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# Racial Differences in Timing and Factors Associated with Retirement

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*Utilizing data from the 1968–1987 interview waves of the Panel Studies of Income Dynamics, this paper analyzes the racial differences in timing and factors associated with the retirement of a sample of 408 male workers. The analysis of the timing of retirement shows that black males past age 60 have a lower retirement rate than white males. Multivariate logit analysis also indicates that disability is a reason for retirement of both black and white males. In addition, white males who desire for leisure and black males with lower economic status are found to be more likely to retire.*

Despite an increasing perception of retirement as an integral part of modern life and increasingly positive attitudes toward retirement transition, retirement is a process which is heavily affected by individual's attitudes towards retirement, retirement policies, expected post-retirement income, health status, and other conditions, or situations, leading to retirement (Atchley, 1980, 1982). As well, unanticipated changes in macroeconomic conditions such as high rates of unemployment or high rates of inflation can alter retirement decisions (Clark, 1988).

Especially because of a prolonged period of retirement, however, retirement decision is made largely in conjunction with an older worker's current as well as expected future life situations. Thus, although retirement may be a significant life event or transition, it is not a transition which is isolated from one's other life experiences. Most older workers make a retirement decision based on a realistic appraisal of situational and structural factors associated with their current life situation and their post-retirement life. They have to appraise the effect of retirement on their income, physical as well as mental health, family responsibilities—financially and otherwise, and life satisfaction.

Given this lifespan continuity, it is no wonder that black Americans, with their distinctively different life circumstances, experience a process of development and aging different from white Americans. Black workers typically have less education than white workers and have also been victims of racial discrimination in work places as well as in other social arena. Thus, not only have blacks been concentrated in low-status jobs, but society in general has also ascribed different values to their work and occupational roles. Black males especially have not been considered traditionally as strong breadwinners as white males. They have often shown a higher rate of unemployment and a higher incidence of disabilities, which hinder continuous work into old age, than have white males. Because of their discontinuous work patterns and concentration in jobs providing little protection after retirement, blacks obviously perceive retirement differently, are influenced by different factors, and have different social psychological characteristics than their white counterparts (Gibson, 1987; Jackson and Gibson, 1985). Gibson (1987) argues that the lifelong work (and therefore economic) disadvantages of blacks may even blur the line between work and retirement, especially for those older blacks who are the most deprived of all. On the other hand, Gibson (1988) also found that the income packages of older blacks compared to other groups contain a greater proportion of money from their own work and a smaller proportion of money from retirement sources: an indication that black elderly may be more likely to work into old age out of economic necessities. A couple of recent studies in fact found that black men, if physically or functionally capable, are less likely to retire than are white men (Chirikos & Nestel, 1989a, 1989b; Hayward, Grady, Hardy, & Sommers, 1989).

But if we compare black males who have had similar work histories to white males, would the factors associated with their retirement as well as the timing of their retirement be still different from those of white males? The purpose of this paper is to provide insight into the retirement process and behavior of black males, and to help understand differences between black and white males who share similar work histories and family responsibilities. Based on findings of previous studies, hypothesis in this paper is that, among other things, blacks are more

likely to be influenced by variables which mirror pre- and post-retirement economic circumstances and type of work (i.e., professional versus non-professional jobs), whereas white males are more likely to be influenced by attitude toward work (i.e., desire for leisure). In addition, since retirement is also a process affected by many other situational factors, we analyze the differential racial effects of temporal changes in the worker's health status and work conditions (such as commuting mileage and hours of unemployment). Thus, by including variables indicating economic resources, occupational characteristics, health status, and attitude toward work, and temporal changes in many of these variables, this paper analyzes racial differences in retirement of workers who have had substantial work histories and were still working full time—75% or more of their time in this case—in their late fifties. Although this study is limited to male workers (due to the small sample size of females), it is hoped that the findings will facilitate the understanding of the retirement patterns of black as well as white older workers.

