

Lies We Tell Ourselves About Retirement

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We may not want to admit it, but our own beliefs are often the biggest obstacle in the journey to financial freedom. Sometimes our own behaviors make it more difficult for us to achieve a financially secure retirement. Here are a few lies you may be telling yourself that are preventing you from reaching a comfortable retirement:

Everybody works until full retirement age. In recent years there has been a surge in the proportion of people who expect to work past 65, but the reality is that a significant number of people will stop working well before the traditional retirement age. Whether it's due to choice or a disability that prevents mature employees from being able to endure the daily grind, more than a few individuals will stop working well before age 65. Not everyone gets to choose when they enter their retirement years.

The Joneses have everything. It may seem like everybody else is able to go out to buy whatever they want while you barely scrape by, but that's probably not the case. You may be concentrating solely on what they just bought versus their total budget. Bill may have a brand new car, but perhaps he doesn't eat out much. Perhaps Sandy spends a few hundred dollars on fine wine, but she may not spend much on clothes. Retirement savers are spending too, but their focus is on building a nest egg. If you want to have a comfortable retirement, you need to make saving for it a priority.

There's a secret to investing that I don't know about yet. There may turn out to be a secret investing formula, but the odds of finding the holy grail are so slim that it doesn't make economic sense to pursue the hunt. Stick to the boring but effective strategy of saving early and often, watch investing fees, and pick an asset allocation plan where you can stay the course when the market inevitably takes a dive. This will give you a much better chance at living a comfortable retirement than trying to pick winning investments.

I can always save later, so why start now? This may be true, but there are few things in life more comforting than being financially free. Start saving as soon as possible, and you'll become financially independent sooner. When you do, you'll notice that your stress level will decrease. This could help not only with your relationships to others, but also your work performance, possibly helping you to increase your income.

It's too late to save, so let's not even try. It doesn't matter how old you are, because putting money aside for retirement is always a step in the right direction. Put some effort into saving money and you may find that reducing your expenses might be easier than you first thought. The more you have saved up, the more you get to spend in your golden years.

Money is safe in a bank account. Too many people have the illusion that money is safe as long as the balance doesn't go down, but the reality is that inflation will eat into your purchasing power unless you learn how to properly manage and invest your wealth. Those who put all their money in a savings account may not experience the volatility that comes with different investments, but they are sure to be able to afford less and less as years go by, which is a real threat too.

Our false beliefs about money can often get in the way of our investment growth. But if you can overcome these common obstacles you will be on a better path toward financial freedom.

David Ning runs MoneyNing, a personal finance site that shares money moves you can make to significantly increase your chances of having a comfortable retirement. He likes to share simple changes that anyone can make, such as picking the best online savings account and figuring out whether a 0 percent balance transfer credit card makes sense.