

Tough Times Require Strong Social Security Benefits: Views on Social Security among African Americans, Hispanic Americans, and White Americans

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Summary

Americans agree that Social Security has an important role to play during tough economic times. Worried about the poor economy's effects on their prospects for retirement, Americans want to make sure that Social Security is strengthened for current and future generations. This is particularly true of African Americans (95%) and Hispanics (85%), who are more likely than whites (80%) to assert that Social Security is or will be an important part of their retirement income. Plagued by higher unemployment rates, fewer assets, and worries about paying their monthly bills, African Americans and Hispanics are especially supportive of strengthening Social Security. For example, when given a choice between cutting taxes and government spending or strengthening Social Security in response to the economic crisis and large deficit, two in three Americans (66%) – including 73 percent of African Americans, 67 percent of Hispanics, and 66 percent of whites – support strengthening Social Security over cutting its benefits. African Americans (90%), Hispanics (86%), and whites (75%) also strongly support benefit enhancements, such as extending benefits to college age children whose working parents have died or become disabled. Overall, 88 percent of African Americans, 84 percent of Hispanics, and 74 percent of whites agree that preserving Social Security for future generations is critical, even if it means increasing Social Security taxes on workers. A large majority of African Americans (98%), Hispanics (98%), and whites (90%) also agree that Congress should take action soon to strengthen Social Security's financial outlook and guarantee income for benefit recipients.

Introduction

Current economic hardships brought on by instability in U.S. financial markets have reinforced Americans' belief in the importance of Social Security. Anxious about their economic security and prospects for retirement, large majorities of Americans (88%) say that Social Security is more important than ever (Reno and Lavery, 2009). Although Social Security enjoys support from a majority of Americans, African Americans (91%) and Hispanics (91%) are more likely than whites (77%) to say that we have an obligation to provide a secure retirement for all working Americans (Table 1).

Stronger support for Social Security among African Americans and Hispanics may be driven by their more modest socioeconomic circumstances compared to whites. In 2008, the median income for white

Table 1 – Shared Obligation to Provide a Secure Retirement

[I'm going to read a list of statements and after each one, please tell me if you agree or disagree with the statement. Do you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with the statement?]

We have an obligation to provide a secure retirement for all working Americans.

Shared Obligation	Total	White	African American	Hispanic
	Percent who strongly or somewhat agree			
Obligation to provide a secure retirement for all working Americans	80	77	91	91

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

households was \$55,530 compared to \$37,913 for Hispanic households, and \$34,218 for African American households (DeNavas-Walt, et. al, 2009). These racial and ethnic disparities in household income have held steady over time. African Americans and Hispanics are also likely to have significantly less accumulated wealth, including access to private pensions, than whites (Lui, 2009). As a result, African Americans and Hispanics rely more heavily on Social Security benefits than do whites (Hendley and Bilimoria, 1999).

On August 13, 2009, the National Academy of Social Insurance and the Rockefeller Foundation released a poll finding that support for Social Security is strong among the American population. The poll found that over 75 percent of Americans believe that Social Security is or will be an important part of their retirement and nearly half would not be able to afford even basic necessities, such as food, clothing, or housing, without it (Reno and Lavery, 2009).

The poll, conducted on July 7-14, 2009, interviewed 1,488 Americans, including 1,210 likely voters and an oversample of 250 African Americans and 245 Hispanics. Responses were weighted to match the demographics of the overall U.S. population. The poll's margin of error is 2.5 percent for questions asked of the entire sample and about 6.25 percent for questions examining the views of all African Americans or Hispanics. The Appendix shows margins of error for other subgroups reported in this brief. Questions shown in Tables 1-16 were asked of all survey respondents, unless otherwise noted.

This brief builds on the original report by examining the similarities and differences in views on Social Security among African-American, Hispanic and white American adults. Together these groups make up 92 percent of all poll respondents; 7 percent of respondents reported other racial or ethnic groups and 1 percent did not report their race or ethnicity.

African Americans and Hispanics are greatly concerned about their financial security.

The recession that began in December 2007 has adversely affected employment, wealth and financial security for all Americans, but it has had a disproportionately negative effect on African Americans and Hispanics. Higher unemployment rates, lower wages, less savings and wealth, and lower home ownership rates and home values combine to create severe economic pressures for many African-American and Hispanic families. Data from the Federal Reserve Board underscore that these families were financially insecure before the crisis. For example, Hispanic families own 12 cents and African-American families own 10 cents for every dollar owned by the median white family (Federal Reserve Board, 2009). Although job stability is a concern for people of every racial and ethnic group, the U.S. Bureau of Labor Statistics (2009) reports that unemployment rates are higher for African Americans (15.7%) and Hispanics (13.1%) than for whites (9.5%). These differences undergird African-American and Hispanic perspectives about their own financial security and their views about Social Security (Tables 2 and 3).