#### Previous Studies

According to Social Security administration (SSA) statistics, an average worker retires at age 63, and more than two thirds of all those eligible for Social Security benefits claim them before age 65 (Social Security Administration, 1990). The rate of participation in the labor force, especially of older men in the United States, has indeed been declining continuously over the past several decades. The declining working life expectancy and increasing postretirement life expectancy thus prompted a plethora of studies of determinants of early retirement or retirement on time—often referring to retirement at age 65—among older men and women. Specifically, the effects of occupational characteristics, of health status, and of Social Security and pension benefits as factors pushing or pulling people to retire have been variously dealt with, although the findings have not been conclusive (Anderson, Burkhauser, & Quinn, 1986; Boaz, 1988; Deviney & O'Rand, 1988; Diamond & Hausman, 1984; Hall & Johnson, 1980; Hardy, 1982, 1984, 1985; Hayward, 1986; Hayward & Hardy, 1985; Hayward, Hardy, & Grady, 1989; Quinn, 1978; Quinn & Burkhauser, 1983).

Surprisingly, however, many of the studies that used longitudinal or cross-sectional data sets to analyze the timing and determinants of retirement limited their samples to white men. Only a small number of studies have dealt with black-white comparisons and the retirement behavior of black workers. Possibly because of the well-documented racial differences in work histories, occupational characteristics, economic resources, and health status, previous research on the retirement of black workers, though slim in quantity, tends to confirm our belief that timing and factors associated with their retirement are often quite different from those associated with white men's retirement (Abbott, 1980; Bould, 1980, 1986; Fillenbaum, George, & Palmore, 1985; Jackson and Gibson, 1985; Gibson, 1987; 1988).

A study by Fillenbaum, George, and Palmore (1985) based on the Retirement History Study and the National Longitudinal Surveys (of men) found an obvious difference between white and black men in predictors of retirement: Fewer categories—including demographic, socioeconomic, health, job characteristics, and attitude—were as significant for blacks as for whites. The authors stated that blacks, with their lower occupational status, have fewer options than whites, except "those basic characteristics related to keeping a job" (p. 85). Unfortunately, the specific points of difference varied between the two data sets. Bould's study (1980), which analyzed factors influencing the choice of Social Security early retirement benefits for whites and blacks, showed that the predictors of early retirement for whites—pension eligibility, college education, family responsibilities, and health limitations—were not significant for blacks. (The author indicated that the lack of significance for health limitations and pension eligibility for blacks could be attributed to the small sample size.) Length of previous unemployment, however, was found to be the common predictor of early retirement for both black and white men (Bould, 1980, 1986).

More recent studies which included race as a covariate for older men's labor force behavior, however, indicate that racial differences are more salient in the incidences of worker's disability and death and in the quality of life out of the labor force than in the timing of retirement per se (Chirikos & Nestel, 1989a, 1989b; Hayward & Grady, 1990). Chirikos and Nestel

(1989a, 1989b) in fact found that black men were significantly less likely than were white men to retire while functionally capable. Hayward, Grady, Hardy, and Sommer's study (1989) found that black men were less likely to retire than white, possibly because of the fact that blacks had less accumulated savings or claims to adequate levels of retirement income. Hayward and Grady (1990) also stated that while there was little difference in working life expectancy between blacks and nonblacks, blacks lived fewer total years, enjoyed fewer years of retirement, and spent a greater amount of time disabled.

### Data and Sample

The data for this study were obtained from the 1968–1987 interview waves of the Panel Studies of Income Dynamics (PSID) conducted by the Survey Research Institute of the University of Michigan. The PSID provides longitudinal information on family composition changes, labor force participation, economic status, and health status of more than 6,000 families and, especially, of household heads. The sample selection criteria for this study were (1) the original PSID sample (for the generalization of findings); (2) individuals aged 58 or 59 at the first year of observation (T0)—1968 for cohort 1, 1970 for cohort 2, 1972 for cohort 3, 1974 for cohort 4, 1976 for cohort 5, 1978 for cohort 6, and 1980 for cohort 7; (3) individuals with 10 or more years of total work history after age 18 (because the PSID began collecting work history information in 1974, those who belong to the earlier cohorts and whose work history information is missing are not included); (4) individuals who worked 1,500 or more hours at the first observation year (i.e., approximately 75% or more of work hours at T0); and (5) household heads. The age-time-cohort structure of the sample is illustrated in Fig. 1.

