(Reuters) - Are you going to retire in poverty?

Today's seniors are more affluent than the general population. But the generations that follow them - starting with the baby boom generation - will not be as fortunate. The decline of pensions, the erosion of Social Security and the housing crash all are pointing toward a new crisis of poverty among lower- and middle-class seniors in the years ahead.

Social Security and pensions, in particular, have been the two most important factors in keeping seniors out of poverty for decades. Both provide reliable, guaranteed income sources for life. And home equity has been an important fall-back source of assets that can be tapped in retirement. That is because seniors typically have more equity built up in their homes than younger homeowners and carry less debt into retirement.

Indeed, the poverty rate for seniors in 2010 (the most recent year available) was just 9 percent, compared with 15 percent for the general U.S. population.

But the economic safety net is fraying quickly.

As recently as 1998, 52 percent of Americans over age 60 received income from a defined benefit pension, according to a new study by the National Institute on Retirement Security (NIRS). By 2010, that figure had fallen to 43 percent. In the private sector, the decline has been more dramatic - down from 38 percent in 1979 to 15 percent in 2010.

The erosion is continuing, with automotive giants General Motors Co and Ford Motor Co announcing plans to terminate pension plans for hundreds of thousands of retirees, and public sector plans facing financial pressure to increase funding levels and curtail benefits.

How important are defined benefit pensions in keeping seniors out of poverty? The study - which is based on U.S. Census Bureau data - found poverty rates were nine times greater in 2010 in households without defined benefit pension income. Pensions resulted in 4.7 million fewer poor or "near poor" families and 1.2 million fewer families on various forms of public assistance.

Pensions are most important to middle- and lower-income families. NIRS found that more than half of households over age 60 receive pension income.

"We were surprised by the steep drop in income from pensions," said Diane Oakley, executive director of NIRS. "This can only accelerate as more boomers retire without pensions in the years ahead."

Social Security plays an even more universal role in keeping seniors out of poverty. The Center on Budget and Policy Priorities estimates that 45 percent of Americans over 65 would fall below the government's official poverty line if they did not receive Social Security benefits. According to the

While Washington debates whether we should sacrifice Social Security benefits to deficit reduction, most people do not realize benefits already have been cut substantially. That occurred in the reform package passed in 1983, which set in motion a gradual increase in the age when seniors could file for full benefits - the so-called Normal Retirement Age (NRA). The NRA is rising from 65 to 67 for people reaching that age in 2022. At that point, monthly benefits will be about 13 percent smaller than if the retirement age had remained at 65, according to the National Academy of Social Insurance.

The main reason: a higher NRA translates into a benefit cut for everyone - no matter when you retire. That is because it raises the bar on how long you must wait to receive a full benefit.

What about our system of tax-advantaged retirement savings - chiefly 401(k) and Individual Retirement Accounts (IRAs)? Will they come to the rescue? Perhaps for affluent households. But they are just not getting the job done for the vast middle.

Just 14 percent of households report they expect to have enough money to live comfortably in retirement, according to the Employee Benefit Research Institute. Sixty percent of households tell EBRI that the total value of their savings and investments - excluding their homes - is less than $25,000.

It is striking just how little attention is paid in Washington to the looming retirement crisis. Alongside the decline of pensions and Social Security, seniors face rising healthcare costs and the possible weakening of Medicare if it is converted to a defined contribution "premium support" as advocated by the Republican-controlled House of Representatives.

Likewise, seniors have seen their home equity drained by the housing crash. The AARP Public Policy Institute reported recently that 3.5 million homeowners over age 50 are "underwater" on their mortgages, meaning they owe more than their properties are worth. Seniors are carrying more debt into retirement and have less flexibility to tap home equity to meet expenses.

The only viable solution for seniors without savings will be to work longer - a great strategy if you can pull it off. Working longer allows you to delay Social Security filings, adding substantially to annual benefits down the road.

Social Security benefits are calculated using a formula called the primary insurance amount, or PIA. Seniors who wait to start receiving Social Security until their full retirement age (currently 66) receive 100 percent of PIA. Take benefits at 62, the first year of eligibility, and you will get only 75 percent of PIA. By waiting until age 70, you receive 132 percent of the PIA - nearly double the monthly income for the rest of your life. Those benefits are enhanced by an annual cost-of-living adjustment, which is added back in for any years of delayed filing.

Employee Benefit Research Institute (EBRI) found that 50 percent of retirees left the work force earlier than planned this year. The reasons cited included health problems or disability (51 percent); changes at their company, such as downsizing or closure (21 percent); or having to care for a spouse or another family member (19 percent).

A range of modest policy ideas to address the looming retirement crisis has been rattling around in policymaking circles for several years. Examples include the Automatic IRA (requiring employers who do not sponsor a pension plan to automatically enroll employees in an IRA); expanded saver's credits for lower- and middle-income workers; and expanded catch-up contributions to IRAs.

The Obama administration is pushing a set of policy changes aimed at encouraging use of commercial annuities within workplace accounts as a way of plugging the guaranteed income gap - an idea that can work for those who have actually accumulated savings.

Bolder ideas have been percolating at the local level. Several states are considering innovative ways to replace the decline in pensions by creating new hybrid cash balance pension plans.

In California this month, lawmakers will consider a proposal to create a Secure Choice Retirement Savings Plan, which would allow private employers to set up pension plans for their employees using the infrastructure of the state's public sector plan. Contributions would be made through payroll deductions, and the plans would use a cash balance model, where participant benefits would be expressed as a virtual account balance and converted to monthly annuity payments at retirement.

And last week, Senator Tom Harkin, who chairs the U.S. Senate Committee on Health, Education, Labor & Pensions, laid out a similar concept for a hybrid workplace cash balance pension model at the national level. Harkin's plan would call for mandatory participation by employers who do not offer a minimum level of retirement benefit via automatic payroll deduction.

"We ought to be talking about this," Harkin told reporters on a conference call. "It's a crisis in our society."