SOCIAL SECURITY ADVISORY BOARD

Forum on a Long-Range Research and Program Evaluation Plan for the Social Security Administration
June 24, 1997

Proceedings and Additional Comments

Washington, DC

Social Security Advisory Board

An independent, bipartisan Board created by Congress and appointed by the President and the Congress to advise the President, the Congress, and the Commissioner of Social Security on matters related to the Social Security and Supplemental Security Income Programs

Forum on a Long-Range Research and Program Evaluation Plan for the Social Security Administration June 24, 1997

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I. INTRODUCTION

On June 24, 1997, the Social Security Advisory Board held a forum in Washington, D.C., to hear recommendations to assist the Board in meeting its statutory mandate of "making recommendations with respect to a long-range research and program evaluation plan for the Social Security Administration." In his introductory remarks, Advisory Board Chairman Harlan Mathews said that the Nation needs the benefit of the best thinking available on Social Security research and evaluation. Acting Commissioner of Social Security John Callahan emphasized the importance of stimulating research both within SSA and in the outside research community.

As summarized below, the forum was organized around two major areas: (1) "Social Security, Retirement, and the Economy," and (2) "The Disability Programs (Disability Insurance and SSI)." Twelve academicians and researchers participated in the forum as presenters or moderators.

Panelists were asked to address five questions:

1. What issues should be on SSA's long-range research and program evaluation agenda? Why are they important? What should SSA be doing to address them?

2. Are there resource/data limitations in addressing these issues? If so, how can they be overcome?

3. What related issues could more appropriately/economically be addressed by researchers outside of SSA?

4. What should SSA do to encourage outside research on these issues?

5. What are the limits on the access by outside researchers to SSA's data, methods, and assumptions? What could or should be done to reduce or remove these limits?

As the next step in formulating its recommendations to SSA, the Board requested additional experts and interested parties who are knowledgeable about the Social Security and Supplemental Security Income programs to review the summary of the forum proceedings and provide their comments to the Board. The comments that were received are incorporated into Part V of this document.

The recommendations in the Board's January 1998 report "Strengthening Social Security Research: The Responsibilities of the Social Security Administration," reflect what the Board learned from these contributions.

Forum Panels

Panel 1: "Social Security, Retirement, and the Economy"

Moderators: Carroll Estes, University of California, San Francisco
Eugene Steuerle, The Urban Institute

Panelists: Gary Burtless, The Brookings Institution
Eric Hanushek, University of Rochester
Karen Holden, University of Wisconsin
Michael Hurd, University of Michigan
Joseph Quinn, Boston College
Stephen Zeldes, Columbia University

Panel 2: "The Disability Programs (DI and SSI)"

Moderator: Dorothy Rice, University of California, San Francisco

Panelists: Richard Burkhauser, Syracuse University
Pamela Loprest, The Urban Institute
David Stapleton, The Lewin Group
Gerben DeJong, National Rehabilitation Hospital

Pamela Loprest was unable to attend, but provided an advance copy of an outline of her presentation. Her recommendations have been incorporated in this summary at the appropriate points.

This document was prepared by the staff of the Social Security Advisory Board.

II. WHAT ISSUES SHOULD BE ON SSA'S RESEARCH AND PROGRAM EVALUATION AGENDA?

WHY ARE THEY IMPORTANT?

WHAT SHOULD SSA BE DOING TO ADDRESS THEM?

A. Social Security, Retirement, and the Economy

1. Trends in Retirement; Employment for Older Workers; Increase in the Retirement Age

Gary Burtless urged the Social Security Administration to maintain an ongoing research program on the timing of retirement and the determinants of the timing of retirement.

He posed the following questions for research: Are we observing a turnaround in the long-term trend toward earlier retirement among men? What are the labor-force departure patterns among women? How are the trends connected to the long-term trend toward rising applications for early retirement benefits?

Burtless said that he sees little sign that private saving has returned to the level that prevailed through the post-war era up until the mid-l980s. When combined with the scheduled increase in the normal retirement age from 65 to 67 early in the next century, the decline in the private saving rate will eventually result in lower income and consumption when workers retire, unless workers are planning to retire at an older age than has been the norm in the recent past. Do we see any sign of pause or reversal in the 90-year trend to earlier retirement among men? Are trends toward rising employment-to-population rates and labor force participation rates among women large enough to offset the income losses that will be associated with lower saving rates and earlier retirement among men?

Joseph Quinn recommended research that addresses the question of whether retirement patterns are changing, specifically: (1) stereotypically abrupt retirement versus gradual or partial withdrawal, (2) the importance of bridge jobs, (3) the determinants of different exit routes, and (4) the impact of different choices on economic and psychological well-being.

Quinn also suggested studying the extent and influence of flexible retirement options in firms, including: (1) the reasons why so few gradual retirement options exist

in career jobs, (2) which employers and professions offer such opportunities, and (3) how much the existence of such an option affects withdrawal patterns.