Table 2 – Personal Financial Security

In general, how would you rate your own personal security? Please use a five point scale where five means you are very secure and one means you are not at all secure financially.

Level of Financial Security	Total	White	African American	Hispanic
Total respondents (percent)	100	100	100	100
Not at all secure (1-2)	29	27	41	27
Moderately secure (3)	34	34	32	37
Very secure (4-5)	35	38	26	34

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

Table 3 – Financial Concerns

How concerned are you about losing your job or a household member losing a job?

How concerned are you about keeping up with monthly bills?

How concerned are you about affording the cost of health care?

How concerned are you about having enough money for retirement?

Are you very concerned, somewhat concerned, not very concerned, or not concerned at all?

Type of Concern (asked of all)	Total	White	African American	Hispanic
	Percent very or somewhat concerned			
Losing a job	55	51	67	71
Keeping up with monthly bills	64	59	83	76
Affording the cost of health care	77	75	88	82
Having enough for retirement	78	76	87	80

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

- When asked to describe their financial security on a scale of 1(not at all secure financially) to 5 (very secure financially), African Americans are more likely to report low security (1 or 2) than whites or Hispanics (41% compared with 27%).
- Majorities of all groups report financial concerns. Yet with high unemployment rates, 71 percent of Hispanics and 67 percent of African Americans are concerned that they or a household member will lose their job, compared with just over half (51%) of whites.
- Although concern with paying monthly bills is widespread (64% of all Americans), African Americans and Hispanics are particularly concerned – with 83 percent of African Americans and 76 percent of Hispanics indicating that bills are an issue, compared with 59 percent of whites.
- The majority of Americans are concerned with having enough money for retirement (78%) and paying for health care (77%). However, African Americans (88%) are significantly more concerned than whites (75%) about their ability to afford the cost of health care. Eighty-two percent of Hispanics are also concerned about affording the cost of health care.
- Although there are high levels of anxiety across racial and ethnic groups about having enough money for retirement, African Americans (87%) express the most concern, followed by Hispanics (80%), and whites (76%).

African Americans, Hispanics and whites rely on Social Security differently.

Significant differences exist in the types of Social Security benefits that Americans in different racial and ethnic groups receive. Of African Americans and Hispanics who receive benefits, nearly equal numbers report receiving retirement and disability benefits: 44 percent of African Americans report receiving retirement benefits and 50 percent report receiving disability benefits; 43 percent of Hispanics report receiving retirement benefits and 44 percent report receiving disability benefits. Among white beneficiaries, however, nearly three in four (74%) report receiving retirement benefits (Table 4).

Table 4 – Benefit Recipients

Are you currently receiving Social Security benefits?

What kind of Social Security benefits do you receive? (asked of recipients only)

Benefit Receipt	Total	White	African American	Hispanic
Total percent (asked of all)	100	100	100	100
Receiving Social Security benefits	27	29	27	15
Not receiving benefits	73	71	72	85
Total Recipients Only	100	100	100	100
Retirement benefits	65	74	44	43
Survivor benefits	11	12	10	15
Disability benefits	26	17	50	44
Don't know	1	1	2	2

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

Administrative data from the Social Security Administration show similar patterns of benefit receipt. Whites are more than three times as likely to receive retirement benefits as disability benefits, whereas African Americans are only 1.4 times as likely (Social Security Administration, 2009). For people of color, Social Security benefits are nearly as likely to provide financial security during their working-age years as they are a retirement safety net.

The differences in the way whites, African Americans, and Hispanics qualify for Social Security are driven by socioeconomic and demographic factors unique to each group. African Americans are more likely than other workers to become disabled or die before reaching retirement age, increasing their likelihood of receiving disability and survivor benefits and decreasing their likelihood of receiving retirement benefits. Hispanics are also more likely to receive disability and survivor benefits because they are younger than average age, have a higher than average incidence of disability, and have more children per family (Martin, 2007; Torres-Gil, et. al, 2005). Among elderly Social Security beneficiaries, African Americans and Hispanics rely on the program for a greater percentage of their income than the population as a whole (Spriggs and Furman, 2006; Torres-Gil, et. al, 2005).

