

NEW POLL: VOTERS SUPPORT SOCIAL SECURITY PRIVATIZATION

I. Executive Summary

Privatization of Social Security funds would enable Americans to invest, in a manner of their choosing, all or part of the amounts they now pay in Social Security taxes. This would give them significantly higher returns than what they now receive in Social Security retirement payments. Effecting privatization, therefore, is a desirable goal of public policy.

To achieve that goal, identification of supporters and opponents of privatization is necessary in order to devise an appropriate strategy that will lead to its enactment.

A profile of the person most likely to support privatization can be developed. He or she is educated beyond high school, earns a good living, is male, Republican, young, possibly not a member of any of the three major American faiths, and of any race.

Conversely, opponents of privatization would likely be less educated, make less than \$15,000 a year, be senior citizens, and are females who stay at home.

- Democrats think the government can straighten out Social Security; Republicans have little faith in the government's ability to resolve the problem.
- Democrats and Republicans each think they can handle Social Security better; Independents go with Republicans; women favor Democrats.
- Democrats, Republicans and Independents all think people should be able to invest their own Social Security tax money.
- Union members are no longer part of a monolithic Democrat organization. Those who do not belong to unions agreed or came close to agreeing with union members on many Social Security issues. For instance, 44.7% of union members and 42.3% of non-union members agree that the current social security system is more risky than privatization because the government cannot pay all of the benefits.
- Born-again Christians and those who do not share their beliefs often took similar positions; for example, 49.3% of born-again Christians and 45.6% of those who are not born-again would be more supportive of privatization if they knew that 76% of Americans pay more in Social Security taxes than income taxes.
- If investment of Social Security taxes is to occur, most people don't want the government to do it
- Ethnically, Hispanics are least aware of the Social Security debate, but they are the most likely to favor investing their Social Security tax money. They are also most likely to receive a Social Security disability check.
- There is strong resentment against reforming Social Security by increasing taxes, elevating the \$72,000 cap on taxable Social Security income, and increasing the retirement age.

- Of all the benefits projected from privatization, the promise of a better economy through private investment of Social Security taxes is most likely to persuade voters.
- To resolve problems accompanying a transition to privatization, voters reject increased taxation, favoring spending reductions instead.
- Although significant numbers of voters favor private investment of Social Security money, even more significant numbers think budget surpluses should be used to shore up Social Security.
- Whites and Hispanics are more likely to be drawing Social Security checks than African-Americans. Blacks are not terribly moved by the argument that privatization should be supported because African-Americans get proportionately fewer Social Security benefits.
- Presidential and Congressional candidates who support privatization are more likely to attract voters than those who do not support it. However, the parties are split; Republicans favor privatization candidates; Democrats oppose them.
- Large majorities would let their Congressmen know how they feel about Social Security – except for people under 30, a solid majority of whom would keep them in the dark.

II. Conclusions And Recommendations

The debate appears to take traditional liberal-conservative or Republican-Democrat directions, given the categories of voters lining up on either side. However, this issue presents some major distinctions.

- Women tend to think Democrats do a better job with Social Security, but working women appear enthusiastic about privatization. Union members, Hispanics and African-Americans (all Democrats traditionally), are entertaining the concept of private investment of at least some of their taxes. These groups, especially women, can be a target for a privatization campaign. They are a cultural swing vote. Their voting numbers will increase as they move to the next stage of their cycle. At the same time, they represent the most libertarian of all age cohorts. Thus they came to adulthood without any real passion for government.
- Young people are eager to market their Social Security money, and if they voted as often as senior citizens, they could be a major force toward effecting privatization.

Voters over all appear ready to support candidates who favor privatization.

III. Methodology and Sample Characteristics

Methodology

This survey of 1,205 likely voters nationwide was conducted from 5 p.m. on Thursday, July 29, through 2:30 p.m. on Monday, August 2, 1999. All calls were made from Zogby International headquarters in Utica, N.Y. The margin of error is +/- 3.0 percent.

Sample Characteristics

Characteristic	Frequency	Percent
Total	1205	100.0
East	298	24.7
South	369	30.6
Central/Great Lakes	352	29.2
West	186	15.4
Democrat	470	39.0
Republican	410	34.0
Independent	325	26.9
Receives SS check	427	35.4
Does not receive SS	775	64.3
Receives disability	119	9.9
Does not receive disability	1080	89.6
18-29	180	15.0
30-49	375	31.3
50-64	323	27.0
65+	319	26.7
Less than high school	76	6.3
H.S. education	306	25.4
Some college	365	30.3
College graduate+	458	38.0
White	927	77.8
Hispanic	78	6.6
African-American	140	11.7
Asian	10	0.9
Other	36	3.0
Roman Catholic	299	25.0
Protestant	527	44.1
Jewish	15	1.3
Other (religion)	356	29.7
Born-again	257	49.0
Not born-again	268	51.0
Union member	250	20.7

Non-union	955	79.3
Less than \$15,000	122	11.1
\$15,000-24,999	163	14.7
\$25,000-34,999	165	14.9
\$35,000-49,000	209	18.9
\$50,000-74,999	222	20.1
\$75,000 or more	224	20.3
Male	583	48.4
Female	622	51.6
Works Outside Home	322	52.0
Does Not Work Outside Home	298	48.0

III. Analysis of Key Questions

5. Do you or does anyone in your household currently receive a Social Security retirement check?

Just over one-third (35.4%) of the respondents receive a retirement check, and 94.8% of them are in the 65+ age group. One-quarter is in the 50-64 age group, while the 18-24 group includes 11.6%. The majority (61.1%) has less than a high school education and earns less than \$15,000 a year.

Female recipients outnumber males, 38.2%-32.4%. Of union members, 29% get checks compared with 37% who are non-union.

6. Do you or does anyone in your household currently receive Social Security disability benefits?

Only 9.9% say yes, with the largest number (15.9%) in the 50-64 age group, and earning less than \$15,000 a year (64.8%). More than one-quarter (26.9%) are Hispanic. Democrats and Independents are more likely to get them than Republicans. Like the retirement checks, as education increases, the number of checks goes down.

7. How aware are you of the debate over Social Security reform in general – very aware, somewhat aware, or not at all aware?

A clear majority (58.4%) is somewhat aware, including 61.8% of those who live in the Central/Great Lakes region. Interestingly, awareness of the debate declines with age, with 62.7% of 18-29-year-olds and only 48.2% of those over-65 saying they are somewhat aware. Republicans and Independents are slightly more aware than Democrats. In general, awareness increases with education and income level. Females average greater awareness than males.

8. *Would you prefer or not prefer that the Social Security system be changed to give those who want the choice of investing their Social Security taxes through individual accounts similar to IRAs or 401(k) programs?*

Table 1. Preference For Investing Social Security Taxes

	<i>Overall%</i>	<i>Democrat</i>	<i>Republican</i>	<i>Independent</i>	<i>18-29</i>	<i>30-49</i>	<i>50-64</i>	<i>65+</i>
<i>Prefer</i>	54.9	46.3	62.6	57.5	78.3	71.0	51.4	26.5
<i>Not prefer</i>	31.4	38.1	25.6	28.9	12.6	17.7	35.3	53.8
<i>Not sure</i>	13.8	15.6	11.8	13.6	9.1	11.3	13.4	19.7

There are wide differences on this question, notably in age groups, political party, region, education and income levels.