Quinn predicts that in the future workers will be staying in the labor force longer, and he is interested in looking at different ways that this will be achieved. Some strategies include moving to another job or remaining in their current career. He discussed the significance of self-employment later in the life-cycle, and recommended that research be conducted to determine why some wage and salary workers become self-employed at this point in life, and the impact of self-employment on economic and psychological well-being.

Quinn raised the question of how the increasing importance of "career" employment among women will affect future retirement patterns. "Career" men and women appear to differ much less in their retirement patterns than all men and women do.

Eric Hanushek recommended research on behavioral aspects, including when people retire, and what affects their retirement decisions.

Hanushek also recommended looking at the employer side of pension policies, and how it affects elderly incomes. He said that in the past more of the focus on retirement has been placed upon what happens to the individual, rather than the employer policy. Therefore, he suggests considering the feasibility of an employer panel data design that would allow us to learn more about job structures, types of work that are available, and job flexibility.

Observing that it will not be a useful thing to try to raise the age of retirement if workers are incapable of working, Michael Hurd said that the relationship between life expectancy and health status is an important research topic. What is and will be the ability of people to work longer? How can you accommodate the wide range of physical and mental status among those of retirement age without it being too expensive or discouraging work effort among those able to work? What will be the availability of work (job requirements, both physical and mental, and job flexibility)? What are employer attitudes toward older workers? How will the withdrawal of the baby-boom generation from the workforce affect labor market balance between supply and demand?

Quinn recommended studying the impact of raising the normal retirement age from 65 to 66 and eventually to 67, which he describes as nearly equivalent to an across-the-board benefit decrease. Are there effects over and above the benefit decrease, e.g., a societal message about the appropriate retirement time? Quinn also recommended examining the impact of raising the early retirement age from 62.

What are the characteristics of those who claim Social Security benefits at age 62? How many seem like they could work longer? How many are desperately awaiting age 62 eligibility?

2. Individual and Aggregate Saving; Pensions; Other Retirement Resources

Gary Burtless recommended that SSA begin a major research effort on retirement saving, both inside and outside of employer-sponsored pension plans. He suggested that the pension research should be done by or sponsored with the Department of Labor and the Pension Benefit Guarantee Corporation. However, he said, SSA must be part of that research effort because it is the only organization with an overarching concern and responsibility for overall income adequacy among the aged. Burtless said that the savings issue will become especially important when the Congress and the Administration turn their attention to fundamental reform of Social Security. This will be particularly important given the suggestions for privatization of some Social Security responsibilities.

Burtless also recommended investigating the following general questions:

- What is the effect of public old-age pensions on labor supply of the aged? On labor supply of people approaching retirement age?

- What are the effects of public pensions on private saving? On aggregate national saving?

- Would substitution of private for public pensions push up *private* saving? Would it raise *aggregate* saving? Under what kinds of institutional framework are public pensions most likely to boost aggregate saving?

- What would be the long-term effects on the capital stock and the overall economy of a large accumulation in private or public pension reserves?

Stephen Zeldes recommended research in the area of private consumption, saving, and portfolio choices. Questions that need to be addressed include: What are the effects of the current system and various reforms on saving and portfolio choices of workers? How would reforms alter these choices and also the consumption of the elderly?

Eric Hanushek commented that although Social Security is an extraordinarily important part of our income policy for the elderly, it is only one part of a system that also includes private pensions, retirement policies of firms, and the private savings decisions of individuals. He pointed to the need for research on how people save, when they save over their lifetime, and how savings accumulate.

Joseph Quinn recommended studying the importance of inheritances, lump-sum pension withdrawals, and accumulated savings over a lifetime.

Quinn also urged study of the responses of employer pension plans to changes in Social Security rules and regulations. Noting that the primary purpose of employer plans is to facilitate and influence departure from the firm (and that defined benefit plans do this more effectively than defined contribution plans), Quinn raised the following questions: Will firms use defined benefit plans to offset loss of mandatory retirement provisions and Social Security retirement incentives? Will the shift toward defined contribution plans slow or reverse because of this?

In the view of Michael Hurd, most important for understanding economic security is the interaction among the sources of resources and requirements, with the average amount of resources coming from each source being inadequate because of very substantial interactions and requirements. Hurd recommended looking at the interaction of all the major resources of the household, including earnings, Social Security benefits, Medicare and Medicaid, pensions, personal savings, and family resources.

With respect to pensions, Hurd raised the following questions: Who will have them and at what levels? Will they be indexed, and have survivor's benefits? In the long-run, what will be the supply of pensions from firms?

With respect to personal savings, Hurd recommended looking at: financial savings; housing; tax-advantaged, pre-retirement saving rates and determinants; and post-retirement saving rates and determinants.

With respect to family resources, Hurd asks: Because of changing demographics, how many of those of advanced age will have no children? What are the extent and determinants of financial and time help from children? How does family help substitute for socially-provided help?

