Aging Boomers, Generational Equity, and the Framing of the Debate over Social Security

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Over the next few decades, the United States (and many other nations around the world) will be contending with the burden of financing the retirement of the baby-boomer generation. With the retirement of these very large cohorts will come pressures to substantially increase government spending on old-age pensions and health care. For the United States, one consequence of this projected demographic shift, and the associated increase in number of people eligible for pension and health insurance benefits, is the projected depletion of the Social Security and Medicare trust funds in the not-too-distant future. Current projections suggest that if no policy changes were to be made in the years ahead, the Social Security trust fund would be depleted by 2041. This does not mean that there would be no money to pay Social Security pensions, as billions of dollars would continue to be collected each year, but that benefits would have to be reduced by about 25 percent or that payroll taxes would have to be increased, at that point, by about 32 percent (i.e., four percentage points, with half of this increase paid by employers) (Board of Trustees 2007).

Few analysts believe that this scenario will be played out; most expect that changes will be made long before 2041. However, such projections do suggest that some changes will be needed to deal with the retirement of the boomers, and they will be the type most politicians try to avoid. Most likely, the changes will involve a combination of direct and indirect benefit cuts and tax increases. Such projections have led to much discussion about how best to bring projected pension benefits and revenues into balance. Central to this debate are the explicit and implicit discussions about whom to ask to contribute more taxes and whom to ask to accept lower benefits. Many analysts are also asking about race, class, gender, age, and cohort (generation) differences with respect to how the burden should be shared (Kohl 2006; Kingson 2007; Baker and Weissbrod 1999).

In this chapter, we will be analyzing the ideological contest between two major frameworks for thinking about the share of societal resources that ought to go to elder members of American society. One framework is often referred to as the generational equity perspective and the other as the generational interdependence perspective (Williamson 2007; Williamson and Watts-Roy 1999). This discourse goes by various names, but the most common is the “generational equity debate.” This debate emerged between the late 1970s and the mid-1980s as part of an ideological swing to the right in American society. The debate’s emergence was linked to a confluence of several economic, political, and demographic forces.

Due to a combination of falling birth rates, increasing life expectancy, the declining age of retirement, and the size of the boomer cohorts, demographic projections began pointing to a dramatic drop in the future ratio of workers to retirees, particularly once the boomers started to retire. These trends raised questions about the projected economic burden future retirees would place on the Social Security program and the associated increases in payroll taxes on future workers. Changing economic conditions during the 1970s, including two major oil embargoes, the associated declines in the rate of economic growth, and the combination of high inflation and high unemployment referred to as “stagflation,” all taken together, made Americans increasingly pessimistic about their economic future (Kuttner 1980). Political problems such as the war in Vietnam, the Watergate scandal, the failure of most “War on Poverty” programs, and the Iranian hostage crisis contributed to a decline in public confidence in the government’s ability to effectively deal with societal problems. The combination of all the above factors made the American public increasingly reluctant to support social programs designed to help various vulnerable groups, including retirees (Powell, Williamson, and Branco 1996).

Concurrently, increasingly well-funded conservative think tanks and foundations such as the Cato Institute, the American Enterprise Institute, and the Heritage Foundation helped to catalyze a sharp shift to the political right. The resulting ascendancy of the conservative wing of the Republican Party was capped by the 1980 election of Ronald Reagan as president. Soon many social programs, including even the nation’s single most popular
government program, Social Security, were coming under intense criticism (Béland 2005; Williamson, McNamara, and Howling 2003).

Social Security was subjected to intense scrutiny for several reasons. First, of all the old-age policies, Social Security was by far the most costly. Second, demographic projections pointed to the impending retirement of the very large cohorts associated with the boomer generation. A third factor was Social Security's first short-term financing shortfall in the late 1970s—due in part to a combination of high inflation, high unemployment rates, and low wage increases, as well as a rising number of people receiving pension and disability benefits (Berkowitz 1997). In addition to unfavorable demographic trends, a faulty cost-of-living formula enacted in 1972 also contributed to the projected long-term financing shortfall.