- African Americans (95%) are more likely than Hispanics (85%) or whites (80%) to assert that Social Security is or will be an important part of their retirement income (Table 5).

- The racial difference in perceived importance of benefits persists even among people with a family income of \$50,000 or greater. Seventy-two percent of whites in this income category view Social Security as important for their retirement income compared to 93 percent of African Americans. Eighty-three percent of Hispanics believe that Social Security is or will be an important part of their income in retirement (Table 5).

Table 5 – Importance of Social Security in Retirement, by Income

[Now I am going to read some reasons why people support the Social Security program. After each one, please tell me how important of a reason it is for you personally to support Social Security.]

Social Security is or will be an important part of your retirement.

Annual Family Income	Total	White	African American	Hispanic
	Percent who say Social Security is/will be very or somewhat important in own retirement			
Total respondents	83	80	95	85
Family income less than \$50,000	92	91	97	89
Family income \$50,000 or more	75	72	93	83

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

- While African Americans (27%) are no more likely than whites (29%) to receive Social Security benefits, these two groups are almost twice as likely as Hispanics (15%) to receive benefits (Table 4).

Most Americans don't mind paying for secure retirement, disability, and survivor benefits.

In addition to their expectations of personal financial benefit, Americans support Social Security as a social safety net program and are willing to pay to keep it in existence for future generations.

- Overall, four in five Americans believe that that we have an obligation to provide a secure retirement for all working Americans. Support for this principle is even stronger among African Americans and Hispanics. About nine in 10 of them agree (91%), compared with slightly more than three in four (77%) whites (Table 1).
- Regardless of whether they expect to rely on Social Security some day, a majority of Americans of all racial and ethnic groups (88%) want to know that it is there for them in case they need it (Table 6).
- A large majority of Americans (87%) don't mind paying Social Security taxes because the program provides security and stability to millions of retired, disabled, and widowed Americans and the children of deceased workers (Table 6).
- Similarly, more than three in four Americans (76%), and an even greater proportion of African Americans (86%) and Hispanics (85%), don't mind paying Social Security taxes because otherwise they would have to support their family members in their retirement (Table 6).
- African Americans, in particular, think that the country does not spend enough on Social Security – 63 percent compared with 51 percent of Hispanics and 40 percent of whites (Table 7).
- Ninety-two percent of African Americans, 90 percent of Hispanics, and 86 percent of whites agree that Social Security's societal benefits are worth the cost (Table 6).

Table 6 – Reasons to Support Social Security

[I'm going to read a list of statements and after each one, please tell me if you agree or disagree with the statement. Do you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with the statement?]

I don't mind paying Social Security taxes because it provides security and stability to millions of retired Americans, the disabled, and children and widowed spouses of deceased workers.

I don't mind paying Social Security taxes because I know that if my parents, grandparents, or other family members did not receive Social Security, I would have to support them in retirement.

With the economy and the stock market as bad as it is right now, Social Security benefits are more important than ever to ensure that retirees have a dependable income when they retire. (Asked of half the sample)

I don't know if I'm going to need Social Security money when I retire, but I want to know it is there just in case I do need it. (Asked only if not retired.)

Reason to Support Social Security	Total	White	African American	Hispanic
	Percent who strongly or somewhat agree			
Don't mind paying Social Security taxes because it provides security and stability to millions	87	86	92	90
Don't mind paying Social Security taxes because otherwise would have to support family members	76	74	86	85
With the poor economy, Social Security is more important than ever (half sample)	88	87	95	89
Want to know Social Security is there just in case (not retired)	88	87	94	92

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

Americans are wary of investing Social Security funds in the stock market.

Americans value Social Security's dependability and security over the unpredictability of stock market investments.

- Considering the poor economy and recent stock market losses, 95 percent of African Americans, 89 percent of Hispanics and 87 percent of whites agree that Social Security benefits are more important than ever to ensure that people have a dependable income when they retire (Table 6).
- Perhaps because of instability in the stock market, less than half of Americans (44%) think that people should have the option to invest Social Security withholdings in private retirement accounts and stocks so people are able to manage their own savings and maximize returns (Table 8).
- Support for private investment of Social Security withholdings is similar among Americans with family incomes less than \$50,000 per year as for those with family incomes of \$50,000 or more per year (43% compared with 44%). Among African Americans in particular, however, support for private investment is much greater among those with family incomes of under \$50,000 per year than for those with incomes of \$50,000 or more per year (47% compared with 26%). Among Hispanics, 53 percent with family incomes under \$50,000 per year support private investment, while 56 percent with family incomes of \$50,000 or greater oppose private investment of Social Security savings in order to ensure predictable retirement benefits regardless of changes in the market (Table 8).

