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EVOLVING DEBATE ON SOCIAL SECURITY
by G. Donald Ferree, Jr.

The two months since the Bush administration began its discussion of Social Security reform have seen a lot of public debate. Among Wisconsin residents, at least, the President has not yet made his case and the general climate of opinion is less favorable to his proposals now than when they were first broached. This conclusion is based on results from the most recent Badger Poll™, which interviewed 501 randomly chosen state residents by telephone between March 8 and 16, inclusive.

One basic premise for the President's proposal is that unless major changes are made in the current system, Social Security will not be reliably around for future retirees. On this point, the Wisconsin public is quite divided. Overall, just under half (49%) said that major changes would be necessary "to preserve the system for today's younger workers when they retire". But almost as many (44%) said that "at most minor adjustments are necessary" to do this, which added to the small number (2%) who volunteered that the system is fine as it is makes for almost an even split.

Clearly partisanship relates to these perceptions. By more than three to two Democrats think no more than minor adjustments are necessary while two self-described Republicans in three think major changes are required. The oldest group of respondents (those sixty and over) think no more than minor adjustments are necessary, majorities -- relatively close -- of the other groups are less optimistic. Compared to January, when the plan was first proposed (but before many details were available), present perceptions reveal a loss of urgency. Overall, almost two thirds then (64%) thought major adjustments were required to preserve the system, while 30% would have been content with at most minor adjustments.

After the basic idea of Bush's proposal was defined (see the detailed listings below for exact question wording), respondents were asked what their basic reaction was. The outcome is narrowly critical of the plan. Specifically, just under half said they were either strongly in favor (11%) or somewhat so (33%). On the other side of the ledger, just over half were somewhat opposed (20%) or strongly so (33%). It is worth noting that while those favoring the plan tended to be only somewhat so, as opposed to strongly backing it, the reverse was true of those disposed to be against the plan.

Again, partisanship relates clearly to this basic view. Three Democrats in four are against Bush's ideas (half strongly so). Almost as many Republicans favor it, but tend to do so only somewhat. Backing tends to fall off (or

opposition to increase) with age, although the differences among age groups tend to be much more blurred than is the case for self-described partisan coalitions. Compared to January, basic views now have moved from somewhat more backing the plan than opposing it then, to somewhat more now opposing it than back it.

When respondents were asked about the impact on their own retirement outlook if something like Bush's plan had been in effect for the past several years, the largest single group (39%) thinks they would have been about where they are now. Among those who expected a difference, however, those who feel they would have been better off outnumber those who think they would have been worse off by about two to one (36% compared to 16%).

Republicans are much more optimistic about this than Democrats, who on balance expect there would have been no net change in their retirement outlooks. Six in ten GOP adherents think they would have been better off themselves in retirement, while Independents as a group are quite similar to all residents taken together. Except for the oldest group (whom Bush's plan would exempt), there is some optimism to be seen, but it is strongest for the two middle groups. There has been a modest decline since January in the expected impact on one's own retirement if something like Bush's plan had been in effect. Two months ago, if they perceived a difference at all, three times as many felt their own situation would have been improved. This is not a huge difference by any measure, but it represents if anything, a weakening of the President's position.

A key element of the plan lies in the assumption that in the longer run it would generate more revenue for benefits. The public is, to put it mildly, far from convinced about this. To be sure, one fourth of residents (24%) believe that if something like the plan were instituted it would mean more money overall available to pay future benefits. But three in ten (29%) think it would not make any real difference and four in ten (39%) believe there would be LESS money available.

This is another area where partisanship has a large impact. Over half of Democrats think the Bush plan would mean less money available, roughly four times as many as think it would increase available resources. On balance, though by a less margin, Republicans think more money would be generated. Among no age group is the outlook positive on balance, although those now in or nearing retirement were most pessimistic. This question also produced some slippage since January. At that point, the largest group expected no real shift in resources available, and those who did think there would be an impact tended to split pretty evenly.

Following on the suggestion from the earlier question that residents tend to be more upbeat about their own choices than about the system overall, when respondents were asked how they and their family would do with a system of private accounts, almost four in ten (38%) felt they would do better than with the current system. One in four (24%) felt they would do worse, and three in ten thought they would do about the same. This is scarcely a ringing endorsement, but it does mean that -- perhaps because they think they would make better choices than most people -- the perceived personal impact is more positive than for the system overall.

