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## **A plan to eliminate poverty for all retirees**

*New proposal eliminates retirement income inequity  
for all future generations of Americans*

**GLASSBORO, New Jersey – February 1, 2021** – Ric Edelman, Distinguished Lecturer at Rowan University and one of the most acclaimed financial advisors in the nation, today released a proposal that eliminates poverty in retirement for all future generations of Americans.

Called **RISE** (Retirement Income Security for Everyone), Edelman’s proposal is permanent and completely self-funding, with no financial support needed by Congress or taxpayers. Instead, the U.S. Treasury Department would sell one RISE Savings Bond for each baby born in America each year. The money would be managed as determined by Congress.

Under Edelman’s proposal, each RISE Bond of \$5,884 would be redeemed in 20 years, just like other U.S. Savings Bonds. Redemptions and the program’s administrative expenses would be funded by the program itself so there would be no cost to the government or taxpayers.

In 70 years, the now-retired babies would each begin receiving monthly income through age 100. Each baby would receive enough income to place them at the median income of all U.S. households. Every child would receive benefits from RISE, and those born into lower-income households would receive more than those born into higher-income households.

“RISE eliminates poverty in retirement for all future generations of Americans,” said Edelman, who founded Edelman Financial Engines, the largest independent financial planning and investment management firm in the nation, managing \$260 billion for 1.2 million American families. Several industry publications have called Edelman one of the most influential thought leaders in the financial services field, and he was named the country’s #1 Independent Financial Advisor three times by *Barron’s*.

“The key to RISE is seven decades of compound growth,” Edelman said. He noted that only one person—Benjamin Franklin—ever applied the principle of compounding to such long periods.

“Benjamin Franklin gave money to the cities of Boston and Philadelphia,” Edelman noted, “with the stipulation that they not touch the money for 100 years. His foresight produced huge financial support to both cities.” Edelman wrote about [Benjamin Franklin’s will](#) to illustrate how small donations can become worth many millions of dollars after many decades of growth.

“A one-time funding of \$5,884 at birth is enough to give each retiree \$120,000 in annual income starting at age 70,” Edelman said. By contrast, the average worker will spend more than \$420,000 contributing to a 401(k) and Social Security – yet will receive less income in retirement than RISE provides, he noted.

“That’s because workers only save for three or four decades. By letting money grow for seven decades, RISE unleashes the true long-term power of compounding,” Edelman explained.

Millions of retirees enter retirement with insufficient savings because they don’t earn enough money to save, he said. Since 1970, incomes for the top 5% of households have more than doubled, while incomes for the bottom fifth of households fell 15%, according to the Pew Research Center.<sup>1</sup> As a result, upper-income families by 2016 had 75 times more wealth than the lowest-income families – up from 28 times in 1983.

“RISE is an important plan to supplement Social Security for future generations to ensure safe and secure retirements, especially for lower income Americans, by starting to fund retirement at birth,” said James Lockhart III, Former Deputy Commissioner and Chief Operating Officer of the Social Security Administration. “The funding mechanism is a very innovative approach that should be explored.”

“We owe it to the youngest among us to provide paths to financial security in old age and RISE represents exactly the kind of out-of-the-box thinking we need,” said Laura L. Carstensen, Ph.D., Fairleigh S. Dickinson Jr. Professor in Public Policy and Director of Stanford University’s Center on Longevity.

“This is the time for big ideas,” said Paul Irving, Chairman of the Milken Institute Center for the Future of Aging. “RISE is a bold plan to ensure that every American child can look forward to a financially secure retirement. RISE offers the opportunity to narrow gaps and change the financial futures of future American generations.”

“This innovative proposal to help reduce poverty and income inequality in the U.S. can be elegantly put into use to benefit the society at large,” said Ihsan Isik, Ph.D., Professor of International Banking and Finance in Rowan University’s William G. Rohrer College of Business.

Jason Grumet, Founder and President of the Bipartisan Policy Center, said, “As the country grapples with the twin challenges of retirement security and inequality, innovative ideas like RISE are needed to address retirement security for all.”

RISE is a permanent and completely self-funding way to ensure that all future generations of Americans enjoy a financially secure retirement.

Read the proposal and FAQs at [www.WeCanRise.com](http://www.WeCanRise.com).

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<sup>1</sup> <https://www.pewsocialtrends.org/2020/01/09/trends-in-income-and-wealth-inequality/>