Table 7 – Social Security Spending*In general, do you think we spend too much, not enough, or about the right amount on Social Security?*

Views on Spending	Total	White	African American	Hispanic
Total respondents	100	100	100	100
Too much	15	15	10	12
Not enough	45	40	63	51
About the right amount	31	35	23	30
Don't know	9	9	4	7

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

A strong majority of African Americans and Hispanics prefer strengthening Social Security's benefits over making cuts to the program.

Despite strong support for Social Security, Americans have significant concern about the program's future. Although a majority of Americans (69%) believe that the current system is broken and needs fundamental change, their concerns center around how Social Security can increase its protections for working families today and in the future. Even with a bad economy and a large national deficit, Americans (60%) oppose spending cuts for Social Security (Table 9). When given the choice between cutting taxes and government spending or strengthening Social Security in response to the economic crisis and large deficit, two in three Americans (66%) – including 73 percent of African Americans, 67 percent of Hispanics, and 66 percent of whites support strengthening Social Security over cutting its benefits (Table 10). In fact, a majority of Americans (77%) agree that preserving Social Security for future generations is

Table 8 – Private Investment of Social Security, by Income

[Which statement do you agree with more?]

*Americans should have the option to invest their Social Security withholdings in private retirement accounts and stocks so they are able to manage their own savings and get the best return for their retirement savings.**Social Security savings should not be invested in private accounts and stocks because retirees should have predictable retirement benefits regardless of the ups and downs of the stock market.*

Annual Family Income	Total	White	African American	Hispanic
Total respondents	100	100	100	100
Should have option to invest	44	43	41	48
Retirees need predictable benefits	53	54	57	49
Don't know	3	3	2	3
Less than \$50,000	100	100	100	100
Should have the option to invest	43	39	47	53
Retirees need predictable benefits	55	58	51	44
\$50,000 or more	100	100	100	100
Should have the option to invest	44	47	26	41
Retirees need predictable benefits	53	51	70	56

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

Table 9 – Social Security, Spending, and Taxes

[I'm going to read a list of statements and after each one, please tell me if you agree or disagree with the statement. Do you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with the statement?]

The current Social Security system is completely broken and requires fundamental changes.

With the economy and the deficit as bad as it is right now, the government needs to cut back its spending in all areas, including Social Security. (Asked of half the sample)

It is critical that we preserve Social Security for future generations, even if it means increasing working Americans' contributions to Social Security taxes. (Asked of half the sample)

Views	Total	White	African American	Hispanic
	Percent who strongly or somewhat agree			
Social Security is completely broken (asked of all)	69	67	73	72
Cut spending, including Social Security (asked of half sample)	37	39	26	30
Preserve Social Security, even if it increases taxes on workers (asked of half sample)	77	74	88	84

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

Table 10 – Cut Taxes and Benefits or Strengthen Social Security?

[Now I am going to read you two statements and get your view.]

Some people say that with our economy in crisis and our national deficit reaching 2 trillion dollars, we should focus on ways to cut taxes and government spending, including such things as Social Security benefits, so people can keep more of their income.

Other people say that with the economic crisis and stock market crash, it's more important than every to strengthen Social Security to make sure that retirees and the disabled can count on secure benefits for generations to come.

Which comes closer to your view?

Views	Total	White	African American	Hispanic
Total respondents	100	100	100	100
Cut taxes and Social Security	28	27	24	29
Strengthen Social Security	66	66	73	67
Both, neither, don't know	5	7	3	3

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

critical, even if it means increasing Social Security taxes on workers (Table 9). A large majority (90%) also agree that Congress should take action soon to strengthen Social Security's financial outlook and guarantee income for benefit recipients (Table 11).

- Nine in ten Americans – including 96 percent of African Americans, 91 percent of Hispanics, and 89 percent of whites – are concerned about Social Security paying benefits for the next generation (Table 12).
- Overall, nearly three in four Americans (73%) consider funding for Social Security to be a significant problem or a crisis. However, African Americans (24%) are four times as likely as whites (6%), and almost twice as likely as Hispanics (13%), to think that Social Security funding is not a problem at all (Table 12).