The younger groups appear to want to invest aggressively, while the older respondents prefer to be conservative with their Social Security funds. Those who live in the West and South are more likely than those in the other two regions to prefer investing their funds. Also note major differences in political party. Democrats seem to be more closely divided on this issue, 46.3% preferring investment to 38.1% who do not want to see their money invested, while Republicans strongly favor investment.

The desire to invest decreases with age. Three-quarters of those under 30 want to invest, against only one-quarter of those over 70.

Those with some college and college degrees are more willing to consider investment of Social Security taxes, as are Hispanics. Preference for investment increases with income, with 69% of those in the highest bracket stating their approval for investment by a 3-to-1 margin. Men (61.6%) are significantly more willing than women (48.6%) to consider investment, and women who work outside the home are nearly twice as likely to prefer investment (60.1%-36.2%) as women who stay home.

9. *If prefer, please explain?* (number of similar responses is in parenthesis)

- I am afraid Social Security won't be around when I retire (28)
- According to people getting disability and Social Security, you have to pay taxes.
- You make more money sometimes if you invest it.
- A lot of people don't make it to collect Social Security
- As long as it does not take from those who depend on it
- Basically, so we have the right to invest in our own future (2)
- Because today people are expecting the government to take care of them
- Because of the amount of money I invested in Social Security
- Because they need it
- Because of more chance of benefits
- I am against big government and taxes
- I am assured money is there (6)
- I could invest the money better than the government (33)
- I don't trust the government (12)
- I have done so well with my state pension
- If we stopped paying, who would pay for the older people who have already retired?

- It is my choice (55)
- It is about time
- You can have the money when you need it (2)
- I do research on investments. I can control what the outcome would be if I invested in it (22)
- I have a 401(k) program and it is doing well (7)
- I believe I should be responsible for my own money and investments (3)
- Better off; better returns; better way of saving (29)
- Better opportunities; more options, flexibility (8)
- Changes are better
- Could receive benefits sooner if in the hands of individuals
- Could stand some improvement
- Disbursements should be based on need.
- I am in the fire department and they do not pay into it
- I don't think they are doing a good job
- It draws interest
- Everyone gets his or her fair share (2)
- Everyone has his or her own way of investing for the future (2)
- Everyone should have the option to do what he or she wants with his or her money (5)
- Federal government does not pay
- Free market would be much more efficient than the bureaucracy of government
- Get more money back by investing it (14)
- Government is doing a bad job (4)
- It is a good idea (6) It will help people and retirement (2)
- I believe that a person has a better responsibility for their money than the government (5)
- I currently invest in money market and stocks
- I feel in the long run it is safer (2)
- I have paid Social Security for years. The money was there at the time, but now the way the government is spending the money, we won't have any. So a self-retirement program is the only option for the young people today
- I prefer IRAs (2)
- I prefer to have control, and the market is doing better than what Social Security gives back
- I think the system is going to be inadequate and it won't work when I qualify. I would like to have the choice of investing my money, instead of the government just giving me what they think is right
- I was a stockbroker, so I can handle my own money
- I would like to put a portion of my own money into an account because I don't think the government has the know-how to completely privatize and do it correctly
- I would like to see a partial investment, 50% fixed and invest 50%. I have something like this as a teacher. I wouldn't like to see people lose all
- If it should change, all those who have already invested into the system would lose their benefits

- If current investments were assured, this could help future generations (3)
- If invested correctly, it would be more beneficial to us (2)
- If it does not affect current beneficiaries
- If Social Security were used the way it was, things would be better
- If someone wants to take the time and effort to look into it, they should be allowed to. I am concerned about those who make bad investments and decisions (2)
- If they think they can do better for us, then go for it (3)
- If they want to, fine, as long as I get my check
- If they want to have money to rollover for their children and grandchildren, they should be able to secure their future financially
- If they want a choice, they should have it as long as it is not detrimental to the economy of the nation, or Social Security in general
- If you can get enough money to retire on without Social Security, you may as well get the money now and invest it. You should be able to choose whether you want a check or invest it.
- Independence; freedom (13)
- Individual should decide. It is illegal in general fund at the present time
- Individuals are intelligent enough to invest their own money (10)
- It gives me an opportunity to use my money the way I want, and not the way the government wants (9)
- It gives me the money I invested in Social Security, and I expect to get it back
- It is not the government's money; it belongs to the people (5)
- It is not doing anything but sitting there
- It is a misuse of funds
- It is the only way to survive
- It is your money. You worked for it. Why can't you choose?
- Keep government away from finance (2)
- Make more money (10)
- Money being disbursed to people who did not pay into it
- More benefits
- More personal and profitable way to insure your retirement.
- Mutual funds are much better (2)
- My generation will not receive Social Security, and I am glad.
- No one should limit his or her money
- Only if they take care of dependent children
- People can stretch their own money (2)
- Private investments could bring a better yield for the individual. (5)
- Returns from Social Security are unfair (3)
- Right now, Social Security is insecure (3)
- Safe investment opportunity
- Save money
- She feels it is a burden on the government, and in return, the taxpayers
- She is at retirement age and cannot retire
- She would like to see the current beneficiaries receive more help with overall expenses, especially medical

- I would like to make more money. I do not like the government handling it and borrowing from it (2)
- Social Security is being used as a general fund
- Social Security is not in good shape; bankrupt; will not last (10)
- Social Security is a fraud. Money should not go to those who do not contribute. System is being robbed (3).
- Tax-deferred dollars are a better option
- The current rate of Social Security is too low, no benefits
- The experiment worked well in Galveston, Texas, for the city and state workers
- The government borrows the money, spends it, and does not pay it back (4)
- The government is misusing the money. The money was not intended for what they are using it for (6)
- The safest investments would make more than the government makes (2)
- The system does not pay enough, and we can do better than the stock market
- There needs to be a safety net. People need to have a choice to be able to make the account grow more successfully (2)
- To secure the money long-term (3)
- Too many changes
- You don't get much out of it after paying for 10 years
- We are wasting too much time

10. *If not prefer, please explain?* _____

- A lot of people have no idea how to do this; too complicated (41)
- A lot of people won't invest it well. It should be taken out of the paycheck. If you want to pay above what is taken, that should be allowed. It is not right for people to pay taxes on what they already have
- A lot of people would not invest it and it would be a waste (12)
- Afraid that giving it up to the individuals would thwart the purpose for which Social Security was originally formulated (2)
- Afraid it would make those less astute investors poorer (2)
- A person works too hard for their Social Security and they should be able to do what they want with their money (2)
- At my age, I do not prefer it (3)
- Because I feel it would be abused (7)
- Element of risk is too great (14)
- Funded by the surplus
- Good income, and rather have good savings
- I feel people will not invest wisely and will end up on welfare or needing government help
- of some kind (10)
- It takes a lot of money to change it
- I think it is too much of an opportunity for Wall Street to get into other people's business and lose money (5)
- I do not trust the economy of the country

