EDITOR'S NOTE

Robert J. Powell III

The *Retirement Management Journal* (*RMJ*) mandate is to expand the body of retirement-income planning knowledge and expose our readers to cutting-edge research. That mandate requires us to challenge conventional wisdom.

We do just that with this issue of *RMJ*, beginning with our "Visionaries Series" discussion with Alicia Munnell, who has been challenging conventional wisdom for many years. Munnell is director of the Center for Retirement Research at Boston College, and earlier this year we spoke with her about the challenges of addressing retirement policy as well as practical steps advisors can take to help support clients in retirement. Spoiler alert: Munnell calls for Social Security to be fully funded and 401(k) plans to work better, and she also says people need to work longer and use their houses to fund their retirements. But those, she said, are not problems for which we need revolutionary solutions.

In "Chaos and Retirement Income," James Sandidge explains why accumulating wealth is a linear process and distributing wealth is a nonlinear process governed by the principles of chaos. Sandidge makes the case that retirement income is more about preparing rather than predicting. Retirees, he writes, should prepare for the worst and then adapt.

Next, in "The Case for Longevity-Indexed Variable Expiration (LIVE) Bonds," Arun Muralidhar proposes that governments should create LIVE bonds that would benefit individuals who want a low-cost and liquid longevity hedge with the ability to bequeath balances upon death.

In "Sequence of Returns Risk Reconsidered," Patrick Collins and Josh Stampfli explore the reasons why sequence risk exists throughout the planning horizon and why it can be particularly acute at the end of an investor's life. Given the nature of this risk, the authors write, prudent asset management benefits from developing appropriate risk metrics and implementing credible monitoring, evaluation, and communication procedures.

When we talk about challenging conventional wisdom, we think that a paper titled "Hedging Against Inflation Risk with Real Annuities" is the perfect example. Dirk Cotton, author of *The Retirement Café* blog, and Zvi Bodie, a professor emeritus at Boston University, argue that CPI-adjusted annuities hedge inflation rather than insure against it, and purchasing a nominal annuity is a speculative bet on future inflation rates. This issue also includes Anna Rappaport's review of the book, *How Persistent Low Returns Will Shape Saving and Retirement*. And don't miss a new feature: reviews of retirement-focused research papers published in other journals that merit our attention.

On behalf of the *RMJ* managing editor, Debbie Nochlin, and all those who helped create this issue, thank you for helping us expand the body of knowledge and challenge conventional wisdom. As always, we welcome your comments, suggestions, and critiques, and your submissions.

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