Table 11 – Importance of Congressional Action

How important is it for Congress to make adjustments to keep Social Security financially solvent and guarantee income for retirees, disabled Americans, and children and widowed spouses of deceased workers? (Asked of half the sample)

How important is it for Congress to make adjustments **in the next two years** to keep Social Security financially solvent and guarantee income for retirees, disabled Americans, and children and widowed spouses of deceased workers? (Asked of the other half of the sample)

Is it very important, somewhat important, not very important, or not important at all?

Views on Action	Total	White	African American	Hispanic
	Percent who say it is very or somewhat important			
Congress adjusts Social Security to keep it solvent (asked of half the sample)	93	92	99	92
Congress acts in the next two years to keep Social Security solvent (asked of half the sample)	90	90	98	98

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

Table 12 – Concerns about Social Security Funding

How concerned are you that Social Security will pay benefits for the next generation? Are you very concerned, somewhat concerned, not very concerned, or not concerned at all?

Would you say that funding for Social Security represents a crisis, a significant problem, a small problem, or is it no problem at all?

Concerns about Funding	Total	White	African American	Hispanic
	Percent very or somewhat concerned			
Will Social Security pay benefits for the next generation?	90	89	96	91
Total respondents	100	100	100	100
Funding for Social Security is:				
A crisis or significant problem	73	77	57	71
A small problem	14	15	16	12
Not a problem at all	9	6	24	13
Don't know	3	3	3	3

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

- When asked their preference between raising taxes on workers or reducing benefits, nearly three in four Americans (71%) prefer raising taxes to reducing benefits. Given their heavier dependence on Social Security, an even greater percentage of African Americans (80%) support raising taxes to avoid a reduction in benefits (Table 13).
- Among Americans with family incomes of \$50,000 or greater, more than two in three (68%) support Social Security tax increases to avoid benefit reductions. African Americans (84%) are more likely than whites (67%) in this income category to express support (Table 13).
- When presented with information about Social Security’s long term fiscal challenges, 93 percent of Americans agree that it is important for Congress to make the necessary adjustments to keep Social Security financially solvent and guarantee income for retirees, disabled Americans, children and

Table 13 – Raise Taxes or Reduce Benefits, by Income

[Now I am going to read you two statements and see which comes closer to your view.]

Some people say that we should ensure Social Security benefits are not reduced, even if it means raising taxes on the wealthiest Americans.

Other people say we shouldn't raise taxes on any American, even if it means reducing Social Security benefits?

Which comes closer to your view?

Annual Family Income	Total	White	African American	Hispanic
Total respondents	100	100	100	100
Raise taxes on wealthy/Don't reduce benefits	71	71	80	72
Reduce Social Security benefits/Don't raise taxes	25	25	18	26
Both, neither, don't know	4	4	2	3
Less than \$50,000	100	100	100	100
Raise taxes on wealthy/Don't reduce benefits	75	77	82	67
Reduce Social Security benefits/Don't raise taxes	21	19	17	32
\$50,000 or more	100	100	100	100
Raise taxes on wealthy/Don't reduce benefits	68	67	84	78
Reduce Social Security benefits/Don't raise taxes	29	31	15	18

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

widowed spouses. There is nearly universal agreement among African Americans (99%) and very strong support among Hispanics (92%) and whites (92%) for Congressional action (Table 11).

- There is almost unanimous agreement among African Americans (98%) and Hispanics (98%) and very strong agreement among whites (90%) that Congress should take action within the next two years to make the necessary adjustments to keep Social Security financially solvent and guarantee income for retirees, disabled Americans, children, and widowed spouses (Table 11).

People of color favor strengthening Social Security by increasing revenue and enhancing benefits.

Reforming Social Security to keep it vibrant for future generations will require benefit enhancements, as well as some combination of revenue increases or benefit cuts. Across racial and ethnic groups, there are differences of opinion about which benefit enhancements, revenue raisers, and benefit cuts are most appropriate for strengthening Social Security's fiscal solvency and guaranteeing the program's ability to provide adequate benefits for current and future recipients.

