

MarketWatch

Early Retirement vs. Your Mental Health

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The FIRE movement focuses on finances, but not so much on emotional well-being

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Jordan, a physician from Illinois, earned a fat paycheck, was frugal and had real-estate investments — a perfect candidate for early retirement, some might say.

When he learned about the FIRE movement, short for “Financial Independence, Retire Early,” Jordan knew his savings were enough to quit a practice that was slowly burning him out. But the idea of being financially independent made him anxious. Jordan felt he would not only be leaving a job, but the identity of a doctor that he worked so hard to build.

“I knew I was getting tired of it, but it was never a reality to stop being a physician and start being something else,” said Jordan, who prefers to be called by his alias Doc G and blogs at [DiverseFi](#). Because he never envisioned a world where he wasn’t a physician, the option of quitting work made him “scared, worried and anxious.”

See: [Anyone with disposable income can retire early, this filmmaker says](#)

Having enough money in the bank and the potential to never work an office job again excites many people on the journey to FIRE, but they often overlook the possible downsides.

To combat these feelings, Jordan chose to slowly transition out of his scrubs and into the field of public speaking, instead of giving up his practice all at once.

FIRE has been gaining a lot of traction on social media. From Reddit threads to Facebook groups, the community of individuals scouring the internet for saving hacks, investing tips and simple calculations to retire well before they hit 65 has grown considerably. Some people cut out all the non-necessities

from their budgets, downsize their homes and work extra jobs to save enough. Others pick up investment books and read through personal finance bloggers' posts **looking for the right figure** before they call it quits.

FIRE bloggers write about the challenges and trade-offs associated with pursuing financial independence — the skipped happy hours, the rice and beans in lieu of take-out dinners and delaying a vacation or two — but not everyone opens up as quickly about the impact on one's mental health, before or after achieving it.

Anxiety and self-doubt

In his blog **MadFientist**, Brandon talks about how he grappled with feelings of self-doubt and apprehension in the year before he hit financial independence. He worried about whether quitting a great-paying job was the right segue to his other life goals.

"I always assumed after 'FI' [financial independence] I would become an entrepreneur," said Brandon. "But to be honest, most of the business ideas I had just weren't appealing to me after 'FI' anymore because money wasn't a motivating factor."

Anxiety, one of the lesser-known aspects of FIRE, plays a prominent role in this movement. So, while retiring early with hundreds of thousands of dollars (or more) saved sounds great, it's common for anxiety to creep in when you don't have too many people retiring around you, said Brad Klontz, author of "**Mind Over Money**" and co-founder of the Financial Psychology Institute. "In some ways, retiring at a standard age is easier."

Retirement at any age can shake a person up emotionally. Depression and binge drinking is common, as is **loneliness and deteriorating health**. Getting psychologically ready to shed the identity you have built over the years can be unnerving.

With FIRE, you take that emotional vulnerability and turn it up a notch. Going against the classic tide of life can add in a lot more worry: concerns about running out of money, doubts of making the right choices and fears of no longer being useful to the world. Not to mention the "I-told-you-so's" from unsupportive friends and family members if your plan fails.

Read: How to deal with the haters who don't support your early-retirement dreams

Tanja Hester, an early retiree who achieved financial independence a little over a year ago (and MarketWatch contributor), said she had these thoughts on her journey. "A lot of anxiety was over our savings — was it enough?"

Hester said. “We did act on the anxiety and made sure we saved, as some people would say, more than what we needed.”

Don't miss: This couple is one year away from having enough money to retire early — here's what they did

Apart from the degree of emotional vulnerability, Hester, who is the author of the [Our Next Life blog](#) about early retirement and the book “Work Optional,” pointed out another key differentiator between the early retirement and retiring at a traditional age.

“Mental health and sense of loss are similar but traditional retirement comes with benefits such as Social Security and Medicare!”

Your health over financial security

Klontz says FIRE followers often fall into an existential crisis by focusing more on financial security instead of planning what their lives will look like when they have financial independence. “Part of what you need to think about is what psychological needs are being met at work.”

His one advice for FIRE pursuants is to start early thinking about ways to replace that feeling of belonging and the social engagement they find at work.

Jordan and Brandon wrestled with their own unique fears and anxiety, but both swear by one rescue tactic — dropping money as a factor. “We have to start looking at what our true identity and purpose are and what type of connections in the world are important to us,” said Jordan.

Think big picture

While immediate gratification after FIRE might seem fulfilling, it is short-lived. Passion and purpose are the main drivers of enjoyment once the long vacation plans are accomplished.

Klontz believes in going long and creating a detailed vision after accomplishing FIRE. “Think about year 5,10, 25,” said Klontz. “Everyone has a list for the six months, very few people have a plan for what they are going to do after their vacation.”

Find your identity through discipline

While FIRE might seem like a journey toward a life of no restraint, Brandon who achieved financial independence in 2014 says following a routine and being disciplined makes him feel like he's making progress.

Bart Brewer, a financial adviser, believes in the same philosophy to prevent yourself from being a victim of restlessness after FIRE. "People who retire early typically have been focused and disciplined to be able to get there," said Brewer. "That same focus and discipline will be required afterward — especially if one is considering serving a purpose greater than themselves"