While conservatives attempted to define the financing problem as a "crisis," liberals tried to depict it as a relatively easy-to-manage short-term funding problem. Conservative efforts to frame the Social Security financing problem as a crisis represented a deliberate effort to undermine public confidence in the program as part of a broader effort to reduce government spending and ultimately the size of the American welfare state (Béland 2005; Powell, Williamson, and Branco 1996; Butler and Germanis 1983). In response to these funding problems, the Social Security program was amended first in 1977 and then again in 1983. Although these reforms ensured that Social Security would take in more revenues than it paid out as pension benefits, at least for the next few decades, the process sparked an enduring debate over Social Security, and, as we shall see, the issue of generational equity became central to that debate.

FRAME ANALYSIS OF THE GENERATIONAL EQUITY DEBATE

What eventually came to be referred to as the generational equity perspective began to emerge as a subtext of the Social Security "crisis" frame in the early 1980s. Conservative critics of the Social Security program argued that it was a pyramid scheme in which younger working-age adults were paying into a system from which they would get little or nothing in return; this argument is still being repeated today (Longman 1982; Lamm 2007). In part, this argument is premised on the idea that the Social Security system will go bankrupt before younger workers reach retirement age. Some conservative commentators began to use terms such as "justice between generations" and "generational equity" to describe the projected conflict of financial interests between different age groups (Longman 1985).

While conservative policy analysts found it very effective to use the term generational equity when writing about old-age policy, most liberal analysts and commentators were much more comfortable with such terms as generational interdependence or intragenerational equity (Kingson, Hirshorn, and Cornman 1986). However, in the end it was the proponents of the
generational equity frame who were most successful in marketing their catchphrase to refer to, and thus help frame the debate over, distributional aspects of old-age policy reform. This has become the term most often used, even by many liberal commentators, when referring to this set of issues.

The debate is as much a symbolic contest as a disagreement over specific policies. The competing advocacy networks, representing the "generational equity" and "generational interdependence" frames, attempt to depict their respective interpretative packages in ways that resonate with larger cultural themes. Below, we outline the core elements of each interpretative package and the strategies that each advocacy network has used to promote its views. The way in which an advocacy network promotes its interpretative package affects the extent to which a frame becomes accepted. Consequently, each group adopts rhetorical strategies in an effort to make its interpretative package appear more appealing and credible than the alternative frame. (For discussions of how to do frame analysis, see Gamson 1992 and Lakoff 2004.)

The Generational Equity Perspective

At the heart of the generational equity interpretative package is the idea that each generation should provide for itself. Proponents of generational equity generally offer ways to view old-age policy that lead to proposals to cut back on entitlement programs, such as Social Security, or would at least partially privatize such schemes.

Beginning in the mid-1980s, advocates of the generational equity perspective argued that there was a conflict of interest between elders and the working-age population. These advocates included several well-known conservative journalists, such as William F. Buckley Jr., as well as other commentators linked to conservative think tanks such as the Cato Institute and conservative foundations such as the Olin Foundation. The advocacy network also included organizations that explicitly focused on promoting generational equity. For instance, Senator David Durenberger founded Americans for Generational Equity (AGE), an organization that was funded largely by conservative foundations and businesses (Binstock 1999; Quadagno 1989). Both AGE and other advocates of the generational equity perspective repeatedly cited the work of well-respected demographer Samuel Preston (1984), who presented evidence that the economic status of elders had been improving while that of children had been deteriorating. He interpreted this data in such a way as to suggest that the improved conditions of elders had been achieved, at least partially, at the expense of children. Advocates for the generational equity perspective often argued that due to overly generous spending on programs for elders, young adults and children were being shortchanged.

The generational equity frame combines claims of fairness and of affordability (Marmor, Cook, and Scher 1999). Specifically, the advocates of this frame argue that most of today's elders are financially secure. This claim is
partly based on statistics showing that, in the aggregate, the well-being of elders has improved over the past several decades. For instance, between 1959 and 1987, the percentage of those age 65 and over living below the poverty line fell from 35 percent to 12 percent (Clark 1990). By 2005, it had fallen further to 10 percent, considerably below the 18 percent rate for those under age 18 (DeNavas-Walt, Proctor, and Lee 2006).