The survey asked respondents if they supported various ways to improve benefits. Ideas for improvement include: extending Social Security benefits for children whose working parent(s) have died or become disabled from the current cut off of 19 years to 22 years old if the child is in college or vocational school; increasing benefits by \$50 a month for recipients over the age of 85 because they generally depend more heavily on Social Security; improving benefits for widowed spouses of low-income working couples who generally have inadequate benefits from lifelong low pay work; guaranteeing that Social Security benefits for steady workers exceed the poverty line, even if workers choose to receive early benefits at the age of 62; increasing benefits by \$50 dollars a month to help all Social Security recipients; counting the time that working parents take off to care for children toward workers' future Social Security benefits so they do not receive lower benefits because of this gap in paid work; and increasing Social Security benefits across the board to compensate for investment losses in the stock market due to the recent economic downturn (Table 14).

Table 14 – Benefit Enhancement Options

I am going to read you a few ways that have been suggested to strengthen Social Security. After each one, please tell me if you support or oppose this proposal.

Extend Social Security benefits for children whose working parents have died or become disabled from the current cut off of 19 to 22 years old if the child is in college or vocational school.

Increase benefits by \$50 a month for recipients over the age of 85 because they generally depend more heavily on Social Security.

Improve benefits for widowed spouses of low-income working couples who generally have inadequate benefits from lifelong low pay work.

Guarantee that Social Security benefits for steady workers exceed the poverty line, even if the workers choose to receive early benefits at age 62.

Count the time that working parents take off to care for children toward workers' future Social Security benefits so they do not receive lower benefits because of this gap in paid work.

Increase Social Security benefits across the board to compensate for investment losses in the stock market due to the recent economic downturn.

Increase benefits by \$50 a month to help all Social Security recipients

Benefit Enhancement Options	Total	White	African American	Hispanic
	Percent who support the option			
Student benefits	78	75	90	86
Increase benefits at age 85	76	73	85	81
Benefits for widowed spouses	76	73	89	82
Guarantee minimum benefits	69	65	83	80
Increase monthly benefits by \$50	65	62	82	78
Count child care toward benefits	64	58	76	74
Raise benefits to offset stock market losses	37	32	53	52

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

- Of the benefit enhancements described, the proposal to extend Social Security benefits to age 22 for full time college or vocation school students whose working parents have died or become disabled received the most support among all Americans (78%). This idea appeals to 90 percent of African Americans, 86 percent of Hispanics, and 75 percent of whites.
- The proposal to increase benefits by \$50 a month for recipients over the age of 85 because they generally depend more heavily on Social Security is favored by about three in four Americans (76%). African Americans, who also depend more heavily on Social Security benefits, are more likely to support this proposal (85%) than whites (73%).
- The idea of improving benefits for widowed spouses of low-income working couples who generally have inadequate benefits from lifelong low-pay work is also favored by about three in four Americans (76%). Eighty-nine percent of African Americans, 82 percent of Hispanics, and 73 percent of whites find this proposal appealing.
- The proposal to guarantee that Social Security benefits for steady workers exceed the poverty line, even if workers choose to receive early benefits at the age of 62, is favored by 83 percent of African Americans, 80 percent of Hispanics, and 65 percent of white Americans.
- Counting the time that working parents take off to care for children toward workers' future Social Security benefits so they do not receive lower benefits because of this gap in paid work is favored by 76 percent of African Americans, 74 percent of Hispanics, and 58 percent of whites.

Table 15 – Options to Increase Social Security Revenues, by Income

[I'm going to read you some ways to increase revenue for Social Security in order to ensure Social Security benefits for generations to come. After each one, please tell me if you support or oppose it.]

Lift the Social Security tax cap of \$106,800 so that workers earning more than that would pay Social Security tax on their entire salary just like everyone else.

Dedicate the tax on estates worth more than \$3.5 million solely to Social Security.

Add a 5% tax on families earning more than \$250,000 or individuals earning \$125,000 and dedicate this revenue to Social Security.

Wait until the year 2020 to increase the Social Security tax rate by 1% for workers and employers and then increase it by another 1% in 2050.

Family Annual Income	Total	White	African American	Hispanic
	Percent who support the option			
Total respondents:				
Lift the tax cap	83	83	87	91
Dedicate estate tax to Social Security	70	68	80	75
Add 5% tax on high-earners	69	66	81	77
Delayed tax rate increase	58	57	60	66
Less than \$50,000 family income				
Lift the tax cap	88	88	90	88
Dedicate estate tax to Social Security	78	74	89	80
Add 5% tax on high earners	79	77	86	81
\$50,000 or more family income				
Lift the tax cap	80	78	89	97
Dedicate estate tax to Social Security	65	63	65	72
Add 5% tax on high earners	61	57	75	77

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

- Although a slight majority of African Americans (53%) and Hispanics (52%) think that increasing Social Security benefits across the board to compensate for investment losses in the stock market due to the recent economic downturn is a good idea, only 32 percent of whites agree. This proposal received the least support across racial and ethnic groups.

