

We Can't Keep Meeting Like This: Time for Action, but What Action?

Presented by

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Dean

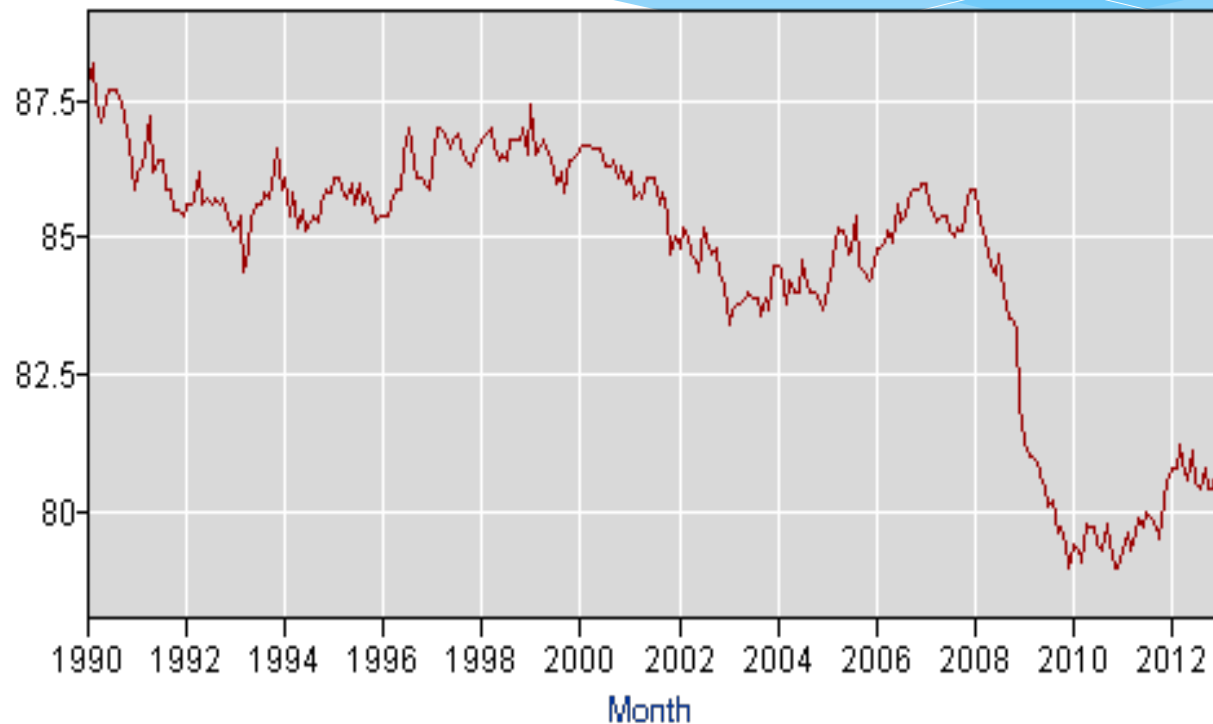
The Heller School for Social Policy and Management