- I have been involved in the stock market, and I feel people my age like the steady income of my benefits
- I think it is better to invest in more secure situations (5)
- I can't afford it (2)
- It could be distributed to those who do not have backup funds
- I do not know enough about investing (7)
- I do not favor the change (83)
- I don't like the IRA – too easy to lose money
- It should not be up to the individual (2)
- I do not think it is as good as Social Security (3)
- I hear so many people complaining about it
- I am 80, and it is easier
- I am getting Social Security now. If it is changed, I may not get anything (2)
- I don't believe people save money if they have the option (2)
- I don't think they should venture in stock. I understand they have a very large amount of money and they should straighten out Medicare and Social Security benefits. I have worked 44 years
- I do not trust private business
- I think it should stay as it is and let the people get their money back. There is plenty there
- I think only stockbrokers would make money (3)
- I think that Social Security should be kept with the Social Security trustees and trust funds (2)
- I want the security of knowing I am getting the money (2)
- I went through the system and paid. I am not getting enough money
- I would like all the assets managed by one central authority. It is safer for the beneficiaries
- I am a retired schoolteacher and I have nothing to invest
- It is not likely to be well-managed
- It is not taking care of the seniors It takes away our Bill of Rights, our current jobs, and our retirement benefits are being lost to this new wave of immigrants
- It is the government's business
- It is my money
- It is working pretty well so far. Why change it? (2)
- I feel like this was something set up for the retirees controlled by the government. I have no money to invest
- It will lead to other complications or loss (2)
- I like the convenience now
- I think it will kill Social Security (3)
- I think it is a big mistake for the government to rest on the health of the stock market
- I think the system should be funded properly
- It will upset the balance of the system
- I want the system to be controlled by the government

- I want to take care of it myself (2)
- Money paid now helps seniors on Social Security. Changing the system could jeopardize this
- Money should be invested gradually, not all at once
- Money should stay in the system to take care of the country
- Needy people need the money (2)
- No one saves for the future and this forces you to save a little
- No risk
- No success
- Not everyone has the opportunity to do that, especially women
- People get what they need from Social Security. Investing is not proper way to make money
- People who have money will invest it, others won't, they will spend it and the Social Security fund will fall short (3)
- Prefer Social Security to stay as is. People need the money
- They need to make sure that everyone pays into Social Security (2)
- There needs to be a guaranteed amount of benefits (2)
- There are too many fingers in the pot already
- They should keep the current system with some reform
- The market is for people who are not taxed. The stock market is for someone who has worked and can invest in it. This should not be a form of retirement
- The money that comes in, Clinton uses for pork barrel projects
- The stock market is too unpredictable (2)
- There are other options available (2)
- There is not enough time (3)
- What I am putting into Social Security is taking care of the generation above me who did not put in enough. It is not fair that some people cop out
- Work with the elderly who do not get enough from Social Security
- You can't get to it at anytime
- You think the people know what they are doing
- You are messing with the wrong thing. If they manage it right

11. Currently you pay 6.2% of your income in Social Security taxes. Your employer matches that by paying 6.2%, for a total of 12.4%. Some proposals for Social Security privatization would allow you to invest only a portion of this tax, with the rest of the tax continuing into the current system. How much of your Social Security taxes would you prefer to be able to invest privately – just your portion of 6.2%, just 2% or 3% of your portion, or all 12.4%?

Table 2. Portion of Taxes To Be Invested

	<i>Overall</i>	<i>Democrat</i>	<i>Republican</i>	<i>Independent</i>	<i>18-29</i>	<i>30-49</i>	<i>50-64</i>	<i>65+</i>
<i>6.2%</i>	26.5	26.7	21.7	32.5	41.3	29.9	29.2	11.5
<i>2% or 3%</i>	11.0	13.6	9.0	9.6	11.9	12.9	8.8	10.3
<i>12.4%</i>	27.9	22.0	36.2	25.9	32.6	40.2	27.5	11.8
<i>None</i>	20.4	23.2	17.4	20.4	8.4	11.2	22.3	35.4
<i>Not sure</i>	14.2	14.6	15.7	11.6	5.8	5.7	12.1	31.0

Differences of opinion as to the amount of investment vary greatly based on age and education again. Half (50.4%) of the 18-24 year-olds in our survey, compared to only 9.6% of those over 70, want to see their 6.2% invested. Only 5.5% of the 18-24 year-olds say “none” of their taxes should be invested, compared to 36.8% who are over 70.

Nearly one-third (30%) of college-educated respondents want to see 6.2% invested, compared to 19% of those with a high school diploma or less. Those numbers are reversed when choosing “none,” with 43.3% of the less- than-high-school-diploma respondents choosing this option.

Women who work outside the home show a major difference of opinion: 75% of them prefer some investment, compared to 48% of women who stay at home.

There are some differences according to ethnic group, religion and income group. Hispanics and Catholics prefer 12.4% investment in greater numbers. One-third of those in the higher income groups (\$35,00 and up) would prefer to see the entire 12.5% invested.

Among the races, 78.3% of blacks want to invest at least part of their money; Hispanics, 69.3%; whites, 63.5%.

12. If Social Security funds are invested in stocks and bonds, who should do the investing – the government through a central fund, individual workers through private accounts like the IRA or 401(k), or no investment?

Table 3. Choosing The Investor

	<i>Overall</i>	<i>Democrat</i>	<i>Republican</i>	<i>Independent</i>	<i>18-29</i>	<i>30-49</i>	<i>50-64</i>	<i>65+</i>
<i>Govt.</i>	10.9	15.5	9.1	6.4	7.6	12.4	12.2	9.7
<i>Workers</i>	49.0	41.6	53.6	54.0	71.8	55.7	48.4	29.2
<i>Neither</i>	31.7	33.5	29.0	32.2	15.8	25.5	31.1	47.9
<i>Not sure</i>	8.4	9.3	8.3	7.3	4.7	6.4	8.3	13.2

Since 10.9% want the government to invest and 49.0% favor the workers themselves, it amounts to 59.9% who clearly want to see some investment.

Nearly a majority (49%) overall prefers to let the workers invest their own funds. Again, this option depends on age and income. Older respondents prefer neither the workers

nor the government, whereas those with greater disposable income (as many as 59.6% in the \$50-74,999 group) show a greater desire to let workers (or themselves) control the investment.

Women who work outside the home feel more strongly than stay-at-home females, preferring to let workers invest (53.3%).

Hispanics give the fewest “no investment” responses, as well as the highest approval (21.6%) of government approval. Only 9.7% of African-Americans favor government approval.

13. Generally speaking, do you have faith in the government’s ability to straighten out Social Security’s problems?

A majority of respondents (54.4%) says “no,” they do not have faith in the government. This percentage holds true in most sub-groups, except among Democrats, retirees and low income groups. A plurality of 47.4% of those over 65, and 48.8% of those over 70, say “yes,” they have faith in the government.

A majority of African-Americans (57%) and those who earn less than \$15,000 a year (54.6%) also have faith in the government. More women than men, especially women who do not work outside the home (46.8%) have faith in the government to resolve the problem.

14. Which political party do you believe is better able to handle the Social Security problem – Democrats or Republicans?

Democrats	33.1%
Republicans	29.4%
Neither	21.8%

The respondents are split almost equally between Democrats and Republicans, with only 21.8% citing “neither.”