Holden supported efforts to conduct research on what happens to a widow's income when the husband dies, including an examination of the loss of husband's earnings and insurance replacement and how Social Security and other savings factor into the circumstances. She also expressed interest in who chooses a joint and survivor benefit, its relationship to poverty, and whether or not there is evidence that the Employee Retirement Income Security Act and the Retirement Equity Act affect the choice.

3. Relationship of Earnings to Benefits; Progressivity; Insurance Provisions; Economic Distortions

Gary Burtless recommended research on the following questions: Using information in the earnings records and master beneficiary records available to SSA, what can we say about the relationship between lifetime earnings and life expectancy? What is the connection between earnings and the number of dependents who receive Social Security survivor or disability benefits and the length of time they receive benefits? Can information from the earnings records and master beneficiary records be combined to give an estimate of the internal rate of return on contributions among workers with successively higher average lifetime pay? Burtless recommended that returns be calculated separately for (1) worker old-age benefits; (2) old-age survivor benefits; (3) young survivor benefits; and (4) disability insurance benefits. Results should also be combined for all classes of benefits. These calculations should be retrospective (for workers who have already retired) as well as prospective (for workers who will retire in the future, assuming that the relationships among average earnings, longevity, disability, and survivorship remain similar to those of the past).

In considering the current benefit formula and changes to that formula, such as those recommended by the Advisory Council, Burtless believes that it is essential to ensure that the benefit formula become or remain progressive, that is, we should attempt to ensure that workers with low lifetime earnings obtain a more favorable payoff from their contributions to Social Security than the one that is available to average- and high-earnings workers. Many critics of Social Security, Burtless says, claim that poorly paid workers subsidize workers who are more highly paid because their life expectancy is much shorter than that of higher wage workers. Burtless says that it seems essential to him to know whether this is true (and he is skeptical that it is) and to provide convincing evidence that it is false (if it is false).

Noting that poor people tend not to live as long as well-to-do or higher income people, Stephen Zeldes also recommended research on how progressive the system is and/or how much insurance it actually provides, taking into account any correlation between life expectancy and earnings.

In addition, Zeldes recommended looking at the tradeoffs between distortions to labor supply decisions and the earnings insurance provided by the system. Can we reduce the distortions without losing the insurance?

Michael Hurd recommended research on the redistributional aspects of Social Security, particularly the interaction between what people have contributed to the system and what they will receive from it.

4. Sustainability of the System

Stephen Zeldes listed as his first research question the sustainability of the system. What is the best forecast of the long-range revenues and expenses for the Social Security system? At what point are costs expected to exceed revenues, and at what point is the Social Security Trust Fund expected to be exhausted? What are the probabilities of outcomes being substantially different from this forecast?

5. Trust Fund Investment Policy

Stephen Zeldes recommended research on trust fund investment policy: Should part of the trust fund be invested in the stock market or other financial securities? If so, how much and in what securities?

6. Retirement Income Modeling

Eric Hanushek cited the recommendations of the Panel on Retirement Income Modeling of the National Research Council, which he chaired. With respect to the Social Security Administration, the Panel recommended more attention to assessment of the accuracy and uncertainty in long-range projection models, and said that SSA should consider prioritizing efforts to enhance its actuarial cost model by:

— moving from a "scenario" approach to probabilistic projections;
— adding some distributional analysis to projected policy effects;
— evaluating sensitivity to mortality projections; and
— developing means of providing documentation and research access to models.

Hanushek said that development of an integrated microsimulation model for considering retirement income policy should be a long-term objective, but construction should not begin now.

Stephen Zeldes believes that serious improvements are needed to SSA's current methodology of reporting low, intermediate, and high cost forecasts. Asserting that SSA is not currently well-equipped to analyze trust fund investment policy, he said that some form of stochastic modeling is needed that takes into account the fact that investment choices are not only about return, but about risk as well.

Zeldes stated that modeling techniques need to take macroeconomic interactions into account. He asked: Are the assumptions that go into the long-range forecast internally consistent? For example, are the assumptions about real growth consistent with the assumptions about the expected return on the stock market, or with interest

rate assumptions? Zeldes also said that modeling techniques need to take into account the effects of reform on economic performance. For example, if a reform plan alters national saving, how might that in turn alter the path of interest rates, real GDP, and real wages?

Eugene Steuerle commented that you have to go to microsimulation if you want to analyze a variety of options under Social Security, and to better understand the long-range impacts of policy changes. Only a microsimulation allows one to do a cross-walk between the distributional estimates and the actuarial estimates in terms of the consequences. Also, only microsimulation deals well with the interaction of many policy changes. He cited earnings sharing as only one of many examples.

7. Increase in the Social Security Earnings Test

Joseph Quinn recommended studying the "natural experiment" relating to the earnings test, which is scheduled under current law to increase from $13,500 (in 1997) to $30,000 (in 2002) for people age 65 to 69. The interesting question, Quinn said, is how these changes affect the labor supply, earnings decisions, and the patterns of job market exit.

8. Economic Well-being of Older Women

Karen Holden recommended that SSA launch research to fill in the gaps of knowledge about why women are at greater risk of economic insecurity during their later years of life.