Social Security's long-term fiscal solvency can be addressed by increasing its revenue. Potential ways to raise additional revenue for Social Security include: removing the Social Security tax cap of \$106,800 so that workers of all income levels pay the same proportion of their income in Social Security taxes; dedicating the tax on estates worth more than \$3.5 million solely to Social Security; adding a 5 percent tax on families with incomes over \$250,000 per year or individuals with annual incomes more than \$125,000; or waiting until 2020 to increase the Social Security tax rate by 1 percent for workers and employers and then increasing the tax rate by another 1 percent in 2050 (Table 15).

- Of those four policy options, lifting the Social Security tax cap of \$106,800 received the most support among Americans overall (83%). Hispanics (91%), African Americans (87%), and whites (83%) support this proposal. Hispanics with family incomes of \$50,000 or more were especially supportive of this policy change – 97 percent support the proposal – compared with 78 percent of whites in this income category.
- Waiting until 2020 to increase the Social Security tax rate received the least support (58%). Sixty-six percent of Hispanics, 60 percent of African Americans and 57 percent of whites agreed with this proposal.

- A large majority of all groups support the proposal to dedicate the estate tax solely to Social Security. However, African Americans (80%) are more supportive than whites (68%). The racial difference is even more pronounced among people with family incomes less than \$50,000 per year, who would be very unlikely to have enough assets to subject them to the estate tax, with 89 percent of African Americans and 74 percent of whites supporting the proposal. Eighty percent of Hispanics in this income category also support the proposal.
- African Americans and Hispanics are more likely to support the proposal to add a 5 percent tax on high-income families (81% and 77%, respectively) than are whites (66%). Among those with family incomes of \$50,000 or more per year, the difference in support for this proposal among African Americans (75%) and Hispanics (77%) is even greater compared with whites (57%).

Social Security finances can also be balanced by reducing future benefits. Four policy proposals to cut benefits to coincide with available revenue include: gradually reducing benefits for high-earning Americans who retire with significant personal savings; gradually increasing the early benefit age from 62 to 65 years old, and the full benefit age from 66 to 69 years old; reducing the cost-of-living adjustment in benefits by 1 percent each year; and gradually eliminating the tax exemption for Social Security benefits so the entire benefit would be taxed as income (Table 16).

Table 16 – Options to Reduce Benefit Costs

[Now I will read some ways to reduce the cost of providing Social Security benefits. For each one please tell me if you support or oppose it.]

Gradually reduce Social Security benefits for high-earning Americans who retire with significant personal savings.

Gradually increase the early benefit age from 62 to 65 years old and the full benefit age from 66 to 69 over the next several decades.

Reduce the cost of living adjustment that recipients get in their Social Security benefits each year by 1%.

Gradually eliminate the tax exemption for Social Security benefits and tax all Social Security benefits as income.

Options and Family Income	Total	White	African American	Hispanic
	Percent who support the option			
Total respondents:				
Reduce benefits for retirees with large savings	62	62	56	61
Increase eligibility age for retirees over time	44	46	35	38
Reduce cost-of-living adjustment (COLA) by 1%	32	29	40	41
Less than \$50,000 income	36	30	48	41
\$50,000 or more income	28	27	25	40
Tax benefits as income	31	27	41	43

Source: Social Security Survey sponsored by the National Academy of Social Insurance and the Rockefeller Foundation, July 2009

- None of the proposals for cutting benefits are supported by more than half of Americans, except for the gradual reduction in benefits for high-earning Americans (62% support). This proposal was supported by 56 percent of African Americans, 61 percent of Hispanics, and 62 percent of whites.
- African Americans (35%) are less likely than whites (46%) and Hispanics (38%) to support increasing the Social Security retirement age.

- In contrast, African Americans (40%) and Hispanics (41%) are more likely than whites (29%) to support reducing the Social Security cost-of-living adjustment by 1 percent. The difference in support between African Americans (48%) and whites (30%) is especially pronounced among people with family incomes less than \$50,000 per year.
- Eliminating the tax exemption for Social Security benefits that would allow all Social Security benefits to be taxed as income was the least popular means of reducing benefits. Whites, who on average have higher tax obligations and would be paying taxes on their Social Security benefits at a higher rate, express the lowest support for this policy (27%) compared with African Americans (41%) and Hispanics (43%).