Democrats were least positive, Republicans most so, and the age pattern is similar to that for the earlier question, with those at or near retirement being the only ones to expect a net worsening. But all groups think the impact on them and their families would be more positive than for the system as a whole. Still, since January, this outlook has become less clearly upbeat. Then, almost

half felt they would do better, more than twice as many as felt they would do worse. The proportion expecting a change is similar now to what it was then, but the five to two optimistic balance has dropped to something closer to three to two.

There is a good deal of sentiment that participation in the system of private accounts should be voluntary. Specifically when respondents were asked if everyone should have to take part or "should something like the present system remain an option", almost eight in ten (78%) say it should. This held pretty consistently across partisan lines, and any age-related pattern was quite weak.

Of course, it could be that people were responding not so much to an option for younger workers as the idea that some groups (e.g. those close to retirement should be exempted), and the administration's plan calls for older workers to have an unchanged system without the option of private accounts. In any event the general notion of options seems to find a positive reception. January results were similar, and any difference (which is small enough to provide only limited evidence for a real shift in the population as opposed to random poll-to-poll fluctuation) is more limited than for most of the repeated items.

The is also backing for cushioning participants from the full effects of what turn out to be bad choices. Given a choice between each person getting "the full benefit or cost of their investment choices" and "a limit so no one could do too badly even if that means others' benefits are lower", the latter "wins" by a five to three margin. Partisan distinctions are relatively modest, though Republicans favor this cushion (or limit) less clearly than Democrats on balance. All age groups are similar with the exception of the oldest who are most likely NOT to take a position. The comparison with January shows that what was essentially an even split then, now shows a clear (albeit relatively narrow) majority in favor of limits.

A series of questions new to this poll sought to flesh out the public opinion backdrop to the current debate. If the public seems unconvinced that a crisis really exists, it also manifests skepticism about the bona fides of the contending sides. Specifically, when respondents were reminded of the disagreement between the administration and the Democrats in Congress and asked to characterize its basis, one in three (31%) said "the two sides honestly differ over the best way to protect Social Security". By contrast, twice as many (63%) said they were "basically playing politics".

Democrats split evenly, Republicans and Independents were similar in the proportion believing that the debate was really politics. It is worth noting that each side has called the others' good faith into question, but it would seem that many in the public doubt very much the seriousness of the debate as such. Going along with doubts about whether major changes are necessary to save the system, this tends to undercut support for change.

This reluctance may spill over to lack of enthusiasm for change in general, and not just of Bush's specific proposals. For instance when respondents were asked if they would favor or oppose raising the rate of Social Security taxes for all wage earners, only one in three were in favor (7% strongly, 28% somewhat). Almost two in three opposed this idea (30% somewhat, 33% strongly). No partisan group liked this idea, though opposition was more evident among Republicans than Democrats.

Two other ideas, each of which would move the system somewhat away from a straightforward insurance scheme and toward a more general means tested program, fared better. Thus opinion was divided on raising the upper limit on the wages

COMPARISON OF CURRENT SURVEY WITH JANUARY

In order to preserve system	NOW	JAN
MAJOR CHANGE NECESSARY	49%	64%
AT MOST MINOR	44	30
SYSTEM FINE NOW (VOL.)	2	1
DON'T KNOW	5	5
REFUSED	*	1
Stance on Bush proposal		
STRONGLY FAVOR	11%	12%
SOMEWHAT FAVOR	33	37
SOMEWHAT OPPOSE	20	23
STRONGLY OPPOSE	33	24
DON'T KNOW	3	4
REFUSED	*	*
Own retirement if had choice		
BETTER SHAPE	36%	41%
WORSE SHAPE	16	14
ABOUT WHERE ARE NOW	39	40
NOT IN SOC SEC (VOL.)	*	--
DON'T KNOW	8	5
REFUSED	*	--
Overall resources if choice		
MORE MONEY AVAILABLE	24%	25%
LESS MONEY AVAILABLE	39	29
ABOUT THE SAME	29	38
DON'T KNOW	7	8
REFUSED	1	*
Impact on you and family		
DO BETTER	38%	46%
DO WORSE	23	19
DO ABOUT THE SAME	31	29
NOT IN SOC SEC (VOL.)	--	*
DON'T KNOW	8	5
REFUSED	1	--
Compulsory or present as option		
EVERYONE SHD TAKE PART	18%	13%
PRESENT SYSTEM OPTION	78	82
DON'T KNOW	5	4
REFUSED	--	1
Limits on consequences		
FULL BENEFIT & COST	31%	41%
LIMIT BOTH PLUS-MINUS	53	44
DON'T KNOW	15	12
REFUSED	1	2