Easterners (35%), older respondents (39.9% among the over-65), African-Americans (58%), the low-income level (59.7% of those who earn less than \$15,000), and stay-at-home females (41%) are most likely to trust the Democrats.

Those who believe the Republicans hold the answers are most likely white (31.5%); Protestant (34.1%); non-union (30.4%), and high income (one-third of those who earn better than \$35,000 a year or more). Union members (27.6%) and the highest income groups (26.7% of those over \$75,000) strongly believe neither party can help.

15. I am going to read to you two statements. Please tell me which statement comes closest to your own opinion – Statement A or Statement B?

Statement A: A privatized Social Security system would be too risky because individuals might lose their investments if the market performs poorly.

Statement B: The current Social Security system is more risky than a privatized system because the government cannot pay all the benefits it has promised.

Table 4. Perception Of Risk

<i>Statement</i>	<i>Overall</i>	<i>Democrat</i>	<i>Republican</i>	<i>Independent</i>	<i>18-29</i>	<i>30-49</i>	<i>50-64</i>	<i>65+</i>
<i>A</i>	32.7	37.6	27.6	32.1	23.7	30.0	33.4	40.8
<i>B</i>	42.8	37.9	48.6	42.5	65.2	53.0	39.5	21.6
<i>Neither</i>	19.9	18.4	19.4	22.9	10.4	13.7	24.7	27.5
<i>Not sure</i>	4.6	6.1	4.5	2.5	0.8	3.3	2.4	10.2

The results of this question are in line with a previous question showing that a majority of respondents does not have faith in the government to reform the current system. A plurality in almost every sub-group believes the government will be unable to pay all the benefits it has promised. Few majorities show up in any of the 43 sub-groups.

The age groups show the greatest difference of opinion. Older respondents are most likely to believe in statement A, and those individuals cannot be trusted to invest wisely. Four in 10 retirees (40.8% over 65) do not want to take that risk, compared to 23.7% of the 18-29 age group. On the other hand, the youngest respondents firmly believe that the government will be unable to pay their retirement benefits in the next 35 to 50 years: 65.2% of the 18-29 year-olds, more than three times those in the over-65 group, support statement B. Those in the West (49.4%); college graduates (49.2%); Hispanics (57.3%); high income groups (54.6% of those in the \$75,000 range), and women who work outside the home (48.1%) also support statement B.

Those who believe individuals will assume too much risk and support statement A are more likely from the East (37.9%); Democrat (37.6%); low income (39.1% of those who earn less than \$15,000), and male (35.5%). African-Americans and females are the most evenly split on the statements.

16. If Social Security reform meant that you could take your own Social Security tax money and invest it through your own personal retirement account, how likely would you be to do so?

Table 5. Likelihood Of Investing Own Funds

	Overall	Democrat	Republican	Independent	18-29	30-49	50-64	65+
<i>Very likely</i>	56.0	47.2	64.2	58.5	67.2	70.3	56.5	33.6
<i>Somewhat</i>	19.8	22.1	15.1	22.4	26.5	19.0	21.0	15.9
<i>Not likely</i>	18.7	24.0	15.7	14.9	5.4	9.1	18.7	36.6
<i>Not sure</i>	5.4	6.7	5.0	4.2	1.0	1.7	3.8	13.9

While a majority of respondents in each demographic group is very likely to invest, the likelihood decreases, predictably by age, with twice as many 18-29 year-olds as those over-65 to be very likely to invest. Of those who are not sure or already retired, the largest percentage (13.9) is over 65.

Political, educational and income differences continue to be evident. Republicans, those under 55-years-old, Hispanics, and those with some college education are most likely to invest, as well as those in the upper income brackets.

Men, overwhelmingly, show more interest than women do in investing, with the females who stay at home the least likely (27.8%) to invest.

23. If young workers are allowed to privately invest their payroll taxes, the government will have to find some way to pay for the benefits being paid to current beneficiaries. Which of the following methods do you favor as a way of paying for benefits – raising taxes, cutting spending elsewhere in the budget, or borrowing the money?

Table 8. Methods Of Paying For Benefits (in descending order)

Option	Overall	Democrat	Republican	Independent	18-29	30-49	50-64	65+
<i>Cut Spending</i>	78.4	76.3	81.9	77.7	84.1	77.7	81.1	73.0
<i>Raise taxes</i>	7.5	8.4	5.8	8.3	8.3	7.5	7.6	7.1
<i>Other</i>	6.4	4.3	8.0	7.5	0	7.1	7.2	8.4
<i>Not sure</i>	4.8	6.8	2.7	4.6	3.8	3.0	2.1	10.3
<i>Borrow</i>	2.9	4.2	1.7	2.6	3.8	4.8	1.9	1.2

For our respondents, the most obvious solution is for the government to cut spending to fund Social Security benefits. At least 75% of those surveyed in every sub-group supports this idea, including 84.1% of the 18-29 year-olds. The over-65 crowd is the least supportive (73%), while also giving the highest “not sure” rating (10.3%).

24. -30. Congress is considering several options in order to fix Social Security. Please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with each of these options:

- increase payroll taxes
- reduce Social Security benefits

- means test Social Security benefits
- raise the retirement age
- raise the cap on the amount of income level subject to the payroll tax above the current level of \$72,000
- use the projected budget surplus to help shore up the current system
- use the projected budget surplus to help finance the transition to a privatized Social Security system?

Table 9. How To Fix Social Security (in descending order)

<i>Option</i>	<i>Strongly Agree</i>	<i>Somewhat Agree</i>	<i>Somewhat disagree</i>	<i>Strongly disagree</i>	<i>Not sure</i>
<i>Shore up current system</i>	49.1	25.1	7.4	11.9	6.6
<i>Raise the cap above \$72,000</i>	34.6	22.5	13.1	21.1	8.8
<i>Means test benefits</i>	29.9	21.9	15.1	27.9	5.3
<i>Finance a private system</i>	29.4	22.3	11.2	28.9	8.2
<i>Raise age of retirement</i>	13.2	18.7	14.5	51.3	2.3
<i>Increase taxes</i>	6.8	12.3	20.5	57.9	2.5
<i>Reduce benefits</i>	6.0	8.2	17.6	66.2	2.0

Despite the faults of the current system, nearly three-quarters (74.2%) of the respondents overall strongly or somewhat agree that the projected budget surplus could be used to shore up the present Social Security plan. There is wide agreement in all age groups, with agreement generally increasing with age. The 50-64 age group expresses the strongest approval (79.4%).

Most opposition to this plan comes from those under 30 (40.4%); Hispanics (51.8%); blacks (44%); those making less than \$15,000 (40.8%), and those making between \$25,000 and \$34,999 (41.5%).

Independents and Democrats, higher income groups, union members, and women who work outside the home also register strong agreement with maintaining and bolstering the present system.

Raising the cap on the income subject to payroll taxes draws agreement from 57.1% of the respondents overall, and agreement appears to increase with age. Independents and the college educated support this proposal more strongly. A majority in each income group also agrees with this option. Those income groups who would take the biggest hit - \$75,000 and up – support the cap increase (63%).