The claim that elders are for the most part economically secure is based to some extent on fact, but it downplays the diverse economic conditions among different subgroups of elders. While poverty rates for those age 65 and older have declined, the incomes of many continue to hover close to the official poverty line. For example, in the late 1990s, while only 11 percent of elders were below the poverty line, more than 25 percent of elders were “near poor,” defined as having incomes less than 150 percent of the poverty level. In addition, poverty rates for some subgroups, such as minority elders and those over the age of 85, were far higher than the data for the average senior. In 1998, approximately 27 percent of elder blacks, 21 percent of elder Hispanics, and 49 percent of elder black women living alone had incomes below the poverty line (Crown 2001). Poverty rates are high not just among elder black and Hispanic women but also among elder white women, particularly those who are divorced or widowed (Estes 2004; Williamson and Rix 2000).

Another claim by advocates of the generational equity frame is that elders are getting more than their fair share of government resources, often at the expense of young adults and children (Chakravarty and Weisman 1988; Farlie 1988). They contend that high federal spending on elders has contributed to the poverty rate of children. Reducing spending on Social Security and Medicare, they argue, would free up money for programs for children and young adults (Silverstein et al. 2000). Advocates of the generational equity frame often base their claims on data about the proportion of government social spending that is directed toward elders. The lion’s share of the nation’s social welfare spending is, in fact, for programs that benefit elders. In 2004, about one-third of the federal budget was spent on Social Security, Medicare, and Medicaid, as has been the case for more than a decade (Binstock 2007; Congressional Budget Office 2004).

However, there is very little evidence that current old-age policies are directly or indirectly harmful to the welfare of children and young adults. Critics of the generational equity frame point out that the modest increase in the poverty rate among children, from 16 percent in 1979 to 18 percent in 2005 (DeNavas-Walt, Proctor, and Lee 2006), is most likely due to other factors such as increases in single-parent households and declining wage rates. In addition, the claim that elders are getting more than their fair share of resources is premised in part on the idea that elders are affluent and need the benefits of public social programs less than children. However, as discussed above, there is much diversity among this population. While some elders are affluent, many are not.
The advocates of the generational equity frame claim that policies unfair to working-age adults have thrived in part due to the political influence of old-age interest groups such as AARP (Farlie 1988; Longman 1989). The argument that elders use their political power to promote their own economic interests is loosely rooted in the fact that elders do form a larger percentage of the electorate today than do families with children (Binstock 2000). However, the advocates of the generational equity framework ignore two related facts about the voting behavior of elders.

First, elders tend to carry ideological orientations from midlife into old age, and they seldom vote as a monolithic block (Binstock 2000). For instance, a small, unrepresentative group of comparatively affluent older persons voted for the repeal of the Medicare Catastrophic Coverage Act of 1988 (Binstock 1995). This act benefited economically vulnerable elders, but much of the tax burden was borne by the smaller group of affluent elders. Thus, the interests of different subgroups of elders do not always converge.

Second, the interests of elders do not always diverge from those of children and working-age adults. True, there is evidence that elders sometimes do use their voting power to support policies that benefit their age group at the expense of young adults and children (Rosenbaum and Button 1989). However, there is also evidence that both younger and older Americans often oppose cutting spending on education, student loans, and health programs for women and children (Minkler 1991). In fact, during the 1980s, while advocates of the generational equity frame warned against the disproportionate power of elders, spending on schools rose more than 2.4 percent faster than inflation (Moody 1992). Thus, the claim that elders use their political power to promote policies advantageous to them and disadvantageous to other age groups is often overstated.

Another claim associated with the generational equity frame is that current old-age policies are unsustainable due to the nation’s changing demographic structure. As the population ages, the argument goes, these policies will become unaffordable (Concord Coalition 1993; Peterson 1996). This claim is often supported with data about dependency ratios. The dependency ratio is a measure of the economic burden of the population not in the paid labor force to those who are in the paid labor force. In the decades ahead, the ratio of elders to the working-age population will increase in all industrialized nations. While the claim that policies such as Social Security and Medicare are unsustainable are to a degree based on demographic trends, old-age dependency ratios are only part of the story. For instance, while it is true that the old-age dependency ratio has increased, the child-dependency ratio has decreased (Marmor, Cook, and Scher 1999). In addition, the relative number of people in different age categories is used as a proxy to estimate the burden of elders on the working-age population. This approach does not take into account the many elders who remain in the labor force (Binstock 1999). Thus, while population aging is a demographic
reality, an emphasis on projected changes in the old-age dependency ratio tends to overstate the severity of the problem.