Brandeis University

National Academy for Social Insurance 25th annual meeting

January 31, 2013

Employment-Population Ratio Men 1990-2012



Increasing Inequality

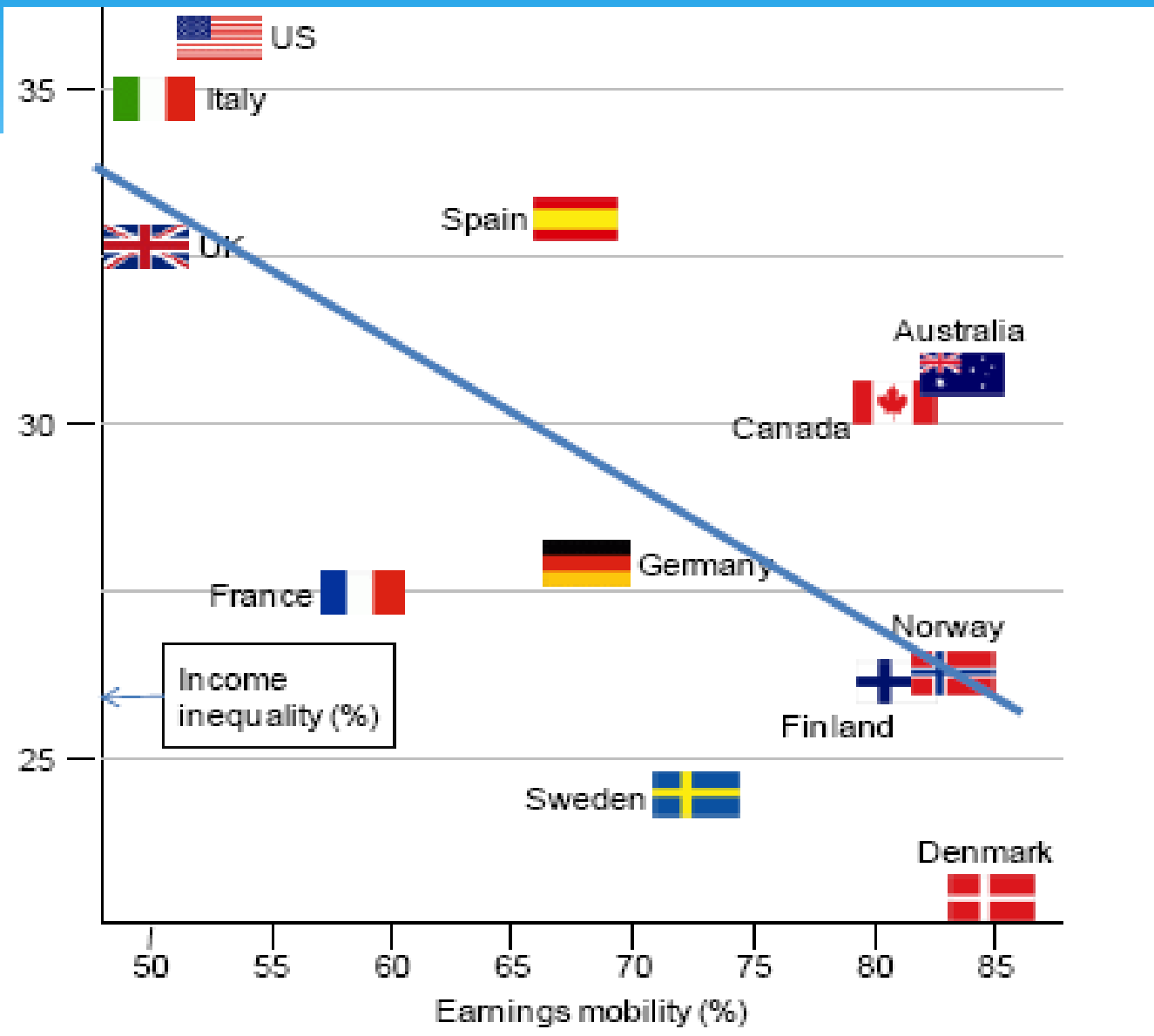
#9 | EPI'S TOP CHARTS OF 2012

U.S. wage inequality has risen dramatically since 1979

Cumulative change in real annual wages, by wage group, 1979–2011



Source: EPI analysis of Social Security Administration wage statistics and "Earnings Inequality and Mobility in the United States: Evidence from Social Security Data since 1937," a February 2010 *Quarterly Journal of Economics* article by Wojciech Kopczuk, Emmanuel Saez, and Jae Song



Productivity and Compensation

#13 | EPI'S TOP CHARTS OF 2012

Most Americans are not benefiting from increased productivity

Cumulative change in total economy productivity and real hourly compensation of production/nonsupervisory workers, 1948–2011



Note: Data are for compensation of production/nonsupervisory workers in the private sector and productivity of the total economy.