employees now pay tax on. Just under half favored this (21% strongly, 27% somewhat). Almost as many opposed it (18% strongly, 24% somewhat). By narrow but opposite margins Democrats favored this and Republicans opposed it. Backing

tended to increase modesty with age.

Of the three options presented, the one that did best was "limiting the benefit retirees with higher incomes get". Just over half backed this (27% strongly, 27% somewhat). Just under four in ten opposed it (16% strongly, 23% somewhat). On balance, members of all three partisan groups were more likely to favor this idea than oppose it, but backing was measured.

The Bush proposal focuses on Social Security as a system of compulsory retirement insurance while some of the proposals -- notably those related to means testing of either taxes or benefits -- rely more on the view of the system as a program to guarantee benefits to those who need them. A final question asked respondents to say whether they viewed the system as "mostly a required insurance program in which workers invest in their own retirement" or "mostly a taxpayer funded program to provide retired people at least a certain standard of living". Eight in ten opted for the latter, only one six for the former. Views tended to be similar across partisan and age groups.

Changing the wording might produce somewhat different results, but it is clear that there is substantial sentiment backing the "social" dimension of Social Security. That is, it is not viewed just as a program where what counts is what individuals and families get for what they pay into it, but a program designed to protect a vulnerable group. Despite the fact that residents continue to be relatively confident about the choices THEY would make, coupled with doubts about the necessity of major change to preserve the system, this sentiment may help to explain some of the evident reticence with which state residents view Bush's proposals.

This debate is by no means over. Views either of the necessity of change, or the degree confidence that broadly endorsed goals could better be reached with something like Bush has proposed could well shift. But at the moment, the climate of opinion is one which raises doubts about the Bush program.

Statewide Marginals and Percentages for Key Groups

What follows is the exact question wording for each of the items referred to in the release. All results shown are for the basic sample of state residents. The first column is the percentage of the entire sample giving each response. The second and third reports the percentages for men and women separately. The fourth, fifth, and sixth columns show self-described Democrats, Independents, and Republicans. Columns seven through ten group respondents by age.

FICA01. (ORDER OF FIRST ALTERNNATIVES RANDOMIZED) Some people feel that major changes are necessary to preserve the system for today's younger workers when they retire. Other people feel that, at most, minor adjustments are necessary to do this. Which of these two positions is closest to what you think?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
MAJOR CHANGE NECESSARY	49%	50%	47%	34%	49%	64%	54%	53%	52%	38%
AT MOST MINOR	44	44	43	58	46	31	36	39	44	52
SYSTEM FINE NOW (VOL.)	2	2	3	5	1	1	--	2	1	7
DON'T KNOW	5	4	6	4	4	4	10	5	3	3
REFUSED	*	--	1	1	*	--	--	1	--	--

FICA02. Under the current system, workers and employers pay social security taxes, the government manages the program, and everyone who has the same work history gets the same benefits. President Bush has proposed a new system where each worker would set up an account and decide how some of the money is invested. Their benefits would be based in part on how well those choices worked out. Do you strongly favor this change, somewhat favor it, somewhat oppose it, or strongly oppose it?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
STRONGLY FAVOR	11%	15%	7%	1%	5%	29%	10%	13%	12%	6%
SOMEWHAT FAVOR	33	35	30	22	36	42	40	37	32	25
SOMEWHAT OPPOSE	20	19	22	25	24	15	27	15	19	23
STRONGLY OPPOSE	33	30	36	51	33	11	22	31	34	41
DON'T KNOW	3	1	4	1	2	3	2	3	2	3
REFUSED	*	--	*	--	--	--	--	--	--	1