Finally, advocates of the generational equity frame argue that because old-age policies are unsustainable, it is unfair to expect each generation to support the one that precedes it (Kotlikoff and Burns 2004; Borden 1995). They argue that the pay-as-you-go system by which current workers support current retirees presumes that each generation can and should be supported by the generation that follows. However, if today's working-age adults cannot count on the same level of Social Security, Medicare, and Medicaid benefits when they retire as their parents' generation is receiving today, the pay-as-you-go system is unfair. The argument is that while many current retirees are receiving more in benefits than can be justified based on their payroll contributions, today's young adults will generally receive much less than they have contributed. Rather than assuming that each generation should support the generation that precedes it, advocates of the generational equity frame typically believe that each generation should be responsible for itself (Kotlikoff 1992; Longman 1989).

In general, advocates of the generational equity perspective make claims based loosely on fact, but overlook other important factors. However, the frame has appeal to many Americans because it resonates with individualism, a dominant value in American culture. Individualism is linked to values of autonomy, personal ownership, liberty, individual responsibility, and personal freedom. Although advocates of the generational equity framework are not opposed to redistribution within families or voluntary redistribution by charitable organizations, they oppose "mandatory" redistribution through government programs. Social Security and Medicare, by this argument, infringe on individual freedoms and make people less likely to rely on themselves to plan their retirement. Those who favor the generational equity frame suggest that people who oppose the partial privatization of Social Security or cutbacks on entitlement programs lack an ethic of work and individual responsibility. According to this frame, we need to ensure an equitable distribution of resources across generations, both today and in the future. At the same time, we need to emphasize deeply held American values such as thrift, self-reliance, and limited government. Reducing government spending on elders is one way to encourage self-reliance and to discourage an entitlement ethic.

**Generational Interdependence Perspective**

Critics of the generational equity frame have proposed an alternative interpretative package often referred to as the generational interdependence frame. This frame arose largely out of the criticisms of the generational equity frame (Williamson and Watts-Roy 1999). In addition to the various arguments offered so far that question the claims of the generational equity frame, this alternative interpretative package makes several more assertions.
The first is that different generations have much to offer one other. For instance, the authors of *Ties That Bind*, a report commissioned by the Gerontological Society of America, argue for a perspective on social policy that focuses on the interdependence between generations (Kingson, Hirshorn, and Cornman 1986). The gains of one generation are not necessarily achieved at the expense of others. Economic changes, increases in single-parent households, and cutbacks on social spending for the poor, they argue, are more directly linked to the increase in poverty rates for children than is federal spending on elders. Generations United is one of the most active advocacy organizations with a focus on promoting and celebrating interdependence among generations (Kingson 2007; Rother 2007).

Advocates of the generational interdependence frame point to the ways in which policies that benefit elders often also indirectly benefit young adults. For instance, Kuttner (1982) argues that critics of the Social Security system, focusing on the economic drawbacks of the system for the working-age population, underestimate the benefits to the adult children of elders. Even with Social Security and Medicare, the adult children of elders often take their parents into their homes or provide them with financial assistance (Foner 2000). Reducing Social Security and Medicare benefits, rather than lessening the burden on the working-age population, would put millions of families under pressure to provide economic support for their aging parents.