The total number of individuals thus selected was 528, consisting of 298 white males, 110 black males, 79 white females, and 41 black females. (The PSID oversampled blacks by more than 3 to 1.) Due to the small sample size of females, however, analysis in this study is limited to the 408 male samples. These male workers were followed up every year for seven years (T1 through T7) or until they exited the survey or no longer satisfied

Figure 1

*Cohort/Follow-up Time Information*

	<i>Time</i>							
	<i>T0</i>	<i>T1</i>	<i>T2</i>	<i>T3</i>	<i>T4</i>	<i>T5</i>	<i>T6</i>	<i>T7</i>
Cohort 1	1968	1969	1970	1971	1972	1973	1974	1975
Cohort 2	70	71	72	73	74	75	76	77
Cohort 3	72	73	74	75	76	77	78	79
Cohort 4	74	75	76	77	78	79	80	81
Cohort 5	76	77	78	79	80	81	82	83
Cohort 6	78	79	80	81	82	83	84	85
Cohort 7	80	81	82	83	84	85	86	87
Age	58-59	59-60	60-61	61-62	62-63	63-64	64-65	65-66

the sample selection criteria by relinquishing their household head status to someone else in the family. Approximately 85% of both black and white sample members stayed throughout the study period for T1 through T7, while the other 15% dropped out in the middle, anytime between T1 and T7. The drop-outs were not significantly different from those who stayed on in terms of racial composition, level of education, and so forth.

The rationale for selecting 58-59 as beginning age is based on the fact that most retirement of stably employed men and women occurs from age 60 on. We selected people who work at least 75% of the time in their late fifties, thus focusing on those who do not appear to have unusual predisposing conditions, such as disability in young and middle ages, chronic unemployment, or sudden layoff. (Such conditions might have led them to opt for premature retirement in their early or mid-fifties.) For black males in low-status jobs who are more likely to be unemployed and in poorer health than the other workers, ages 58 or 59 are likely to be too late to start observation. But so as to highlight possible racial difference, this study aims at analyzing the retirement behavior of blacks and whites who are not drastically different in their work experiences and work hours.

The restriction of the sample to household heads is due solely to the fact that the PSID collects detailed work, income, and health information only on them (and their wives to a certain extent). The PSID individual files do not contain information on many of the variables that are chosen in this analysis. But this restriction is not judged to create an important difference between the samples of previous studies and the sample of the current study, because most men in their late 50s are in fact household heads who bear heavy economic responsibility for family members.

The data in Table 1 describe the sample characteristics at T0 with regard to level of education, work history, type of occupation, overall economic status, and marital status. As expected, although blacks and whites share similar work histories, and show no significant differences in home ownership and marital status, blacks are more likely to have worked in lower-level jobs, received lower wages, and had lower income-need ratios (the level of income vis-a-vis needs of the family adjusted for family size, as is adopted by the PSID; largely equivalent to the ratio between income and the official poverty line).

### Methods and Variables

A simple discrete-time event history approach (Allison, 1982) was used, first, to examine the hazard rate of retiring—defined here as working less than 375 hours per year, or at least 75% reduction from the annual work hours at T0—and to map the distribution of the timing of retirement over the study period by black and white men. In this analysis, retirement is viewed as a risk faced by each individual per unit of time, due to a host of retirement-inducing factors, for which that individual remains at risk. The adoption of this analytic framework makes it possible to analyze differences between white men and black, not only in the risk of ever becoming retired but in the timing of the risk of being retired.

The definition of *retirement* has differed in many studies; some researchers defined it as complete withdrawal from the labor market, others chose reduction of work hours (usually down to 25% or less), and still others accepted the respondents'



Table 1

*Sample Characteristics at T0 on Selected Variables*

<i>Variable</i>	<i>(N)</i>	<i>White</i> 298	<i>Black</i> 110
Level of education (%)			
0-8th grade		27.5	57.8***
9th-12th grade		32.0	18.9***
13th grade or higher		40.6	23.2***
Type of occupation (%)			
Prof/admin/manag.		35.1	21.2***
Clerk/sales/service		27.6	58.2***
Laborer or other		37.3	20.5***
Work history since age 18 (yrs.)		39.62	39.72
Hourly earnings (\$) <sup>a</sup>		14.24	10.38**
Income-need ratio <sup>b</sup>		4.51	2.85***
Homeownership (%)		89.4	80.9
Union membership (%)		23.0	22.7
Marital status (%)			
Married		92.7	86.7
Single		7.3	13.3

a. In 1987 dollars.

b. The income-need ratio adjusted for family size: the need baseline is similar to the official poverty line.