She said that, on average, women experience a large decline in income when their husbands die, and it is not yet known why this occurs. Also, there is very little known about how married individuals estimate their chances of surviving alone, and there is no information on how couples save or what they bequeath to each other. Holden said much more needs to be known about how couples plan for widowhood, and that Social Security could sponsor modules of the Health and Retirement Survey that answer those questions directly.

Holden recommended methodological studies to examine the effect of the death of a spouse on the accuracy of survey data on income and assets. If the amount reported by the surviving spouse is more or less than the amount reported by the other spouse prior to death, the change in resources upon widowhood will be inaccurately estimated. She urged a comparison at the individual level of reported and administrative record amounts, for example, comparing reported and actual Social Security payments, by linking survey data with Social Security and SSI benefit records. She also recommended comparing actual and reported hospital episodes and

costs by linkage with Medicare records, comparing actual and reported employer-provided insurance by linkage with employer records, and actual and reported income sources by linkage with income tax records.

Holden suggested that the Social Security Administration should explore the consequences of early widowhood for Social Security policy, and it should not continue to consider widowhood something that solely occurs to the elderly.

Holden said that what determines well-being after widowhood is the complex mix of resources upon which widows may draw, including public and private pensions, life insurance, and all other assets accumulated during marriage, by both the husband and the wife. It is this interaction that determines how well widows fare after their husbands' death and should determine the appropriate role of a public insurance system.

The purpose of research by SSA on widowhood, Holden said, should be to guide policy makers on the appropriate role of Social Security in providing survivor benefits. To reduce economic distress among widows, she said, it may be that widows' benefits should not be just a higher percentage of couples' Social Security benefits, as suggested by the Advisory Council, but may need to be differentially (or progressively) structured to take account of the larger resources available to widows of higher income workers.

Holden said that there are other areas in which there needs to be a better understanding of benefit coordination. One such area is disability. Widows' husbands are more likely to have been disabled, but within the program there is no distinguishing between a widow of a worker who first came on the rolls as a disabled or retired worker. Another factor is changing marital status. Although most widows will continue to remain unmarried, over time many women will remarry, and we have to begin to examine what that means for the allocation of the couples' resources.

Widowhood, she said, is a rarely observed event in a population sample surveyed only over a short period and the consequences of widowhood may be long-term. For these reasons, SSA must launch a multi-year research agenda that allows for support of both long-term surveys and multi-year research grants.

Holden recommended that another growing population which SSA should focus upon is that of unmarried, low-wage, single parents who will eventually become a large group of poor elderly women.

Joseph Quinn recommended research on the impact of reallocating some spousal benefit to a survivors benefit (the effect on poverty rates and other measures of well-being).

9. Experience in Other Countries

Eugene Steuerle recommended that SSA take a much more active role in trying to help us understand what is happening internationally. He noted that there are a lot of examples around the world of populations that are aging faster than ours, and as long as we believe the human condition has certain things in common, there are a great many lessons to be learned from abroad. For example, if other nations such as Japan are starting to retire a little bit later, there may be some important institutional features in Japan that are allowing this to happen, and from which we could learn.

Stanford Ross, former Commissioner of Social Security, recommended studying the experience of other countries. Ross noted that although there is much discussion on the effects of the open economy on jobs, wages, and the tax system, there is very little on what it means for retirement income systems and other social protection systems.

10. Administration of Social Security

Eugene Steuerle recommended studies of SSA administrative practices to examine what works and what does not. As an example, he cited the administration of the earnings test. How well is it administered? What are the real costs? What happens when there are errors that have to be corrected? How do its customers react to it? In addition, does the agency know when people die? How long do payments continue after death, and how successful is the agency in recapturing that money?

B. The Disability Programs (DI and SSI)

1. Impact of the Baby Boom Generation on the Disability Programs

One of the cutting edge issues that will affect Social Security in the future, in the view of Richard Burkhauser, is the impact of the aging of the baby boom generation on the Social Security and SSI disability programs. Pointing out that the prevalence of disabilities is higher as individuals age, especially as they get into their 50s, Burkhauser raised the following questions:

- What is the size of the baby boom population with disabilities?
- What portion of this population is potentially eligible for DI/SSI and what portion will successfully apply for benefits?
- How will these numbers change as the age distribution changes over the next 30 years?
- How will baby boomers affect the DI and SSI programs in the absence of policy changes?

- How will changes in policy (e.g., lessening or tightening of eligibility criteria, changes in health services, temporary benefit periods, or greater rehabilitation) change these outcomes?
- How sensitive are SSA's projections of these outcomes to behavior and macroeconomic factors not currently part of the projections?

2. Incidence and Prevalence of Disabling Conditions Over Time

In the view of Gerben DeJong, research is needed on the underlying epidemiology of disability to understand incidence and prevalence of disabling conditions over time, including understanding the demography of the population, advances in medical treatments, increased survival rates for certain disabilities, changes in the workplace, and how all of this will alter the profile of who is likely to acquire a disability that places them at risk for receiving disability benefits.