FICA03. Compared to the present system, if you had been able to invest some of the money you and your family pay in social security taxes over the last few years, do you think your own retirement plans would be in better shape, worse shape, or about where they are now?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
BETTER SHAPE	36%	40%	32%	22%	36%	58%	30%	39%	45%	22%
WORSE SHAPE	16	11	21	21	14	10	17	13	17	19
ABOUT WHERE ARE NOW	39	41	38	47	44	24	46	38	33	46
NOT IN SOC SEC (VOL.)	*	--	1	1	--	*	--	--	1	*
DON'T KNOW	8	8	8	9	6	7	8	10	5	10
REFUSED	*	1	*	--	--	1	--	--	--	2

FICA04. If something like this system IS put into place, do you think there will be more money overall available to pay Social Security benefits for the typical retiree in the future than if the government collects all the money and decides how it will be used, less money for benefits, or about the same?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
MORE MONEY AVAILABLE	24%	28%	19%	14%	17%	45%	23%	25%	30%	13%
LESS MONEY AVAILABLE	39	34	44	54	35	21	34	37	38	46
ABOUT THE SAME	29	30	29	27	45	26	36	30	25	33
DON'T KNOW	7	6	7	4	3	7	5	6	7	7
REFUSED	1	1	1	1	--	1	1	1	--	1

FICA05. And do you think you and your family would do better, do worse, or do about the same with a system of private accounts?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
DO BETTER	38%	47%	29%	29%	33%	55%	39%	52%	40%	19%
DO WORSE	23	18	27	32	21	11	17	18	23	31
DO ABOUT THE SAME	31	31	31	30	39	29	37	23	31	35
NOT IN SOC SEC (VOL.)	--	--	--	--	--	--	--	--	--	--
DON'T KNOW	8	4	12	9	7	4	5	7	6	15
REFUSED	1	*	1	*	--	1	1	*	1	--

FICA06. If such private accounts were set up, do you think everyone should have to take part, or should something like the present system remain an option?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
EVERYONE SHD TAKE PART	18%	20%	15%	16%	15%	19%	25%	16%	19%	12%
PRESENT SYSTEM OPTION	78	76	79	82	77	78	72	76	77	84
DON'T KNOW	5	4	6	2	8	3	3	7	4	4
REFUSED	--	--	--	--	--	--	--	--	--	--

FICA07. Do you think each person should get the full benefit or cost of their investment choices, or should there be a limit so no one could do too badly even if that means others' benefits are lower?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
FULL BENEFIT & COST	31%	32%	30%	24%	32%	38%	32%	35%	33%	22%
LIMIT BOTH PLUS-MINUS	53	58	49	59	53	49	58	55	54	48
DON'T KNOW	15	10	20	18	15	11	9	10	12	28
REFUSED	1	1	1	--	--	2	1	--	1	1

FICA08. There has been a lot of disagreement between President Bush and the Democrats in Congress over this issue. Do you think the two sides honestly differ over the best way to protect Social Security, or are they basically playing politics?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
HONESTLY DIFFER	31%	27%	34%	47%	25%	24%	27%	27%	38%	26%
BASICALLY POLITICS	63	68	58	49	68	69	70	68	55	63
REPUB. PLAYING (VOL.)	*	*	*	1	--	--	--	--	--	*
DEMS PLAYING (VOL.)	1	2	1	*	*	3	--	1	*	4
DON'T KNOW	5	4	6	3	6	3	1	4	6	6
REFUSED	*	--	*	--	1	--	1	--	--	--

FICA09. A number of other ideas have been suggested to try to raise more money to pay future retiree benefits. Please tell me if you strongly favor, somewhat favor, somewhat oppose, or strongly oppose each of the following. First, raising the rate of Social Security taxes for all wage earners? (PROMPT AS NECESSARY)

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
STRONGLY FAVOR	7%	8%	6%	7%	10%	4%	5%	7%	4%	14%
SOMEWHAT FAVOR	28	26	30	32	33	22	28	21	31	29
SOMEWHAT OPPOSE	30	29	31	28	30	32	32	27	30	32
STRONGLY OPPOSE	33	36	30	32	25	41	33	45	34	20
DON'T KNOW	2	1	2	1	2	*	1	*	1	5
REFUSED	*	--	*	--	--	1	--	--	1	--

FICA10. Raising the upper limit on the wages employees now pay tax on? (PROMPT FOR CATEGORIES AS NECESSARY, Do you strongly favor...)