Advocates of the generational interdependence frame also argue that elders have a stake in policies targeting young adults and children. Kingson, Hirshorn, and Cornman (1986), for instance, argue that elders benefit from programs directed toward the young in several ways. They note that the economic interests of elders are tied to the productivity of future workers. Thus, elders indirectly benefit from education spending that makes future workers more productive. Advocates for elders often have a stake in policies that benefit both elders and children. These policies include income maintenance policies such as unemployment insurance, health care programs such as Medicaid, and other programs such as transportation and caregiving services. Social Security itself provides direct benefits to millions of people who are not elders, including 3.8 million children (of disabled, retired, or deceased workers), 4.9 million disabled workers, and 4.7 million spouses of deceased workers (Congressional Budget Office 2001). Many of these people would be economically dependent upon their elder parents, or in some cases their adult children, were it not for these Social Security benefits (Kingson and Williamson 2001).

Proponents of the generational interdependence frame point to the two-way flow of services and support between different generations. While many working-age Americans act as caregivers for elders, there are also many ways in which elders contribute to the welfare of the working-age population. Elder parents are often caregivers for grandchildren and functionally disabled family members. More than one in ten elders has been responsible for at least one grandchild for at least six months. In 1994, some 3.7 million
grandchildren lived in the homes of their grandparents (Saluter 1996). Additionally, a substantial portion of the financial support provided to family members is provided by elders (Rubinstein 1993). Finally, many elders provide psychological and financial support to their adult children. By focusing on several different fronts, the advocates of the generational interdependence perspective emphasize what each generation has to offer other generations rather than accentuating conflict between generations.

Another claim of the generational interdependence frame is that elders must be viewed as heterogeneous, not homogeneous. Some critics of the generational equity frame note that it focuses on equity between generations at the expense of other kinds of equity, such as those linked to race, class, and gender. A core disagreement between the generational equity and generational interdependence frames is how public policy ought to treat equity between generations compared to equity between other groups, such as the have and the have-nots (Kingson 2007). While some elders are affluent, others need substantial financial assistance. Economically vulnerable groups tend to be overlooked in the generational equity perspective (Kingson and Williamson 1993). Proponents of the generational interdependence frame view the generational equity frame as overly simplistic, neglecting economic needs related to inequality within a generation (or age cohort) in the name of reducing inequality in federal spending levels between cohorts.

The generational interdependence perspective has generally been less successful than the generational equity perspective in framing debates about old-age policy in the American mass media. In part, this is because the generational interdependence frame focuses on the community obligation to provide for vulnerable populations. In this context, critics of proposals to privatize Social Security argue that the more privileged members of society have an obligation to protect low-wage and vulnerable workers in retirement (Ball and Bethell 2000; Quadagno 1996). Historically, except under very special circumstances such as the Great Depression, the countertheme of community obligation has been less powerful than the dominant theme (or value) of individualism. Thus, advocates of the generational interdependence perspective often find themselves at a disadvantage, as their interpretative package generally resonates less strongly with dominant American cultural values.

**GENERATIONAL EQUITY AND SOCIAL SECURITY REFORM**

Over time, the focus of the generational equity debate has shifted. At the outset, the focus was on the fairness of what was perceived as overly generous Social Security pension benefits during the 1980s. Subsequently it evolved into a debate over the projected growth in entitlement spending. Proponents of the "entitlement crisis" thesis draw on ideas about equity between generations to call for cuts in spending, particularly projected future spending on such entitlement programs as Social Security and Medicare (Peterson 1996). Advocates of
the entitlement crisis argument are among those who have pushed for the means-testing or income-testing of Social Security benefits (Howe and Longman 1992). Supporters of the generational interdependence frame tend to be critical of this proposed means-testing because it would undermine the political support for Social Security, which in turn would very likely lead to an erosion of benefits over time (Kingson and Schulz 1997).

Another form the generational equity debate has taken has been the discourse concerning "generational accounting," first proposed by economist Laurence Kotlikoff and his associates (Kotlikoff 1992; Kotlikoff and Burns 2004). Kotlikoff's complex economic models purport to present a precise—some would say more scientific—formulation of the generational equity arguments. His models lead to the conclusion that under current legislation each generation can expect to pay a heavier tax burden than the generation before it. Critics of generational accounting affiliated with the generational interdependence advocacy network call into question a number of the economic assumptions built into Kotlikoff's models, including the neglect of the nonmarket reproductive labor of women (Estes 2004; Baker and Weisbrot 1999; Binstock 1993).

