
Subject: Sun Microsystems

Posted by [Manualblock](#) on Thu, 01 Jun 2006 15:04:00 GMT

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5000 people laid off from good jobs. But the Marriott Hotel chain has hired a lot of new busboys lately. So; how's the economy?

Subject: Re: Sun Microsystems

Posted by [Wayne Parham](#) on Fri, 02 Jun 2006 14:51:22 GMT

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Sun makes powerful and expensive systems. Companies are migrating in droves to Linux on cheaper hardware. Same thing happened 10-12 years ago to Data General and Digital Equipment Corp.

Subject: Re: Sun Microsystems

Posted by [Manualblock](#) on Fri, 02 Jun 2006 15:19:12 GMT

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CA just announced it is dropping it's 401K contributions. Big company so I would assume that the rest will follow suit. My question,(and I'm sure there won't be an answer,) is what kind of horrendous tax package will they need to pass in twenty years to support all the gen x's who had no time to save for retirement and get nothing from their jobs? I know i sound like a crank but people really need to come down to reality and look at the situation here. The percentage of guys with jobs and companies they run profitably in their spare time is pretty small; most have families and responsibilities; so the guys who built up a good saving's; they will need to tap into you guys to pay for the underfunded retirements.No other way. And working until you are seventy? where? In the places that are now filling up with the immigrants who are supposedly doing the jobs "americans won't do?"Sun is just a diversion; they want to rid this country of high salaries and we are letting them.I got mine so I don't worry, but I would if I was many others.

Subject: Re: Sun Microsystems

Posted by [Wayne Parham](#) on Fri, 02 Jun 2006 17:11:14 GMT

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You get what you pay for; You earn what you work for. Any other "system" ultimately fails.

Subject: Re: Sun Microsystems
Posted by [Manualblock](#) on Fri, 02 Jun 2006 17:20:37 GMT
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Call me at retirement time. Let me know how well you're doing. And since when did we not pay for Social Security? I paid every week; don't know how you got away with out paying.

Subject: Re: Sun Microsystems
Posted by [Wayne Parham](#) on Fri, 02 Jun 2006 19:17:20 GMT
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Social Security is a transfer fund, so it can only work if the population grows or at least stays the same. If population shrinks, then either the people paying have to pay more or the people drawing have to take less.

Subject: Re: Sun Microsystems
Posted by [Manualblock](#) on Fri, 02 Jun 2006 19:31:21 GMT
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I know that; you forgot two things; it is designed to take advantage of the net gains realised with an increase in productivity which is what drives the whole program. As productivity per man hour increases it covers the shortfall in contributions. And the increase in value added asset acquisition; ie interest on investments. Social Security works like any insurance policy works; just like your car insurance policy. The powers that be want you to focus on the two simplistic arguments while disregarding the real concept behind the program. That still doesn't answer the big question which is what you plan to do with those who don't or can't save enough to support themselves in retirement. Do we let them starve? No; we impose hienous taxes on those who have saved to pay for their retirement to salvage the less able ones. Thats what is going to happen.

Subject: Re: Sun Microsystems
Posted by [Wayne Parham](#) on Sat, 03 Jun 2006 19:20:07 GMT
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Insurance is based on statistical analysis, charging a group of people fees based on analysis that a small proportion will need to take a claim. It is designed to cover its liabilities and also generate a profit. For Social Security to work that way, more have to pay in than receive claims. This only works if the population is growing, or if those needing payments take less or die off.

Subject: Re: Sun Microsystems
Posted by [Manualblock](#) on Sat, 03 Jun 2006 22:11:33 GMT
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It's an actuarial funding scheme. It relies on the increase in productivity/the compound interest earned and the increase in monetary value. As people age who are collecting the value of their check compared to the value of money decreases. Even though you get a COLA it maintains the value of your entitlement at what it was when you retired. Meanwhile the tier two maximum deduction amount goes up every year and the salaries of payees increases. So say you retired in 1980; the max payout then was about 960\$. with the COLA you would be getting about 1400\$ a month now. thats about 19,000 per year. Back in 1980 the average salary was about what; 22k\$ anually? Now the average salary is maybe 46K \$ but the people collecting SS are still getting checks based on when they retired. Thats how you can create a fund that will finance the future retirees; by looking down the road at inflation and productivity. It's a very good system that works but the honcho's want that money for the wealthy to invest instead of having it in the general fund. Still need to know how to support those who for whatever reason don't have anything saved.

Subject: Re: oops
Posted by [Manualblock](#) on Sat, 03 Jun 2006 23:54:53 GMT
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Sorry; I just realised I used the railroad retirement figures down below. See I never paid into SS so my figures are different than the usual SS numbers. Writing that reply I was on the fly and jotted down my numbers by mistake. Nevermind.... just disregard that lower post; although the concept is the same the numbers are off.