Conclusion

Seventy-four years after the program's inception, Americans continue to express strong support for Social Security. African Americans and Hispanics, who are more heavily reliant on Social Security benefits, express stronger support for Social Security than whites on most measures. However, all groups firmly believe in Social Security's value to society and want government leaders to take action to keep the program vibrant for future generations.

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Appendix: Sample Sizes and Margins of Error

The sample size for the entire sample is 1,488 individuals. This includes 250 African Americans, 245 Hispanics, and 906 white Americans, which form the basis of the racial/ethnic subgroup estimates. Of those reporting family income, 687 had family incomes less than \$50,000 per year and 596 had family incomes of \$50,000 or more. The sample had 157 African Americans with family incomes less than \$50,000 per year, 70 African Americans with family incomes of \$50,000 or greater per year; 135 Hispanics with family incomes less than \$50,000 per year, 89 Hispanics with family incomes of \$50,000 or greater per year; 375 white Americans with family incomes less than \$50,000 per year, and 409 white Americans with family incomes of \$50,000 per year or greater. The survey results were weighted to match the demographics of the overall U.S. population.

Five hundred fifty-three individuals reported receiving Social Security benefits. This includes 93 African Americans, 61 Hispanics, and 373 white Americans.

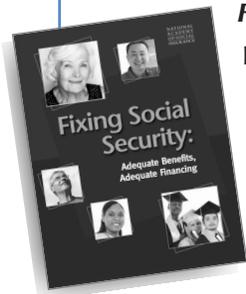
Margins of error for the estimates in the report presented in Table 17 that follows are based on a 95 percent confidence level and vary depending on the sample size of the sample subgroup. All subgroup differences identified in the text of this report represent differences among subgroups that are statistically significant at the 95 percent level of confidence.

Table 17 – Sample Size and Margin of Error for Selected Subgroups

Subgroup Characteristics	Sample Size (n)	Percentage Point Margin of Error (+/-)
Entire Sample	1488	2.54
Half of Sample	745/743	3.59/3.60
African Americans	250	6.21
Hispanics	245	6.27
White Americans	906	3.25
Family income less than \$50,000	687	3.74
Family Income \$50,000 or greater	596	4.02
African American, family income less than \$50,000	157	7.85
African American, family income \$50,000 or greater	70	11.80
Hispanic, family income less than \$50,000	135	8.47
Hispanic, family income \$50,000 or greater	89	10.45
White, family income less than \$50,000	375	5.07
White, family income \$50,000 or greater	409	4.85
Receive Social Security benefits	553	4.17
African American, receives Social Security benefits	93	10.22
Hispanic, receives Social Security benefits	61	12.65
White, receives Social Security benefits	373	5.08
Not retired	951	3.18
African American, not retired	160	7.77
Hispanic, not retired	188	7.17
White, not retired	543	4.21

The public opinion poll reported in this brief is part of a project of the National Academy of Social Insurance on *Improving Social Security for Retirees and Working Families*. The purpose of the poll is to bring the voices of American workers and retirees into current policy debates about the future of Social Security. The project is funded by the Rockefeller Foundation's Campaign for American Workers Initiative, which supports new rules and new tools for the 21st Century economy through innovative products and policies to increase economic security within the U.S. workforce, particularly among poor and vulnerable workers. The work also receives support from the Ford Foundation as part of its initiative on Economic Fairness and Opportunity, which focuses on promoting public support for Social Security reforms that increase benefits for low-wage workers. Global Policy Solutions, LLC, prepared the brief for the Academy.

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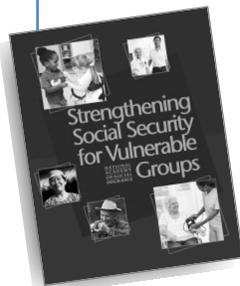
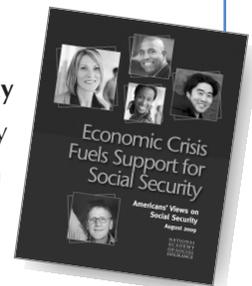
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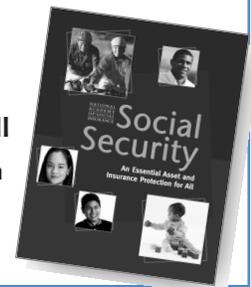
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