

WHAT'S WRONG HERE?

By the number of e-mails I receive, almost daily, from all kinds of people, I believe most thinking people are truly concerned about what will really happen to Social Security. There are all kinds of information out there regarding this topic, some intelligent, some stupid, some true, some false, a lot of speculation; others are filled with scare tactics and some border on hysteria. I find it difficult to sort through all of it and I must admit I have never been a so-called "politico." My thoughts on the subject have been influenced by research for this paper. I'm still not sure what it's all about.

Is Social Security really bankrupt? Is it bankrupt because it paid out more than it took in? If that were the case, every company that has ever taken an annual operating loss would be bankrupt. That idea still doesn't help those who are genuinely concerned about the future.

I find it disconcerting to remember that all of our working lives we contributed to Social Security and our employers did also. What about Medicare? How long have we been pumping money into that system? And now the government, because it is running out of money, is referring to our benefits as "entitlements?" The government borrowed our money but that doesn't make our benefits some kind of charity or a handout. That brings up the question: why did the government borrow our money in the first place?

In a recent press conference, President Obama, in order to defend his budget proposal for fiscal year 2012 (that is, before it failed) said when asked about entitlement spending said: "The truth is Social Security is not the huge contributor to the deficit that the other entitlements are." In reality, closer to the truth is, the government is paying out \$45 billion more in benefits than it takes in.

An article by a writer for the *Atlanta Journal* maintains that the problem isn't the cash outflow of benefits that is draining the economy; it is political risk and structural inefficiency. The political risk is that the government will not politically be able to continue benefits at planned levels. People who are counting on those benefits for various reasons assumed that the benefits would be there. The structural inefficiency comes about, in part, because at one time people were encouraged to retire early. The retirement age may be raised, but that could take forever.

The pros and cons of this dilemma have filled volumes and fueled many heated debates and will continue to do so. With all the dancing around the subject, the deception, the cover ups and the downright trying to fool the public, we may never know in our lifetime.

If Social Security does run out any time in the future, the fact remains that the demographic that depends heavily on Social Security will certainly suffer if the benefits are not there. I won't matter that they have been begged, borrowed or stolen.