\*  $p < .10$ ; \*\*  $p < .05$ ; \*\*\*  $p < .01$ ; these denote significant differences between whites and blacks.

self-definition. The current study chose the work-hour definition, according to which those engaged in postretirement work for pay are considered working, while those who have reduced the number of hours of work (and most likely the amount of pay) without formally retiring are considered as de facto retired. This is, anyone who reduced his work hours to less than 375 hours—at least 75% reduction of work hours as compared to those at T0—is considered retired, whether the reduction is due to unemployment, sickness, or voluntary withdrawal from the labor market. This definition is chosen because it most

accurately reflects changes in economic status due to retirement: Reduced work hours typically indicate reduced earnings. The most pronounced implication of retirement for most individuals has been and will be significant reduction in income, and the 75% reduction in work hours obviously implies drastically reduced earnings. Many previous studies chose the same threshold apparently for the same reason. Also, although retirement is a repeatable event with many retirees reentering and reexiting the labor market, only the first event is considered in this analysis. Because the purpose of this paper is to map the timing of retirement of those who have reasonably stable work histories (as shown in Table 1) and analyze the variables influencing their retirement decision as well, the first of such events is of special interest.

Second, because the purpose is also to examine factors associated with retirement, a logistic regression model is analyzed. The logistic regression model is chosen because retirement is an indicator, not continuous, dependent variable. The dependent variable was set equal to 1 if the individual who had still faced the risk of being retired at a given study period actually became retired. If the individual did not retire, the dependent variable was set equal to 0. As shown in fig. 2, explanatory variables are divided into four categories—economic resources, health status, occupational characteristics, and work attitudes. Economic resources are indicated by educational level and homeownership at T0. Hourly earnings had to be omitted from the logistic analysis because of their multicollinearity with the level of education and occupational categories. As for health status, a dummy indicating the presence or absence of any physical or nervous condition that limits the types of work or the amount of work at each observation year is chosen. It is judged that the temporal changes in the presence or absence of any disabling condition(s) are important for retirement decision.

The occupational characteristics category includes types of occupations, pension coverage, commuting mileage, and the number of hours the sample member was unemployed. Unfortunately, the information on pension in early interviewing years of the PSID was not adequate to use as a continuous variable. The commuting mileage is included because, especially in

Figure 2  
Description of Explanatory Variables

Variable	Time dependency	Description
<i>Economic resources</i> Economic level at T0	Time constant	1: 0-8th grade; 2: 9th-12th grade; 3: 13th grade or higher 0: Does not own; 1: own
Homeownership at T0	Time constant	0: no; 1: yes
<i>Health Status</i> Presence of disability at each observation year	Time varying	1: Professional/managerial/administrative; 2: Clerk/sales/service; 3: laborer or other
<i>Occupational characteristics</i> Occupation at T0	Time constant	

Pension coverage at T0	Time constant	0: Not covered; 1: covered (for those who do not have the coverage information, pension received after retirement was adopted: 0: less than \$100 a year in 1987 dollars; 1: \$100 or more)
Commuting mileage in the year prior to each observation year	Time varying	Each way to work
Annual amount of time unemployed in the year prior to each observation year	Time varying	In hours
<i>Work attitude</i>		
Work attitude in the year prior to each observation year	Time varying	Stated, "would have preferred to work less even if less money"; 0: other; 1: yes

cities where most of the sample members are likely to work, it is often a primary source of daily work-related hassles which are likely to affect both the physical and mental health of an older worker.

The work attitude variable is based on the annual interview question which probes whether the sample member would have preferred less work in the previous year even if he would have received less money. It is believed that, other things being equal, those who answer the question affirmatively are more likely to choose retirement over work. The relationship between the dependent variable and the work attitude variable, when the other variables are controlled, may thus help us understand whether a desire for leisure is an important reason for retirement.