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
STRONGLY FAVOR	21%	25%	17%	26%	21%	19%	7%	16%	23%	32%
SOMEWHAT FAVOR	27	28	26	26	35	23	25	26	29	26
SOMEWHAT OPPOSE	24	21	27	22	15	35	35	23	23	22
STRONGLY OPPOSE	18	17	20	18	20	16	25	23	18	9
DON'T KNOW	8	8	9	9	8	6	6	12	6	11
REFUSED	1	1	1	--	1	1	1	--	1	--

FICA11. Limitng the benefits retirees with higher incomes get? (PROMPT FOR CATEGORIES AS NECESSARY, Do you strongly favor...)

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
STRONGLY FAVOR	27%	32%	23%	32%	32%	21%	21%	30%	33%	21%
SOMEWHAT FAVOR	27	26	29	26	28	30	29	23	29	27
SOMEWHAT OPPOSE	23	23	24	19	22	29	26	25	19	26
STRONGLY OPPOSE	16	14	18	18	12	17	16	18	15	16
DON'T KNOW	5	5	5	5	5	3	6	3	3	10
REFUSED	1	--	1	*	1	1	2	--	1	--

FICA12. Which of the following comes closest to how you look at Social Security? Is it mostly a required insurance program in which workers invest in their own retirement, or is it mostly a taxpayer funded program to provide retired people at least a certain standard of living?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
REQUIRED INSURANCE	16%	16%	17%	14%	17%	20%	17%	15%	16%	17%
TAXPAYER PROGRAM	79	81	77	82	78	74	81	83	76	77
BOTH EQUALLY (VOL.)	1	2	1	1	2	2	1	2	2	1
DON'T KNOW	3	2	3	3	2	4	--	*	5	3
REFUSED	1	--	1	--	--	1	1	--	1	1

QD05. Generally speaking, do you consider yourself a Democrat, a Republican, an Independent, or something else?

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
DEMOCRAT	32%	29%	35%	100%	--%	--%	39%	33%	28%	35%
REPUBLICAN	30	31	28	--	--	100	12	34	36	28
INDEPENDENT	26	28	23	--	100	--	28	25	27	21
OTHER	7	11	4	--	--	--	15	6	5	9
NONE	2	1	2	--	--	--	1	1	2	1
DON'T KNOW	1	--	2	--	--	--	3	1	1	1
REFUSED	3	*	5	--	--	--	3	1	1	5

QD11. In what year were you born? (ENTER FOUR-DIGIT YEAR) (Calculated and grouped as below)

	TOT	GENDER		PARTISANSHIP			AGE IN YEARS			
		M	F	DEM	IND	REP	<30	<45	<60	60+
18-29	14%	12%	17%	17%	15%	6%	100%	--%	--%	--%
30-44	25	29	22	26	25	29	--	100	--	--
45-59	37	37	36	32	39	44	--	--	100	--
60 and over	22	21	23	24	18	21	--	--	--	100
DK/REFUSED	2	1	2	1	3	1	--	--	--	--

* denotes less than .5%

-- denotes 0%

HOW THE POLL WAS DONE

This BADGER POLL™ was conducted by the University of Wisconsin Survey Center as part of its ongoing program of research designed to benefit the research community and the people of Wisconsin, under the direction of G. Donald Ferree, Jr., Associate Director for Public Opinion Research of the Center. The media sponsors of the survey are the (Madison) Capital Times, and the Milwaukee Journal-Sentinel. The BADGER POLL™ is intended to be a "poll of record" for the state, investigating matters of concern to Wisconsinites including politics, culture, and their daily lives, adhering to the highest standards of polling methodology and rigorous independence.

A total of 501 randomly chosen state residents were interviewed for this survey by telephone between March 8 and 16, inclusive. Telephone numbers were generated by computer in proportion to the number of adults living in each area of the state. Theoretically, results from this survey have a "margin of error" of a little over +/- 4%. This means that, had we asked every eligible resident in Wisconsin, exactly these questions at the time the survey was conducted, there is only a one in twenty chance that the answers would differ by more than that in either direction from what we report here. There could be differences because of changes in question wording, events occurring in the meantime, or any of the practical difficulties involved in taking a scientific survey. Results based on subgroups are subject to a larger "margin of error".