simply because you *like* it.

Other early retirees achieve financial independence so they can quit their current job and find a job they truly love. In this way, they approach a concept popular on the islands of Okinawa: *ikigai*, "the purpose for which you wake up in the morning" (interesting enough the Okinaweses don't have a word

for retirement).

That might be the most popular reason to retire early. Untethered from the paycheck, you can write that novel you've always wanted to write or whittle chairs like your grandfather. You can find deep fulfillment in what you do, instead of grinding out work for what you earn.

That sounds great. But is financial independence even possible?

It doesn't just fall into your lap.

Most early retirees achieve financial independence by living frugally for a certain number of years. They pay off debt. They invest their money. They make numerous streams of passive income. Above all, they cut corners—every corner—and put the money saved into their retirement accounts.

It's hard work, but it's not impossible. With an airtight budget, investing acumen, and a lot of patience, you could reach financial independence yourself.

At that point, will you retire? Well, that's up to you. Nine times out of ten, you'll continue working. Why? Because if you have the stamina to work yourself into early retirement, you're not the kind of person who stops working. The good news—you're free, and you can find a job you *actually* love.

CATEGORY

1. Investing

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

PP NOTIFY USER

1. mhibbs
2. sporrello

Category

1. Investing

Date

2025/08/03

Date Created

2022/01/19

Author
sporrello

default watermark

default watermark