The logistic model specifies how the log odd of retirement among those at risk of retiring at a given time depends on these explanatory variables. So, the number of cases entered in the model is equal to the number of person years or the cumulative number of sample members who still faced the risk of retirement at each successive study period, T1 through T7. If we denote the hazard of retirement by  $P(t)$ , the probability that an individual will retire at time  $t$ , given that the individual is still at risk of retiring at the time, the logit model is written as follows:

$$\log (P(t)/(1-P(t))) = a + b_1X_1 + b_2X_2(t),$$

where  $X_1$  is a vector of time-constant explanatory variables,  $X_2$  is a vector of time-varying explanatory variables, and  $b_1$  and  $b_2$  denote the change in the logit (log odds) for each one-unit change in  $X_1$  and  $X_2$ . The log-odd coefficients of categorical and dichotomous explanatory variables—level of education, types of occupation, homeownership, disability status, pension coverage, work attitude, and race—represent the comparative effect of each category to the effect of a reference category. The log-odd coefficients of each explanatory variable can be easily converted to odds and probabilities by taking antilogs. But, because the logistic model is nonlinear in odds and probabilities, as opposed to log odds, the size of the effect in terms of odds and probabilities depends on where it is measured.

### Findings

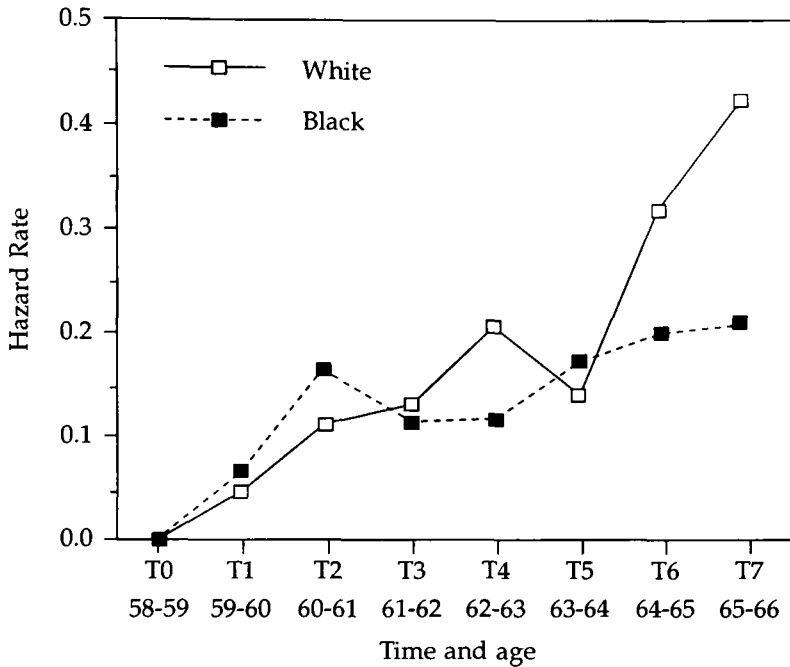
*Timing of retirement.* As shown in Table 2 and Fig. 3, the estimated hazard rates of retirement of the two groups are quite different. (The larger the coefficient of the hazard rate, the higher the likelihood of retirement.) For white males, the hazard rate rose continuously, marking a minor peak at T4 (sample ages 62–63), but going down briefly at T5, to increase again at T6. It should be noted that T4 coincides with the eligibility for social security early retirement benefits. For black males, the minor peak was reached at T2 (sample ages 60–61), but the overall increment in hazard rates was much smoother than that for white males. As a consequence, the cumulative proportion of surviving—the proportion of those who are still working—for black workers at T7 was higher than that for white workers. Thus, it shows that black males who continue to work into their 60s are less likely to retire than are their white counterparts.

*Factors associated with retirement.* The results of the logistic regression for all sample members clearly show that race was not a significant determining factor of the retirement of older male workers. Other things being equal, black older male workers were neither more nor less likely to retire than white older male workers. The significant determinants of retirement for all these people were the presence of a disabling condition(s) and work attitudes. That is, those who indicated that they had any disabling condition(s) and those who expressed preference for leisure to work in the previous year were more likely to retire than those who did not.