A majority (51.7%) also supports financing the transition to a privatized Social Security system, although agreement dwindles with increasing age. Of those under 30, 71% approve privatization by using the budget surplus, compared with only 34.3% of those over 65. Republicans (57.6%), college-educated respondents and men also show broad agreement.

The respondents overall are evenly split on whether they strongly agree or strongly disagree with means testing Social Security benefits. Nevertheless, nearly a majority in all age groups and the high-income groups agrees with the concept.

The greatest disagreement concerns raising the retirement age, increasing taxes, and reducing benefits.

There is a wide range of opinions on raising the retirement age when viewed by age groups. Interestingly, agreement increases by age, with the over-65 respondents 10% more likely to agree than the 18-29 year-olds. The 18-29 group, on the other hand, is one-third more likely than the retirees to disagree with raising the retirement age. Those with higher levels of education are also more likely to agree with changing the retirement age.

Reducing benefits predictably draws major disagreement, especially as one's age increases. Democrats (67.2%); those with the least education, and the lowest income groups show the strongest disapproval here.

Southerners; Republicans; the 30-49 age group (65%); high school graduates; Hispanics, and the \$50,000-\$74,999 income group show the most aversion to raising payroll taxes.

31. Next year, Americans will vote on candidates for President, Congress, and the U.S. Senate. How important is a candidate's position on Social Security in your vote for him or her?

Table 10. Importance Of Candidates' Position on Social Security

	<i>Overall</i>	<i>Democrat</i>	<i>Republican</i>	<i>Independent</i>	<i>18-29</i>	<i>30-49</i>	<i>50-64</i>	<i>65+</i>
<i>Very imp</i>	55.6	64.5	50.0	49.8	31.0	46.7	63.1	71.5
<i>Somewhat</i>	37.0	28.9	43.0	41.0	63.4	45.7	31.5	17.9
<i>Not imp</i>	5.5	4.2	5.0	7.8	5.6	6.2	4.8	5.4
<i>Not sure</i>	2.0	2.4	2.0	1.4	0	1.4	0.6	5.2

A candidate's position on Social Security is considered important to 92.6% of respondents overall.

Age is a major factor in determining whether to support a candidate based on his or her position on Social Security. It is very important to a majority of those respondents over 50, but only somewhat important to a majority in the 18-29 age group.

Very small percentages say a candidate's position is not important or they are not sure. However, 5.2% of those over 65, five times as much as those in the 18-29 group, say they are not sure if a candidate's position on Social Security will affect their vote.

32. -33. In the 2000 presidential (Congressional) election, would you be much more likely, somewhat more likely, somewhat less likely, or much less likely to vote for a presidential (Congressional) candidate who supports privatization of Social Security, or would it make no difference? (More likely combines much more and somewhat more likely; less likely combines somewhat less and much less likely.)

Table 11. Voting For Candidates Who Support Privatization

	Overall		18-29		30-49	
	President	Congress	President	Congress	President	Congress
<i>More likely</i>	44.4	41.1	51.2	49.2	60.4	58.1
<i>Less likely</i>	21.8	25.5	7.2	13.0	13.4	15.4
<i>No difference</i>	28.7	28.1	38.9	35.1	23.0	24.7
<i>Not sure</i>	5.1	4.3	2.7	2.8	3.2	1.9

	50-64		65+	
	President	Congress	President	Congress
<i>More likely</i>	40.6	39.8	25.7	22.2
<i>Less likely</i>	23.5	27.3	37.2	41.8
<i>No difference</i>	31.0	28.5	27.9	28.0
<i>Not sure</i>	4.8	4.3	9.2	8.0

Whether the candidate is in a presidential or Congressional race, the percentages of those who are more likely or less likely to support the candidate are nearly the same.

The respondents age 50-and-over appear to be less concerned (or perhaps less affected) than younger respondents about a candidate's stand on privatization. The 18-29 year-olds are twice as likely than those over 65 to support a candidate who favors privatization of Social Security.

The better-educated respondents also appear to favor candidates who support privatization. College graduates (63%), for example, are three times more likely to be influenced by a Congressional candidate on this issue than those without a high school diploma (19.6%).

Democrats and Republicans are split, with a majority of Republicans favoring candidates who support privatization. Democrats are less likely to support a presidential candidate who supports privatization by a slim margin, and more likely to support Congressional candidates who endorse privatization, also by a slim margin.

Whites and Hispanics, Jews, and women who work outside the home are more likely to be kind to pro-privatization candidates. Blacks are twice as likely as other ethnic groups, and Catholics and Protestants are also likely to treat such candidates poorly.

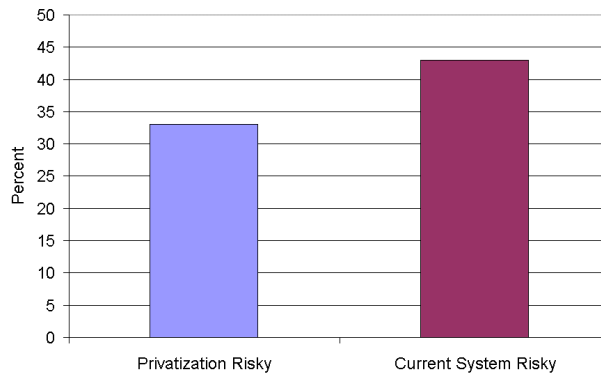
Overall, from one-quarter to one-third of respondents in every age group say it makes no difference.

IV. Full Poll Available.

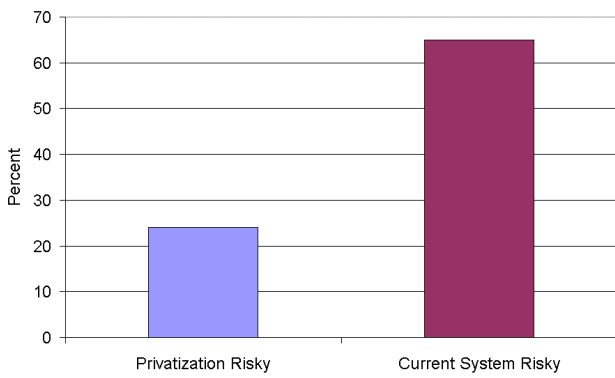
Some questions technical questions and questions designed for internal use have been omitted from this report. A copy of the full poll is available upon request.

Which statement is more correct: A) Privatized Social Security would be too risky because individuals might lose their investments if the market performs poorly; B) The current Social Security system is more risky because the government cannot pay all the benefits it has promised?