Pamela Loprest raised the question of how changes in the disabled population (e.g. increases in the number of individuals with mental impairments and higher disability rates for younger workers) will affect the DI and SSI programs. She poses the question: What do we know about the size of the potential pool of eligibles for SSA programs and how it is changing?

3. Interface Between Disability and Retirement Benefits

Pressures to raise the retirement age are going to increase pressures for utilization of the disability income transfer programs, in the view of Gerben DeJong. He therefore thinks it is important to examine the interface between disability and retirement benefits.

Richard Burkhauser also recommended study of how changes in the OASI program (change in retirement age and change in the benefit formula) will affect applications for DI and SSI.

4. Impact of Changes in the Labor Market and the Nature of Work

Pamela Loprest suggested that research is needed on how changes in the labor market, such as more jobs in the service economy, will interact with the disability programs.

Gerben DeJong similarly observed that we need to think about the changing nature of work and how that shapes the kinds of people who enter the disability system.

5. Employment/Rehabilitation/Encouraging Return to Work

All of the disability panelists recommended conducting research on which programs are the most effective in returning people to work, and specifically testing of providing vouchers to disabled beneficiaries as a means of expanding the vocational rehabilitation choices that are available to them.

David Stapleton urged analysis of how private insurers and employers are actively managing employer disability costs and whether their efforts could be applied to public disability programs. He also suggested research on the interactions between SSA's disability programs and employer disability programs, worker's compensation, and disability management.

There were several recommendations concerning continued employment of people with disabilities as an alternative to the receipt of DI/SSI benefits. Richard Burkhauser recommended research on the willingness of employers to accommodate workers with disabilities. He also remarked that, because the accommodations provisions in the Americans with Disabilities Act do not apply to employers of 15 or fewer employees, there is a potential natural experiment to analyze the experiences of small employers and employers of 15 or more employees.

Burkhauser recommended several additional issues for study:

- The importance of on-the-job accommodation to the length of time before job exit and application for disability benefits;
- How tax policies that "experience rate" firms, or use other strategies to make employers bear more of the cost of DI benefits, would affect the DI rolls;
- The appropriate time for intervention to help people get off or stay off of the disability rolls—at onset of disability, before they file for benefits, or after they file—and what the outcomes of each intervention are;
- How people transition out of the work force following the onset of a disability; and
- What policies could increase the employment of people with disabilities, especially at younger ages, and reduce the use of the DI and SSI programs by younger workers.

With regard to rehabilitation, David Stapleton suggested research on the incentives given to individuals who are being rehabilitated. Gerben DeJong suggested the need to study the market incentives being given to rehabilitation providers for rehabilitating individuals. In her outline, Pamela Loprest suggested a study of the availability of services to those who are attempting to return to work.

During the discussion period, former Acting Commissioner of Social Security Louis Enoff recommended that the Board consider multiple demonstration projects across the country as a means of identifying approaches for encouraging return to work.

6. Alternative Approaches/Definitions

David Stapleton stated that in his view, policy makers need to consider changing the disability program to one that is not founded on the idea that people with disabilities cannot work, and researchers need to conduct research that would support the development of a new approach. The definition of disability that the program now uses inevitably leads to incentives that encourage dependence and discourage work.

Gerben DeJong stated that the definition of disability for DI/SSI should be made more congruent with the assumptions governing the Americans with Disabilities Act. Research is needed, he said, to determine how environmental accommodations should be factored into the disability determination process; how such a process could be operationalized; whether an accommodations factor would result in valid and reliable decisions; and the probable impact of such a change in the definition of disability on program participation and costs. DeJong also commented on the need for an ongoing research capacity to estimate the probable impact of major policy changes.

Stapleton mentioned an alternative to the current disability programs in which eligibility would be based on medical impairments regardless of employment. He said that the primary objection to this alternative has been cost, but it is not known how much this alternative would cost because earnings, tax revenues, and participation in other programs might change. Also, he suggested that research is needed on alternative means of controlling program costs, such as lower benefit levels, partial disability categories, and ways to tighten eligibility requirements.

7. Health Care Coverage

Gerben DeJong said that SSA needs to think of creative public-private solutions that will neutralize the cost of health care as a material consideration for people with disabilities and their employers, and evaluate the probable impact of alternative arrangements, including field testing if necessary. He also indicated the need to look at the issue of health insurance and part-time work because part-time work is often a

transitional step for people who have a disability but do not want to make a complete exit from the work force. The part-time work may not include employer-sponsored health insurance and people may choose to take disability benefits in order to obtain health insurance coverage.

In her outline, Pamela Loprest also stated the need to study the extent to which the desire for access to health care is a factor in people seeking DI/SSI benefits.