**PARTIAL PRIVATIZATION OF SOCIAL SECURITY?**

Of the many proposals for reform that have been made in recent years, the press has given the most attention to those calling for the partial privatization of Social Security through the introduction of individual accounts. Some see the introduction of these individual accounts as an end goal; others see such a reform as a first step toward what they hope will eventually become the full privatization of Social Security (Ferrara and Tanner 1998; Peterson 1999). This issue has been at the core of the generational equity debate in the United States in recent years. Proponents of generational equity are on record in support of introducing individual Social Security accounts (partial privatization), while advocates of the generational interdependence frame have opposed the various proposals to partially privatize the scheme.

Why are such accounts opposed? There are many reasons (Williamson 1997). One major reason is that they tend to be associated with schemes that will shrink the traditional defined benefit component of Social Security, the component that is guaranteed by the government. Another is that such accounts would expose many of the most economically vulnerable to unacceptable levels of risk due to fluctuations in financial markets (Szinovacz 2003; Munnell 2001; Ginn and Arber 2000).

Policy analysts linked to the libertarian Cato Institute have been making proposals along these lines since the early 1980s (Ferrara 1985). Prior to the mid-1990s, such proposals were associated with the radical right and not
taken very seriously by mainstream Social Security policy analysts. This changed in the mid-1990s due to the attention given to such proposals by the Bipartisan Commission on Entitlement and Tax Reform (1995) and the Advisory Council on Social Security (1997). More recently, three alternative privatization proposals were outlined by President Bush's commission on Social Security released at the end of 2001 (President's Commission to Strengthen Social Security 2001). The report of this commission was yet another effort to build support for the partial privatization of Social Security.

While this report did not get much attention between 2002 and the end of 2004, after Bush won reelection in 2004, he made one last push to build the political support that would be needed to enact the legislation that would partially privatize Social Security. He made the idea of introducing individual accounts a central theme in his 2005 State of the Union Address and then went on to spend much of the next six months traveling around the country giving talks designed to build support for the idea. His goal seems to have been to make this one of the major policy legacies of his presidency. In the end, the effort failed. Democrats were unified in opposition, and many Republicans, particularly those who would be up for election in 2006, made it a point to distance themselves from what had become a very unpopular proposal. It seems that the more the public learned about what such a scheme would look like, the less they liked it.

Between the mid-1990s and about 2005 there was relatively little mention of the concept of generational equity in connection with the debate over Social Security reform. Advocates of partial privatization for the most part shifted to arguments emphasizing the ownership and personal economic self-interest aspect of the personal accounts (Svihula and Estes 2007), the ability to pass assets in those accounts to friends and relatives, and what some referred to as the potential for class warfare (a dramatic way of referring to the potential increase in the tax burden on the affluent due to some of the reforms that were being suggested, such as a sharp increase in the cap on earnings subject to the payroll tax) in the future to cover the projected gap between revenues collected and benefits promised (Hewitt 2007). On the left, the response was to emphasize the risk associated with assets invested in equity markets and the huge profits investment banks stood to make (White 2001; Baker and Weisbrot 1999)

THE FUTURE OF THE DEBATE

The first wave of the boomer generation is now starting to draw Social Security pensions. In the years ahead, the number of recipients and the cost of paying those pensions will both be increasing sharply. Relatively soon after the 2008 election, we expect the issue of Social Security reform to again become central to the nation's policy agenda and, with it, debates that evoke themes of generational equity and generational interdependence.
There is every reason to believe that as the boomers continue to age and more of them retire, there will be an ever-increasing pressure to make some of the hard choices about Social Security reform that politicians have been putting off for many years. In large measure, the advocacy networks that have dominated the debates and shaped old-age policy in recent decades will be back at work attempting to frame these debates in ways that are advantageous to their respective constituencies.

Modern telecommunication technologies tend to emphasize sound-bite messages and to deemphasize nuanced, fine-grained analyses calling for a careful weighing of the potential benefits and risks associated with alternative policy alternatives. As a result, it is likely that many consumers of the information that will be put out in connection with these policy debates will not be fully informed about the long-term risks and distributional consequences associated with the proposed changes. Most likely, these debates will be dominated by advocacy organizations focusing on oversimplified arguments involving easily digested catch phrases and metaphors. In such an environment, skill in framing the issues will become increasingly relevant to the success of the competing advocacy networks.