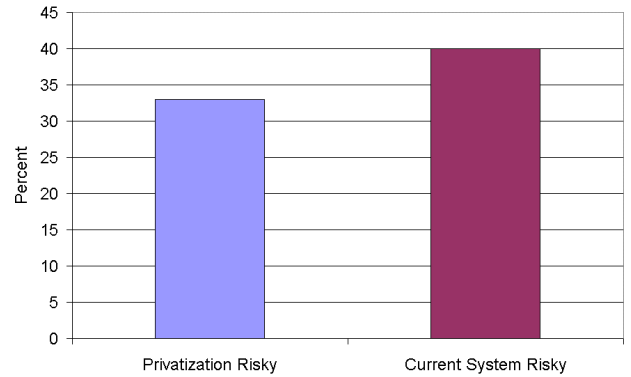
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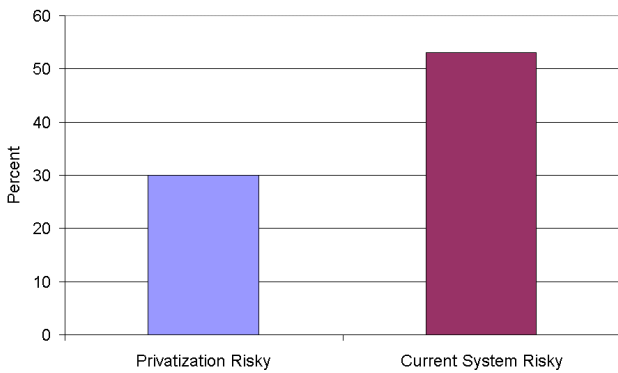
Aged 18-29



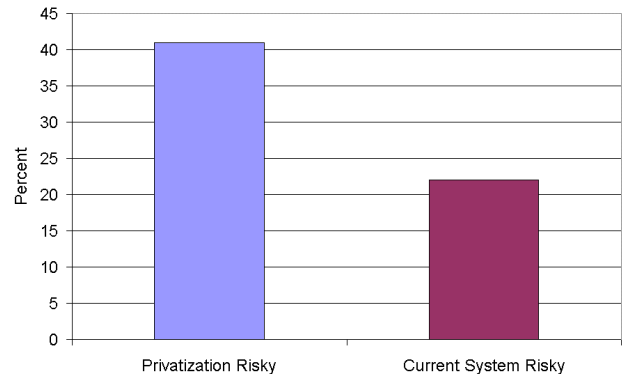
Aged 50-64



Aged 30-49

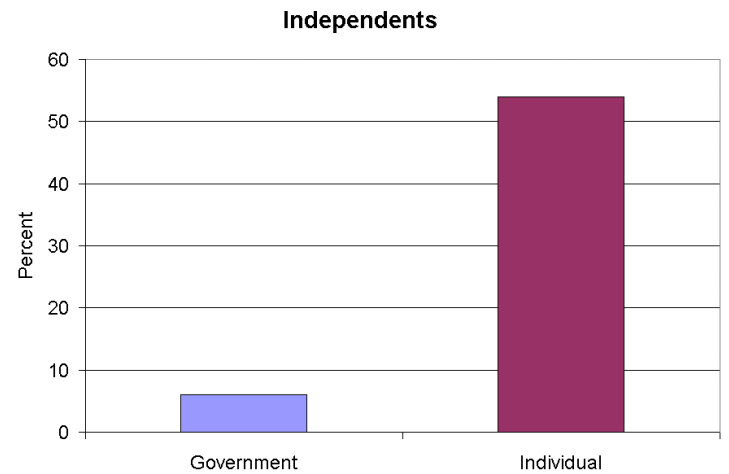
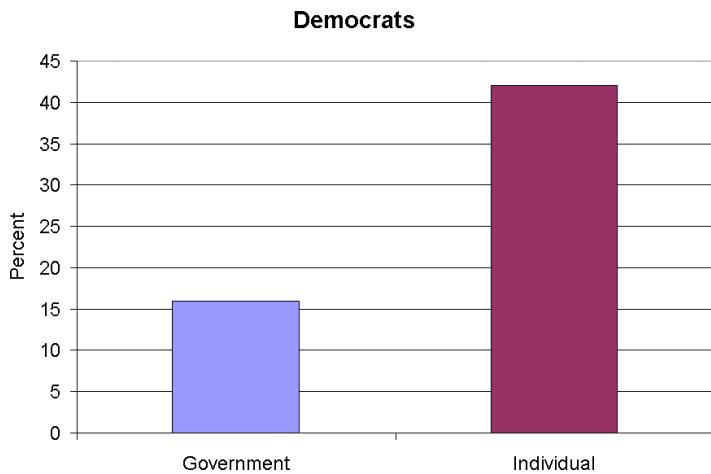
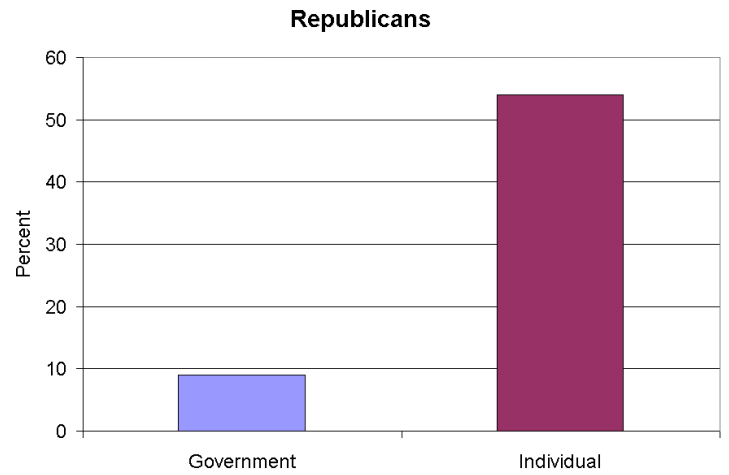
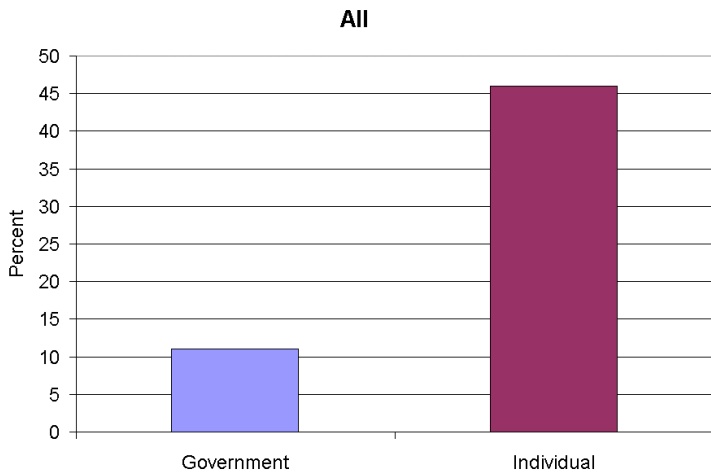