As for white males alone, the disability status and work attitude also turned out to be significant determinants. As for black males alone, however, the work attitude was insignificant, whereas, in addition to the disability status, homeownership, 9–12 years of education, types of occupation, length of unemployment, and commuting mileage were. That is, homeowners were less likely to retire than renters, and those who had 9–12 years of education were more likely to retire than those who had 13 or more years of education. Those who had worked in professional, administrative, or managerial positions were much less likely to retire than those who had worked as



Figure 3

*Racial Differences in the Estimated Hazard Rates of Retirement*

laborers and others, while those who had worked in clerical, sales, or service positions were more likely to retire than the laborers and others. A further analysis in fact indicated that the hourly earnings of those in clerical, sales, or service jobs were significantly lower than the hourly earnings of those in the other categories (\$7.05 versus \$11.09 for laborers/others and \$17.58 for professionals, administrators, or managers,  $p < .001$ ). Thus, the significance of homeownership and types of occupation implies that black male workers who are in upper economic strata tend to delay their retirement as compared to those in lower economic strata. The positive correlation between the number of



Table 3

*Racial Differences in Factors Associated with Retirement: Weighted ML logistic Regression Coefficients*

<i>Variable</i>	<i>All B (SE)</i>	<i>White B (SE)</i>	<i>Black B (SE)</i>
Constant	-2.952*** (.477)	-2.722*** (.522)	-5.184 (5.290)
Race (white)	-.112 (.139)		
Level of education			
0-8th grade	.155 (.102)	.134 (.119)	-.045 (.303)
9th-12th grade	-.018 (.985)	-.021 (.110)	.604* (.332)
Homeownership	-.052 (.099)	.108 (.117)	-.434**
Disability status	.384*** (.076)	.385*** (.089)	.835 (.184)
Occupation			
Prof/admin/manag.	-.067 (.105)	-.045 (.120)	-1.308*** (.419)
Clerk/sales/service	-.107 (.108)	-.137 (.126)	.560*** (.327)
Pension coverage	-.091 (.067)	-.028 (.078)	-.183 (.181)
Commuting mileage	-.003 (.007)	-.009 (.009)	.060*** (.014)
Annual hours of unemployment	.000 (.000)	4.8E-05 (.001)	.001*** (.000)
Work attitude	1.387 (.453)	1.355*** (.509)	2.432 (5.290)
-2log L.R.			
Model Chi-square (df)	59.47 (11)	43.32 (10)	68.18 (10)
<i>p</i> <	.0001	.0001	.0001
Goodness of fit	.723	.690	.933

\**p*<.10; \*\**p*<.05; \*\*\**p*<.01

unemployed hours and retirement is also supportive of the higher likelihood of retirement among those who are in lower economic strata. Although the significance of unemployed hours was expected especially because of our definition of retirement, it should be noted that the same variable was not significant for white workers. The most interesting of all, however, is the significant positive correlation between commuting mileage and the likelihood of retirement. Although there was no significant racial difference in commuting mileage, the mileage explained a large amount of variance of black retirement only.

### Discussion and Summary

As for the timing of retirement, comparison between white and black males shows that the hazard rates of retirement for blacks up to ages 60–61 are higher than that for whites, but after that it is generally lower than that for whites. Apparently, there exists a momentum for black male workers when those who want to or are forced to retire early actually retire before, on or soon after they turned 60. But those who do not retire this early appear to maintain a fairly low level of exit from the labor market until they reach or pass age 65. On the other hand, the timing of white male retirement appears to be influenced, to a certain extent, by the availability of Social Security early retirement benefits. The retirement tide is noticeably high when they are 62–63 years old, drops the following year, then keeps rising sharply thereafter.