Source: EPI analysis of unpublished Total Economy Productivity data from Bureau of Labor Statistics Labor Productivity and Costs program, wage data from BLS Current Employment Statistics program, and Bureau of Economic Analysis National Income and Product Accounts

Poverty

- * 46 million living in poverty
- * 10 million working poor
- * 1 in 5 children living in poverty

Lack of opportunity for our children

- * Disparities in access to early childhood care
- * Disparities in educational opportunities
 - * 43% of black and Latino children attend schools with poverty rates of 80% or more v. 4% of white children
- * Disenfranchised youth
- * Youth unemployment
- * Working without pay
- * challenges for undocumented youth to access public education

Opportunity Deficit

- * 9 million net new jobs needed
- * Decent work
- * Poverty
- * Lack of opportunities for our children
- * **Failure to introduce immigration reform**

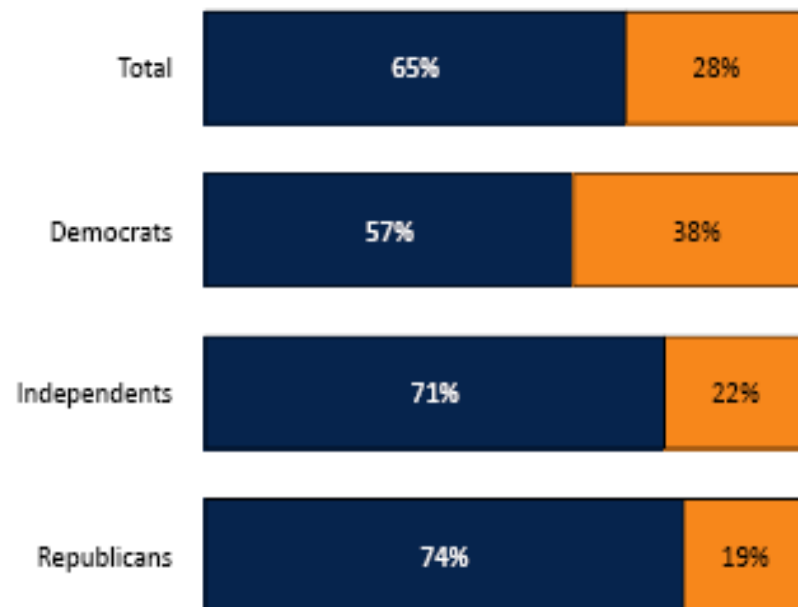
Longer term Structural Issues

- * Aging society
- * Global markets for goods and labor
- * Technological shocks
- * Demographic changes in our society
 - majority-minority

Two-Thirds Prefer To Tackle Deficit Reduction Now

Do you think the president and the new Congress should act quickly to reduce the federal budget deficit, or do you think they should wait until the economy gets better before tackling the deficit?