Aged 65 and over



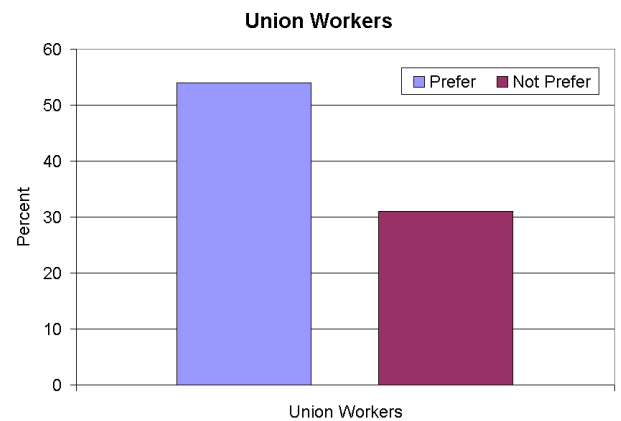
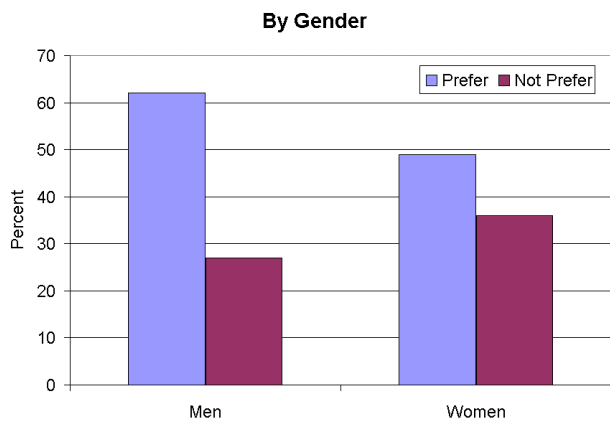
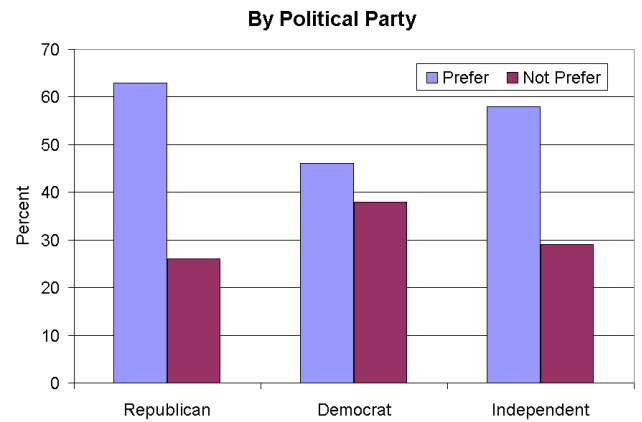
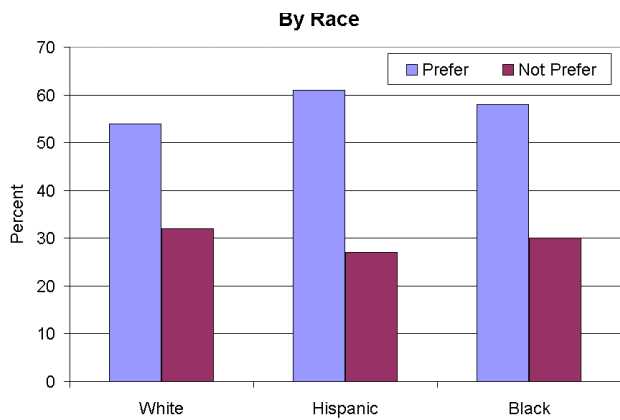
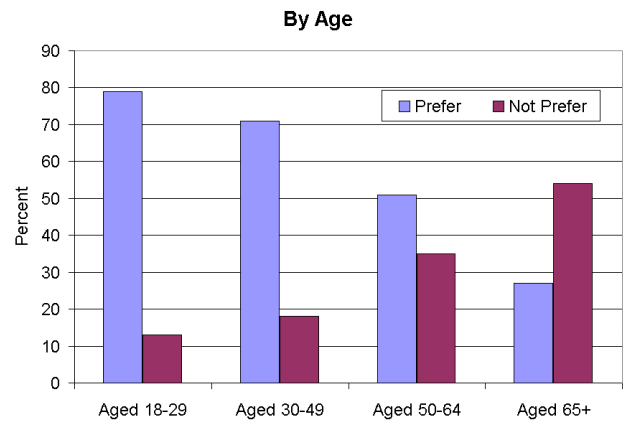
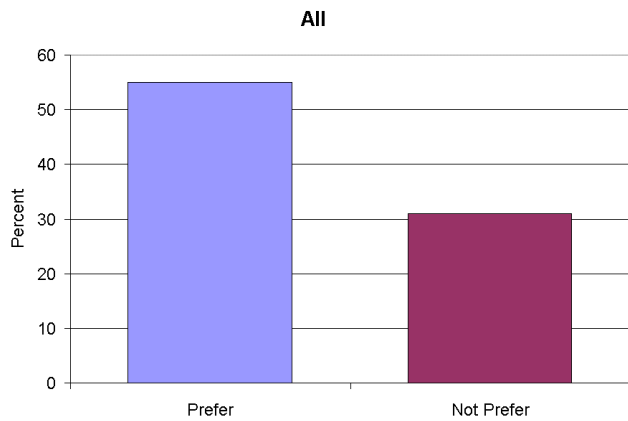
Source: Zogby International, August 2, 1999, N=1205

If Social Security funds are invested in stocks and bonds, who should do the investing -- the government through a central fund, or individual workers through private accounts like an IRA or 401(k)?



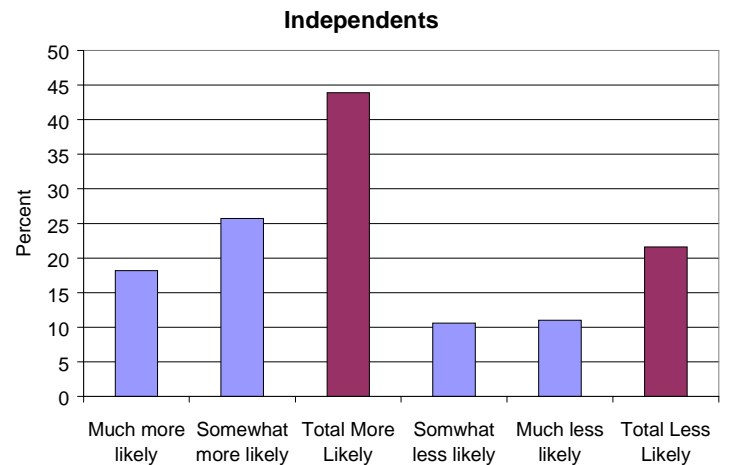
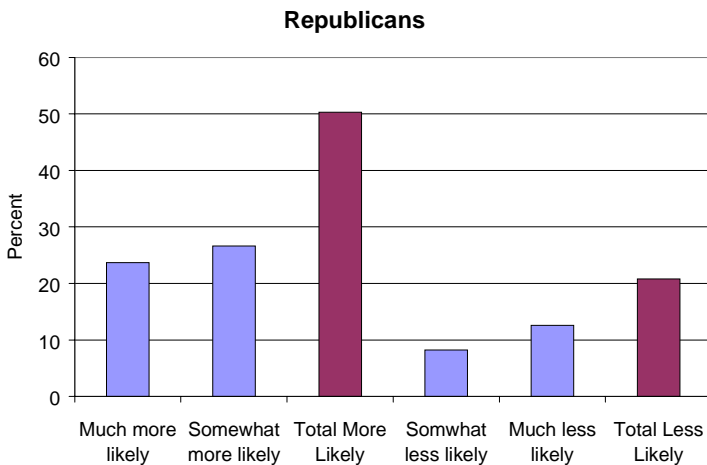
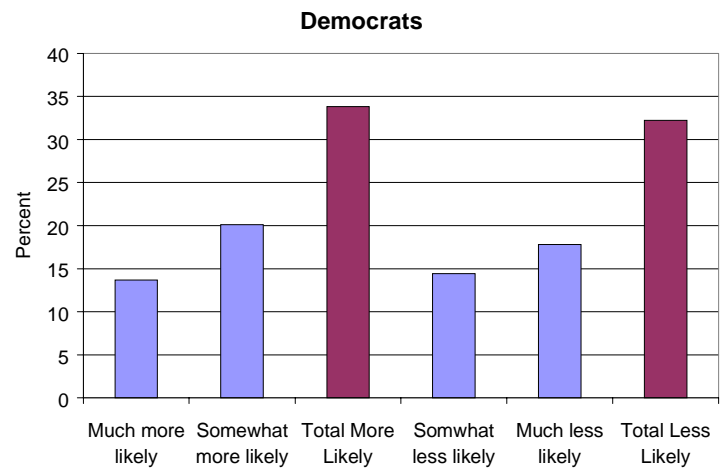
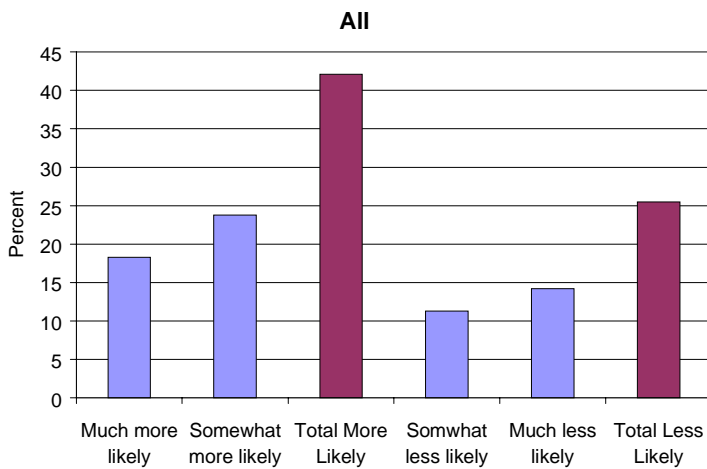
Source: Zogby International, August 2, 1999, N=1205