8. Disabled Children and Younger Adults under the SSI Program

Richard Burkhauser recommended research on the dramatic growth of childhood beneficiaries in the SSI program and the likely effect of recently legislated changes on new applications, program participation, and the economic well-being of families and children with disabilities. Burkhauser also suggested study of how the 1996 welfare reform legislation will affect the DI/SSI programs, including how State reforms and treatment of the AFDC populations will affect SSI.

Burkhauser also recommended research on how work-related programs, structured like the Earned Income Tax Credit but targeted to young adults age 18 to 25 with disabilities, could slow their movement onto or encourage their movement out of the SSI program. He asked whether these programs could be targeted on the transition from school to work and reduce the number of SSI children who come onto the SSI adult program.

Pamela Loprest recommended:

- More research to understand the disability-related needs of children receiving SSI, including how their medical and nonmedical needs differ by impairment, how families use SSI benefits, and to what extent they enable parents to access services not covered by other programs;
- Research on how to promote and assist the transition from school-to-work among childhood SSI beneficiaries as they approach working age; and
- Research on how SSI connects with other programs for children with disabilities, including any overlap in eligibility and what needs the other programs do not meet that cash benefits can address.

9. Research on Other Specific Populations

Several comments were directed to the need for more research on specific population groups of people with disabilities. The suggestions included women, minorities, differences between DI and SSI beneficiaries, categories of impairments,

and ages at which people come on the DI/SSI rolls. David Stapleton emphasized the need to recognize the heterogeneity among people with disabilities. (He also pointed out that the use of SSA's large administrative data base facilitates research on specific subpopulations.)

Stapleton also suggested research on whether the breakdown of the family and increased divorce rates cause or contribute to the growth in the number of women who apply for benefits based on mental impairments.

10. Disability Systems in other Countries

Richard Burkhauser suggested that much can be learned by cross-national analysis of disability systems in Western European countries. Former Commissioners Stanford Ross and Louis Enoff also supported this view.

11. Effects of the Application Process on Application and Award Rates

Richard Burkhauser recommended looking at the application process for disability benefits and how the ease of ability to get onto the program impacts the decision to apply for benefits. He raised the question of whether there are systemic differences in application and award rates across geographical locations and, if they exist, whether they have behavioral consequences with respect to application rates.

III. WHAT SHOULD SSA DO TO ENCOURAGE OUTSIDE RESEARCH ON THESE ISSUES?

A. Continue and Expand Linkages between Social Security Administrative Data and Survey Data

Most of the panelists spoke of the value of linking Social Security administrative data and survey data as a means of encouraging outside research.

Michael Hurd stated that it is not necessary for SSA to sponsor its own household survey, but that it should have input into development of surveys such as the Health and Retirement Survey (HRS) and the Asset and Health Dynamics Among the Oldest Old (AHEAD). He expressed the view that SSA needs to give higher priority and more resources to linking HRS and AHEAD data with Social Security administrative data. Hurd said that there is a memorandum of understanding (MOU) to link Social Security contributions history, W-2 earnings records, and benefit records to HRS. Linkage of the HRS with contributions and benefits records has been achieved, he said, but the linkage of HRS with W-2 earnings records has not yet been achieved.

Hurd also said that although there is a memorandum of understanding to link HRS and Social Security data for the first HRS interview wave, it is important to achieve an MOU for new cohorts. He also urged an MOU for linkage of Social Security data with AHEAD survey data.

These linkages, Hurd said, make it possible to research questions such as retirement decisions and the redistributional aspects of Social Security. These are questions that you cannot address by looking at Social Security records by themselves. There would be considerable benefit, he said, if, with enhanced staffing at ORES and the use of these linkages, particular data products could be suggested and worked out.

Gary Burtless pointed out that such linkages would allow the kind of comparison of Social Security pension wealth and outside pension wealth and assets that is necessary to evaluate reform plans, especially those involving some degree of privatization.

Burtless urged that SSA work with the Department of Labor to establish an interagency work group to consider the collection of data on employer information. He noted that such data collection should consider both the short and the long range goals for data.

Eric Hanushek commented that the issue of matched data — Social Security and survey data — cannot be overemphasized. Matching has been moving along better recently than in the past, Hanushek observed, but should be pushed along and become more routine. Survey designers should collaborate on content and methods of obtaining more reliable data. He suggested that other government agencies can play a role, such as the U.S. Department of Labor, which should make the development of employer models a long-term objective.

Longitudinal data collection is essential, in Hanushek's view, and current efforts such as HRS and AHEAD should continue to be supported.

Stephen Zeldes stated that he thought it was crucial to continue with and expand linkages between Social Security administrative data and household level data sets. Particularly important are linkages to the AHEAD and HRS data sets. These linkages, he said, are easy and cheap to do, and extremely beneficial to all of those in the research community. They are also crucial for analyzing economic behavior relevant to understanding Social Security policy.

Joseph Quinn urged SSA to try to focus considerable external support on data sets like the HRS and AHEAD, by helping with financing the continued collection of data and with funding research once these data are available. These data sets, he said, potentially combine the strengths of representative samples with: selected over-sampling of particular groups that you are interested in; detailed individual demographic, health and economic data; Social Security earnings and benefits records; actual employer pension information; and a longitudinal framework with the ability to fine-tune and add questions over time and to add new cohorts. Such a data set could potentially cover the entire age range from pre-retirement to death.

