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Subject: Re: Social Security

Posted by [Dean Kukral](#) on Fri, 14 Jan 2005 04:04:54 GMT

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I just read in the AARP newspaper some suggestions on how to "Save" SS. It is interesting that the author starts out by noting that the workbase/retiree ratio is shrinking, then proceeds to give several "solutions," which do not actually address this problem. There is one - and ONLY one - way to keep social security. That is "means testing." In the future, retirees at a certain income level will start having the ss income decreased. At a higher income level, they will get none at all. Thus, the ratio of workers/recipients can be made as large as necessary. The poorest will still get ss, and the more comfortable will not. All the present "solutions" involve putting more money in. That would be ok if the money were actually being invested. But it is not. All that ss has is IOU's from the government. Those IOU's will be worthless if there are no workers to pay them off. Those of you who live long enough will see. (Well, there is another possible solution. We could get more and more immigrants (mostly from the south) so that the young population will keep growing in proportion to the older recipients. That could happen if we do not run out of energy and other natural resources.) Bush's "private investment accounts" is simply one way of accomplishing means testing with fewer expectations and less pain. Those who invest "wisely" now will not be getting any social security income, because they will be among the upper-income retirees. It goes along well with the spirit of ss, that it is mainly for the poorest people. For the rest (now, but not in the future) it is just one leg of the retirement tripod along with savings and private retirement plans.

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