Would you prefer or not prefer that the Social Security system be changed to give those who want the choice of investing their Social Security taxes through individual accounts similar to IRAs or 401(k) programs?



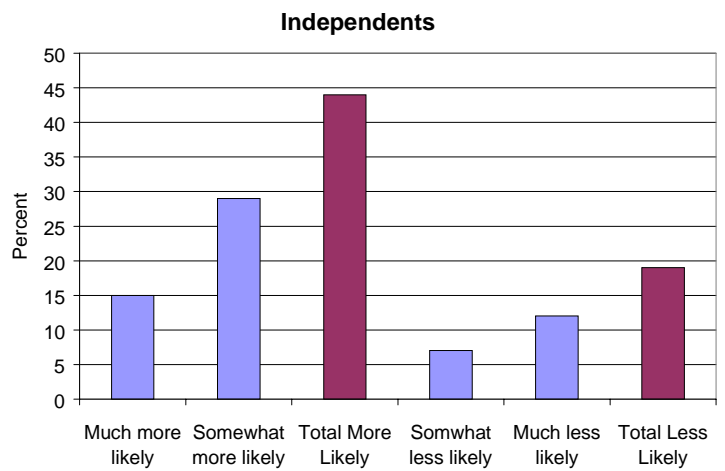
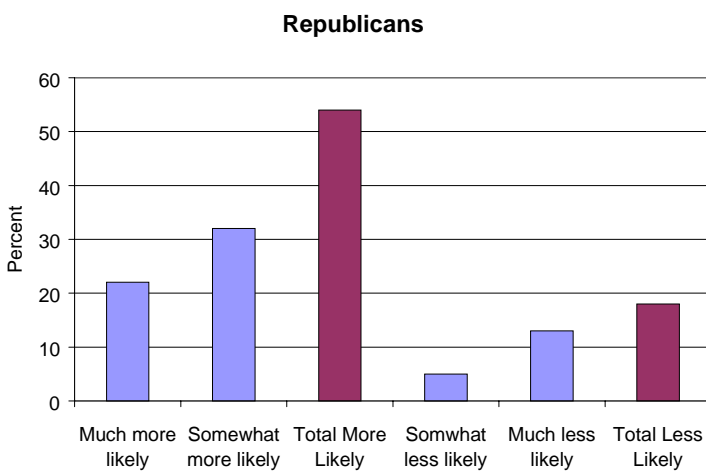
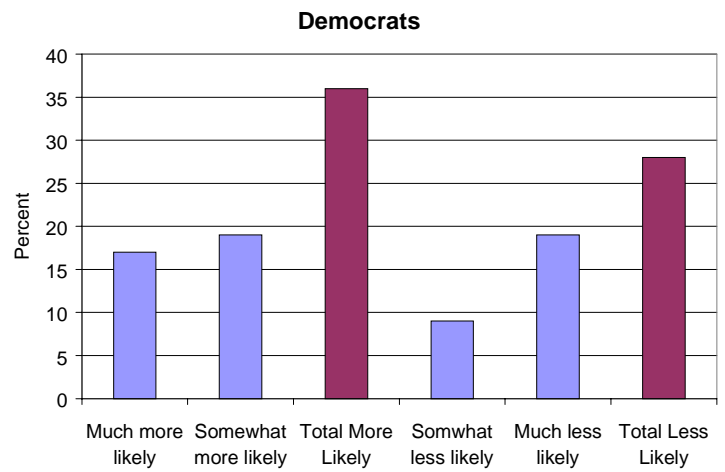
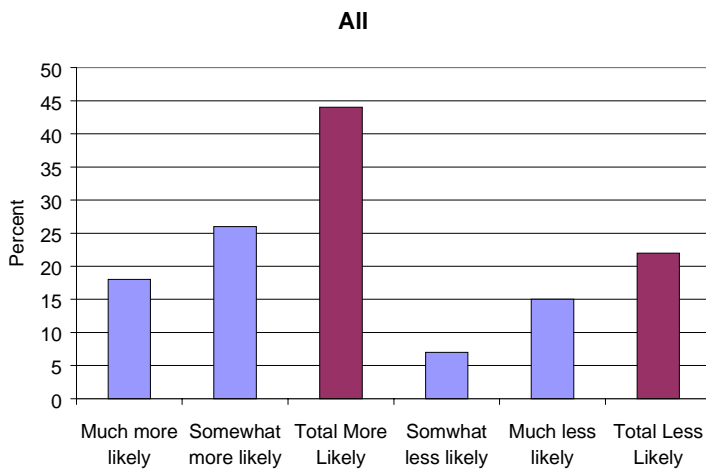
Source: Zogby International, August 2, 1999, N=1205

In the 2000 congressional election, would you be much more likely, somewhat more likely, somewhat less likely, or much less likely to vote for a candidate who supported the privatization of Social Security, or would it make no difference?



Source: Zogby International, August 2, 1999, N=1205

In the 2000 presidential election, would you be much more likely, somewhat more likely, somewhat less likely, or much less likely to vote for a candidate who supported the privatization of Social Security, or would it make no difference?



Source: Zogby International, August 2, 1999, N=1205