While the broad outline of the generational equity debate is likely to parallel what we have seen over the past twenty years or so, there is evidence that some important changes are taking place. The rhetoric of the environmental movement is, interestingly enough, being mixed with the rhetoric of both generational equity and generational interdependence interpretative packages. Discussions of generational equity are being linked to discourse about ecological issues and concepts such as sustainability, thrift, conservation, efficiency, and waste reduction (Kohli 2006; Schor 2004). From organizations such as Americans for Generational Equity, we will be seeing more references to “sustainability,” a term that is being used more and more often, in part due to its positive connotations to environmentalism—the argument being that the current levels of Social Security pension benefits and Medicare reimbursements will not be sustainable in the decades ahead.

Those supporting the generational interdependence perspective will continue to make the argument that policy makers should not be narrowly focused on how to reduce the gap in government pension spending between different generations (or more precisely age cohorts), but instead should focus on dealing with other forms of inequality such as the pension income gaps between men and women, blacks and whites, the affluent and poor. A new theme that we anticipate hearing more about in connection with the generational interdependence frame is how to combine concerns about generational justice and environmental justice. There is going to be more focus in the decades ahead on increasing spending on environmental issues such as global warming so as not to leave a huge ecological burden on the post-boomer generations (Kingson 2007).

While there was a period between about 1995 and 2005 when there was a drop in explicit mention of generational equity, recently we have started to
see more references to themes linked to this debate in discussions of aging policy. One reason is the recognition that, as each year passes, the number of boomers who are retired, retiring, or approaching retirement is increasing. There is acknowledgment by many on the political right that this demographic trend is going to make it increasingly difficult to get the political support needed to enact the partial privatization of Social Security.

One reflection of the resurgence of the contest between those advocating policies consistent with the two competing frames is the emergence in 2006 of an organization called Americans for Generational Equity (AGE). This is the same name and includes many of the same leaders and sources of funding as the earlier AGE organization that debuted in 1985 but closed in 1990 (Kingson 2007). Another organization has emerged with the name “For Our Grandchildren.” As with other conservative organizations that focus on the generational equity frame and policy agenda, it does not push for more spending on programs for children, but rather on efforts to partially privatize Social Security in the name of helping today’s children when they become taxpayers and eventually Social Security recipients. Other organizations, such as Generations United and AARP, are also trying to influence policy, but in ways that are consistent with generational interdependence themes. In the case of Generations United, the concern with the social welfare of both children and elders, with particular attention to finding ways to bring these groups together for mutual benefit, is particularly transparent.

Within the next few years, it is likely that some important changes will be made in Social Security policy in an effort to bring projected long-term revenues and pension expenditures into balance. Quite possibly the changes will be based on policies proposed by a truly bipartisan commission on Social Security policy along the lines of the commission that proposed the changes made in 1983. If done under a Democratic administration, the reformed system will probably be very similar to the current system, which has proven to be the nation’s most popular social program for many decades.

It is not at all clear at this point that reforms will be seriously entertained by any such commission that would attempt to make a more systematic effort to balance the burden of dealing with future financing problems between the workers who are paying the payroll taxes used to finance pensions and retirees who are living on those pensions. However, there are countries that are exploring such alternatives. Some of the reforms being considered could, at least in theory, be adapted for use in the United States with the goal of increasing equity between age cohorts (generations) without subjecting economically vulnerable segments of the population to the vicissitudes of financial markets. Any future bipartisan commission dealing with Social Security reform in the United States would do well to take a close look at the pros and cons of some of these schemes, most notably the notional (unfunded) defined contribution (NDC) models that have already
been introduced in countries such as Sweden, Poland, and Latvia, as well as an even newer idea referred to as the fixed relative position (FRP) model (Williamson 2004; Myles 2002). Closer to home, Diamond and Orszag (2004) offer a number of innovative ideas that deserve serious consideration, including their concept of “legacy debt,” which could help with burden sharing between age cohorts without the typical regressive consequences.

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