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Commenting that HRS is only at the margin able to talk about what happens with regard to disability, Richard Burkhauser said that SSA should either work with other agencies, linking more disability-related questions to national surveys such as the Survey of Income and Program Participation (SIPP) and the Current Population Survey (CPS), or field its own survey to capture information on younger cohorts with disabilities. SSA's administrative records could then be used to supplement a cross-sectional panel, get work histories, and see how people make the transition out of the labor force following the onset of a disability.

David Stapleton agreed with the importance of linking administrative data to outside data for several reasons. First, he said, SSA data include only limited information. Linkages, for example with Medicare or Medicaid claims data, would offer a way to get a much richer picture of the health status of the individual. Second, SSA data can enrich what can be done with outside data. Third, disability program participants participate in many other programs besides SSI and SSDI, and it is helpful to be able to link SSA data with these other program data.

Pamela Loprest supported connecting administrative data to other data sources, such as attaching earnings/benefits records to the NHIS disability survey or the new SIPP. She recommended that SSA support: on-going data collection efforts such as HRS; additional questions/supplements to other data sets such as SIPP, CPS, and NHIS; and new data collection/specific projects such as surveys on children with disabilities, surveys of young people with disabilities, and potentially focus on specific impairment groups.

B. Make Administrative Data Available for Others to Analyze

Gary Burtless praised SSA for its important role in setting up the Longitudinal Retirement History Survey and in supporting the Health and Retirement Survey, but stated that he was skeptical that resources for that kind of effort would be available to the agency in the future. Burtless said that in the absence of resources to mount new kinds of data-gathering efforts, it is imperative that steps be taken to make SSA's administrative data, stripped of identifying information, available to the public and the research community. For example, the analysis of the changing distribution of earnings in the U.S., he noted, has been completely dominated by two sources, the Panel Study of Income Dynamics and the Current Population Survey, whereas the government itself has much better information about this subject which has never, in the last 15 or 20 years, been made available to outside researchers to analyze. It is a national scandal, Burtless said, that so little useful analysis has been done with a data source of such unique value.

Stephen Zeldes recommended that SSA provide a large representative public use panel data set of administrative records, independent of the HRS, and even larger than the HRS, that would give a random sample of Social Security participants' entire earnings and benefits history, obviously protected to maintain confidentiality.

David Stapleton addressed the issue of the use of SSA's administrative data from the perspective of research on people with disabilities. Administrative databases are particularly valuable in this context, he said, because their size allows analysis of the relationships among outcomes, impairments, and other characteristics of people with disabilities. Treating people with disabilities as a homogenous group is not only an injustice to them, but also an impediment to conducting good research and developing better policies. SSA's databases, he said, are large enough to allow researchers to perform analyses using specific subgroups of individuals with disabilities, defined by impairment, age, sex, and preprogram earnings, and assess variations in findings across these groups. SSA's data also have the value of being longitudinal, allowing researchers to watch people as they go through important transitions in their lives and get information that can seldom be acquired from surveys. This is especially true, Stapleton said, if databases from different programs are linked together.

In Stapleton's view, general purpose surveys and, to a lesser extent, even those that focus on people with disabilities, are not large enough to allow researchers to make statistically meaningful distinctions among important subgroups of people with disabilities. It is too expensive to conduct surveys that are large enough to do justice to the heterogeneity of people with disabilities, especially on a regular basis. Large administrative databases offer one way to accomplish that.

Stapleton urged SSA to give higher priority to increasing accessibility of SSA administrative data for legitimate research purposes, and suggested that the Social Security Advisory Board is in a position to push on this matter.

Richard Burkhauser said that SSA should provide outside researchers with better methods of accessing in-house SSA records and linked Social Security records, perhaps through cooperative agreements with universities or research organizations.

Pamela Loprest thinks that SSA should provide more information about in-house administrative data sets to allow researchers to develop research ideas that might incorporate them.

C. Increase Extramural Research

Gerben DeJong said that there is a need for a mixture of both intra and extramural research. SSA needs an enhanced internal research capacity that can service its institutional and day-to-day administrative and policy needs; but it also needs to have the benefit of outside analysts who are not constrained by the assumptions and culture that currently define SSA. Extramural research needs a mixture of funding mechanisms, whether grants, cooperative agreements, contracts, or other. DeJong also encouraged greater opportunity for investigator initiated research to help ensure a steady stream of new ideas that might otherwise not emerge from within the ranks of SSA itself.

DeJong commented that there is a need to strengthen the extramural research capacity as well as intramural research capacity because of the currently very thin network of research expertise in the area of disability. Because of that, he said, SSA has a very limited number of organizations it can turn to for expert advice in disability related matters. DeJong suggested there is a need for an extramural research infrastructure, providing an academic home, curriculum development, and graduate and post-graduate research opportunities through assistantships, fellowships, post-doctoral research opportunities, and disability income policy research centers. This research infrastructure should have ready access to large public use data files.