Though interesting, the above findings are in congruence with the findings of previous studies which showed that black men are not more likely to retire early than are white men while functionally capable. What this study adds to the existing body of knowledge is that black men who share similar work histories and family responsibilities (household headship) with white men are in fact more likely to keep working into their old age than are their white counterparts. Another important implication of this study is that the early retirement of black men is less likely to have been encouraged by the Social Security early retirement benefits than that of white men. When black men retire early, they do so before they are eligible for the Social Security

early retirement benefits (or pension benefits as indicated by the multivariate analysis). Thus, the early retirement of black men appears to be influenced more by disability, unemployment, or certain occupational characteristics which are beyond their control than by their own desire for leisure and availability of retirement income. The involuntary nature of black men's early retirement, as compared to the voluntary nature of white men's early retirement, needs to be recognized in the future research.

Although race itself is not a significant determinant of retirement when other variables are controlled, the separate logistic regression analyses of factors associated with the retirement of whites and blacks show that there are more differences than similarities between these two groups. The sole similarity between the two is the positive association between their retirement and disability, which explains the largest amount of variance for both whites and blacks. Thus, health status is again confirmed to be the most significant as well as common predictor of retirement of black and white workers. Although the validity of self-reported assessment of health status as a reason for retirement has been a matter of controversy (Muller & Boaz, 1988), it should be noted that the PSID sample was not probed to answer the specific question regarding disability status in lieu of their retirement. Therefore, the response is judged to be more spontaneous than in the case of other surveys of retirement behaviors in which people tended to mention poor health as a socially desirable reason for their retirement.

The differences between whites and blacks are more noticeable than the sole similarity. For example, good jobs with prestige and/or high pays apparently kept older black men at work, whereas they did not make any difference among whites. Unemployment in the previous year kept blacks away from the world of work, either voluntarily or involuntarily, while it did not affect whites. (In fact, those who experienced unemployment in the previous year might have been still unemployed, but are regarded in this analysis as retired.) Black homeowners, who are more likely to be represented by those who had higher education and held good jobs, were also less likely to retire than black renters, whereas homeownership had nothing to do with the retirement of white men. Black older male workers who travel a

longer distance to work are also more likely to retire. Why it affects black males more than white males is not clear, except that such a hassle and cost of commuting are likely to aggravate the blacks' work situation, which is already worse than the whites' because of lower wages and often a less amenable work environment. These findings from the multivariate analyses, together with those from the analysis of the hazard rates, certainly confirm what previous studies of black retirement have shown. That is, black men at the lower end of the economic strata are more likely to retire than are black men at the higher end of the economic strata.

The insignificance of white males' types of occupation (even in the absence of the education variable) has been previously found by many studies, whereas the insignificance of pension coverage is contradictory to some previous findings. It is possible that the eligibility for the Social Security benefits, as suggested by the timing of retirement, along with a pension rather than the availability of a pension alone might influence the decision to retire. Also, the pension variable for older cohorts is not so accurate as it should be, because the PSID collected information on occupational pensions only intermittently prior to 1984. The most interesting finding with respect to white males, however, is the relationship between work attitude and retirement. The findings indicate that, other things being equal, those who appear to be tired of working are more likely to retire than those who have positive attitude toward work. Thus, desire for leisure, in conjunction with the eligibility for the Social Security early retirement benefits (as shown by the hazard rate), is judged to influence white males' retirement decision.

Overall, this analysis shows that, contrary to some previous findings, the retirement of black males is associated with a wider variety of factors than that of white males. It is true that blacks, in general, might have fewer options for retirement than whites (see Fillenbaum et al., 1985). Previous findings have also indicated that quite different factors affect middle-class black retirement than poor black retirement (Gibson, 1987). But, in general, blacks contain a lower degree of within-group differences in preretirement status than do whites. Although the gap between the black middle class and black poor has been

increasing (due to the increasing assimilation of the black middle class with the white middle class in contrast to the residualization of the black poor), the homogeneity within blacks in their income and occupational status is still greater than that within whites. For example, as shown in Table 1, unlike the white male sample almost 60% of the black male samples are concentrated in clerical/sales/service jobs. This higher level of homogeneity with the black samples may well be the source of the inflated statistical association between variables.

In conclusion, the separate analyses of the timing and determinants of the retirement of black and white males with similar work histories indicate that there are important racial differences. Above all, however, black early retirees, as compared to white early retirees, are more likely to be the ones who appear to have little economic protection in their retirement. Therefore, it is recommended that future retirement income policies address the plight of these black retirees.

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