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English 11 D.E.

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Supposed Future Help

President Roosevelt signed the Social Security Act into action in 1935 to provide pension and unemployment benefits to people, but it may become depleted as soon as 2033 (“Key”). Social Security was supposed to be a reliable source of income for the retired or handicapped citizens of America. This national fund has been paid into by all who legally work in the United States. Every paycheck, no matter what, has social security tax deducted from it. This would build a well prepared fund for people after their working lives. Its reliability, however, is fading. Social security was supposed to provide a safe haven for retirees, families of diseased, and money to the poor, but its usefulness is vanishing. Privatization would be a much more effective use of the American tax dollars of social security since its current form is not salutary.

According to Columbus State Community College’s library database *Issues & Controversies. Facts On File News Services*, social security, as is, is near bankruptcy. In recent years, the fund has dwindled due to withdraw that is more than the deposited amount per year (“Social Security”). Many supporters of social security say the way to fix this problem is to increase taxes. This tax increase would help replenish the fund and help continue to keep millions out of poverty. While this sounds very promising, it comes with many side effects. Many Americans cannot afford to pay more in taxes.

Yes, this increase could save millions of people, but it would also devastate millions of people paying into it.

For the time being, young workers have been told to expect social security when they retire, but many know not to expect that. The article "Social Security," alludes to the fact that many youthful workers wish to pay taxes into a private retirement fund they can count on in their old age ("Social Security"). This may be the better route to go. By paying into a private fund, people would not have to worry about people "cheating the system," or people taking advantage of others' tax dollars.

Issues & Controversies. Facts On File News Services has an article entitled "2012 Presidential Race" that explains the hold-up of privatization for retirement funds. The article states

Obama attacked privatization as "an ill-conceived idea that would tie benefits to the whims of Wall Street traders and the ups and downs of the stock market." He called such a move risky, especially in light of the 2008 financial crisis: "I'd have thought, after being reminded how quickly the stock market can tumble, after seeing the wealth people worked a lifetime to earn wiped out in a matter of days, that no one would want to place bets with Social Security on Wall Street." ("2012").

A venturesome statement, though it may be, President Obama may be holding back America.

Obama has made it clear that he does not support privatization in multiple ways. Not only did he give this speech, but according to the *Issues & Controversies. Facts On File News Services* database, he also rejected ideas from former president

George Bush on the controversy (“2012”). It is expected that a reform this dramatic on social security will not be made for at least another four years due to the fact that President Obama has taken office a second time. President Obama according to “2012 Presidential Race,” wants to raise the age of acceptance into social security as one of the first steps to reform. This is a contribution on his part to account for the increase in longevity. America, and the rest of the world for that matter, has a record amount of elderly still alive (“2012”). The growth of elders has required more from the tax-paying workers. By increasing the age of acceptance, people have to work longer to get benefits, and there are not nearly as many people drawing from social security. This, however, is not a permanent fix. Medicine is getting better, and therefore, people will continue to live longer. The age of acceptance can only be raised so much until it reaches absurdity. At that point, privatization becomes the better option.

Topic Sentence

Longevity, however, is not the only reason to switch to privatization. The

Statement portion of SEE

economy has taken an extreme decline in recent years. According to “Social Security,” when the economy struggles, unemployment rates go up. Jobs get harder and harder to find as people are striving to gain as much money as possible to support their family. Companies also suffer hardships and sometimes go out of business.

1st E of SEE:
Evidence—
summary with
proper
introduction &
citation

This also means a loss in work availability. This lack of work force lessens the amount paid into social security (“Social Security”). The amount taken out, however, continues

2nd E of SEE:
Explanation/
Elaboration
portion for

to stay the same or even rise. “Social Security” also shows that due to the decline in the economy in recent years, a tax cut in 2009 that continued into 2011 took effect.

This was great for the currently employed. Workers were able to receive more in their salary, but this furthered the depletion of the trust fund (“Social Security”).

A simple way to stop this increasing dilemma, says officials recorded in *News Bank*, is to start social security through privatization. Privatization alone could stop the depletion of funds (“Privatization”). This social security option gives more emphasis on the word “security.” The money put into these private accounts would be virtually untouched by anyone other than person paying into it (“Social Security Debate”). The money would be guaranteed for use at retirement, or time of need. Each person would have their own account that they alone put money into. “Privatization would boost Social Security” proclaims that privatization would limit the threat of no money for the currently working class when they reach the age of retirement. Longevity would not matter (“Privatization”). Many of the detriments created from social security would be virtually nonexistent.

How confident would people be in their future if they knew they had something to rely on? According to an article in *News Bank*, attitudes caused from worry of finances would lessen. This alone could encourage people to boost the economy by spending extra money instead of worrying about what would happen after retirement. The spike in spending could have drastic changes such as economic boost. The economic boost might be just enough to push America out of its current recessive state (“Privatization”).

Privatization, however, does not compensate for all of the current financial issues arising from social security. Many Americans cannot afford much. Creating privatization, says *News Bank*, could potentially lower their financial stability currently controlled by the government through social security (“Social Security Debate”). Without the government’s control, people have to rely on themselves for a financial

plan after retirement. The *News Bank* illustrates that it seems many Americans do not know how to responsibly control their finances. This bit of a culture shock could have lasting side effects that do not benefit anyone or anything ("Social Security Debate").

Low income citizens may also pay a minimal amount into their own retirement fund and would have close to no money when the time for retirement comes around. "Social Security Debate Welcome" expresses that this would still result in elders and people unable to work depending on others for stability. Once again, frustration and overexertion seeps into the lives of the working class ("Social Security Debate"). This brings the situation at hand to the same place it was in the first place. It may, however, be better in the long run. Eventually, according to "Privatization would boost Social Security," families would have to create a more structured financial plan that will care for their needs. A better financial plan means more responsible citizens ("Privatization"). This responsibility could affect other areas of peoples' lives.

The benefits of social security may have run their course. Money may be better spent elsewhere. Privatization may prevail as a much more trustworthy system for managing the American tax dollars. Access would be granted only to the individual contributing money to the account. This system, though better than the currently operant system, is not without flaws. Many hard working people suffer from insufficient funds. This means less going into the account for less to be drawn out later. To make up for this, elders would have to call on their family and friends to help them survive. Still, pressure is put on the working class to help those in need. Privatization, although not perfect, would be a better way to manage the aiding money to retirees and people

who are incapable of working much better than the currently bankrupt system of social security active in America.