■ ACT QUICKLY to reduce the deficit ■ WAIT until the economy gets better

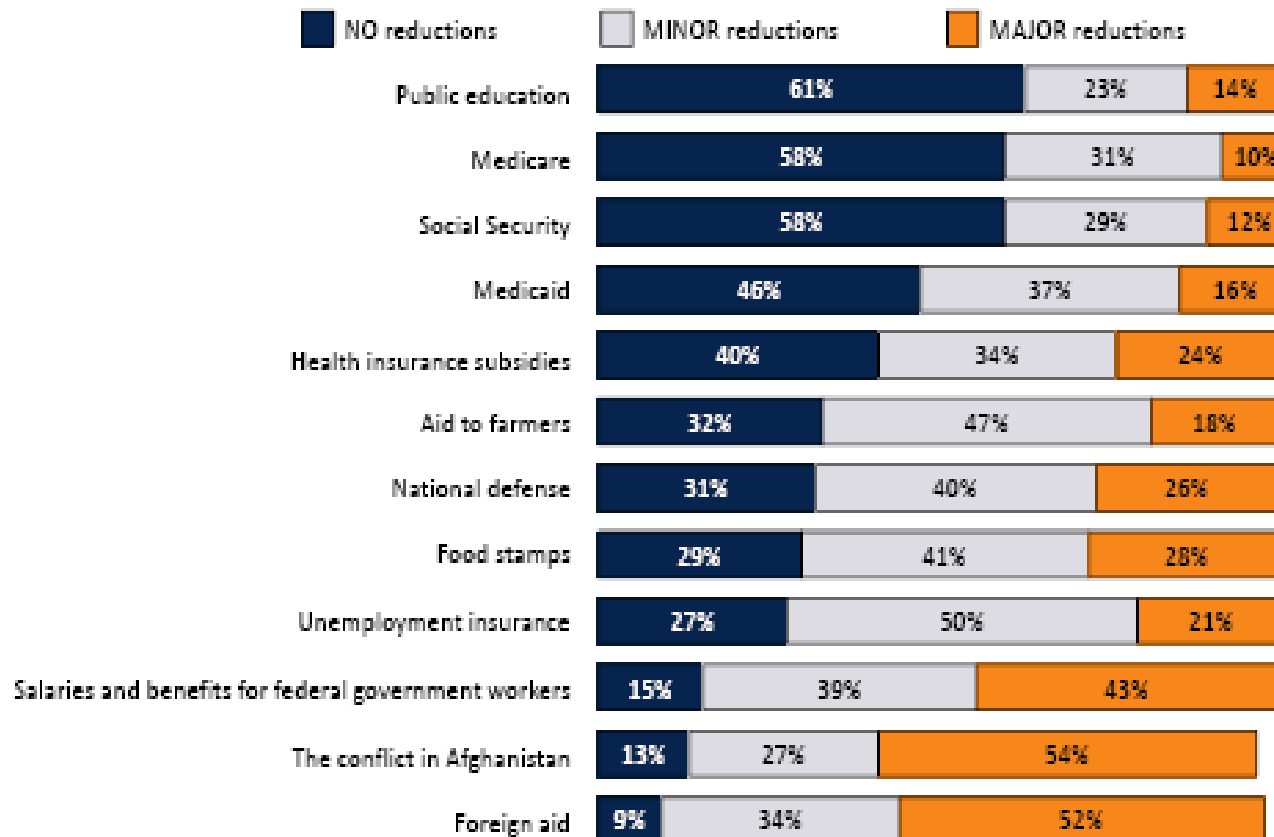


Note: Don't know/Refused answers not shown.

Source: Kaiser Family Foundation/Robert Wood Johnson Foundation/Harvard School of Public Health, *The Public's Health Care Agenda for the 113th Congress* (conducted January 3-9, 2013)

Majority Want No Spending Cuts To Education, Medicare, And Social Security

If the president and Congress decide to reduce the deficit by reducing spending on federal programs and services, I'd like to know in which programs you would be willing to see spending reduced. For each program I name, please tell me if you would support major spending reductions, minor spending reductions or no reductions at all as a way to reduce the federal deficit.



Note: Some items asked of separate half samples. Don't know/Refused answers not shown.

Source: Kaiser Family Foundation/Robert Wood Johnson Foundation/Harvard School of Public Health, *The Public's Health Care Agenda for the 113th Congress* (conducted January 3-9, 2013)

Majorities Agree: No Cuts To Medicare And Social Security

Percent who say they would support “no reductions” to spending for each of the following programs as a way to reduce the federal deficit:

	Democrats	Independents	Republicans
Public education	71%	62%	44%
Medicare	66	56	50
Social Security	66	55	55
Medicaid	59	42	29
Health insurance subsidies	55	36	18
Food stamps	43	24	13
Unemployment insurance	37	20	17
Aid to farmers	34	32	32
Salaries and benefits for federal government workers	23	13	19
National defense	22	30	45
Foreign aid	11	9	2
The conflict in Afghanistan	9	12	14

Note: Some items asked of separate half samples.

Source: Kaiser Family Foundation/Robert Wood Johnson Foundation/Harvard School of Public Health, *The Public's Health Care Agenda for the 113th Congress* (conducted January 3-9, 2013)

Déjà Vu All Over Again

Solutions to Depletion of Social Security Trust Fund

Tax:

- * increase payroll tax
- * increase limit on taxable earnings
- * increase taxation of benefits
- * expand coverage to non-covered groups

Benefit:

- * Raise retirement age
- * Reduce COLA
- * Change initial benefit formula

Other:

Change Investment Procedures
Use General Revenue Fund
Means Test

Our Challenge

Spin Free Zone

Ensure the Data Are there for Evidence Based Policy Making

Understand the Interconnectedness of Our Policy Decisions