Name: _____ Period: _____ Date: _____

Social Security Guided Reading

. . .security was attained in the earlier days through the interdependence of members of families upon each other and of the families within a small community upon each other. The complexities of great communities and of organized industry make less real these simple means of security. Therefore, we are compelled to employ the active interest of the Nation as a whole through government in order to encourage a greater security for each individual who composes it. —President Franklin Roosevelt, Message to Congress, June 8, 1934 (Social Security Administration, n.d.e.)

1. **What is the main argument FDR makes in regards for the need for Social Security?**

I fear [Roosevelt's Social Security policies] may end the progress of a great country and bring its people to the level of the average European. . . . It will discourage and defeat the American trait of thrift. It will go a long way toward destroying American initiative and courage. —Senator Daniel O. Hastings (R-DE), 1935 (Williams, 2011)

2. Why does Senator Hastings disagree with Social Security?

As of November 2015, over 65 million people, or about one in every five U.S. residents, collected Social Security or Supplemental Security Income (SSI). Sixty-eight percent of beneficiaries were over the age of 65, primarily comprising retirees and surviving widows/widowers, whereas 22 percent were disabled workers under the age of 65 (Social Security Administration, 2015).1 Social Security is underwritten by money that retirees and their employers contribute through their payroll taxes. Money paid into the Social Security trust fund by current workers maintains the fund balance from which retirees collect their benefits.

With some adjustments, this system has been in place since President Franklin Roosevelt signed the Social Security Act on August 14, 1935. The fund has usually run a surplus. Now, because of the large number of retirees in the baby boom (the increase in the number of babies born in the approximately 20 years following World War II), the number of workers in the labor force relative to the number of retirees is changing (from 5:1 in 1960 to 3:1 in 2009 to a predicted 2.2:1 in 2030). It is projected that, without increased revenue or other changes in the program, by approximately 2036, Social Security will be able to cover only 75% of the monthly benefit retirees have been promised. Is it important to preserve this program?

Does Social Security represent a core American value, a part of our social contract, an agreed-upon commitment to help elderly American workers support themselves in retirement by requiring them to contribute to a government-run pension plan? Or does it over-reach by requiring workers to contribute to a government program to help fund their retirement? Today, as in 1935, there is a range of opinion about whether the federal government should be involved in administering a retirement fund. Some people believe this is not the proper role for the federal government and that individuals must arrange for their own retirement, either through a plan administered by their employer or by putting aside money on their own. Others believe the federal government, representing the American people, has a duty to require individuals and their employers to participate in a program that will assure a minimum level of income to retired people, survivors and dependent children (as of 1939), and the disabled (as of 1956). They believe the program represents a shared responsibility to one another and from one generation to the next.