Michael Hurd stated that SSA needs to encourage academic research. Academics have their own objectives, he said, but will be active where good data exist. SSA has somewhat different objectives from outside researchers. They are not completely substitutable.

Richard Burkhauser suggested that SSA consider providing support for universities or research organizations with a critical mass of researchers interested in SSA program issues. He cited, as an example SSA might follow, the nine centers on demography and economics of aging that have been created by the National Institute on Aging to sponsor research on aging by outside individuals.

Joseph Quinn expressed the view that SSA's extramural research budget is quite small, and pointed out that extramural support is often the least costly way to fund research. There are many important policy relevant projects already underway by outside researchers, who have data sets up and running. Quinn said that they would be very responsive to research suggestions from the Social Security Administration, and would also provide innovative ideas of their own. This, he said, seems to be a more fruitful approach than trying to do all this in-house.

Quinn also recommended that SSA provide dissertation fellowships, which he thinks are particularly cost effective. With very modest support, he suggested, SSA could start young scholars on a lifetime of research on aging, particularly when they begin by using one of the longitudinal panel microeconomic data sets, for which there is a big start-up investment which people then want to amortize with additional research.

Pamela Loprest proposed that SSA hold open grant competitions to encourage outside research ideas.

David Stapleton said the audience should keep in mind the financial and professional interests of the panelists when considering their recommendations, but said they should not dismiss them entirely because of that. In the long run, however, there is a need to beware of how funding for outside research is expanded because over time there is a strong and natural tendency for such funding to serve the interest of the funder less and less, and to serve the interest of the researchers more and more.

Stanford Ross, former Commissioner of Social Security, observed that the kind of full-scale research operation that SSA had in earlier years had begun to break down by the late 1970s, and has broken down more in the years since. He suggested that SSA will need to have people inside knowing how to reach out and get research done on the outside, and not replicate activities that it can cost effectively contract out for or find outside the agency more expeditiously.

D. Set up Periodic Technical Panels to Review and Advise SSA

Stephen Zeldes proposed that SSA set up periodic technical panels of academics to review and advise on assumptions and methods, economic models, and policy choices.

E. Open up the 75-year Forecasting Model to Outside Researchers

Stephen Zeldes also urged that SSA open up what he called the "black box" of the 75-year forecasting model. Although the actuaries at Social Security have been extremely helpful in answering questions and providing simulation results on a one-on-one basis, Zeldes said that he thinks more resources need to flow in the direction of some more formal mechanism for obtaining information about the model and actually getting at the model. He urged giving outside researchers software, data, and documentation so that they can learn and improve the process.

Eric Hanushek also urged releasing Social Security modeling to the rest of the world to make possible interactions between outside and internal researchers.

Hanushek said that there has to be more effort to try to integrate the interactions between Social Security, private employers, and private decision making, and for research purposes, that requires a lot of knowledge that we do not currently have.

Steve Goss, SSA's Deputy Chief Actuary for Long-Range Estimates, commented that the Office of the Actuary has gone into "excruciating detail" on its methodologies with previous Advisory Council technical panels. He said that the office has put out a number of actuarial studies over the years describing the data and methodologies that they use. Resource limitations are part of the reason why there has not been as much in the way of actuarial studies and documentation put together on some of the methodologies as the actuaries would like.

Goss commented that there have been instances when they have specifically shared methodologies, including diskettes, with other people, and they have often run into a situation where these are so large and cumbersome that it turns out that people have not found them to be as useful as they wished. The biggest problem, Goss said, is the amount of time it takes to really get others up to speed on exactly what the methodologies are, and the way things are put together.

Goss objected to the reference to the methodology as a "black box," adding that the actuaries have made an effort over many years to publish background information. Much of the information put together for the Advisory Council on the money's worth and other issues has been put on the Social Security Web page, and has been shared with academic researchers.

Goss said that the actuaries are also in the process of trying to formalize and put on the Web page some of the kinds of data that have been shared in the past with outside people, relating to such things as explicit projections by age and sex and marital status of the beneficiaries population.

F. Organize or Co-Sponsor an Annual Conference of Academics

Stephen Zeldes recommended that SSA organize or co-sponsor an annual conference of academics, where academic and Social Security researchers would produce papers and discuss data needs and the availability of data. This, he suggested, would provide a forum for an ongoing discussion and interaction between the public researchers and the SSA researchers.

G. Use the Mechanism of the Intergovernmental Personnel Act (IPA) to bring in Visiting Researchers; Start a Visiting Scholars Program

Richard Burkhauser said that using IPAs would allow for cross-fertilization between the outside research houses and SSA. (Peter Wheeler, SSA's Associate Commissioner for Research, Evaluation, and Statistics, said that ORES currently has four IPAs.)

Along similar lines, and citing the Federal Reserve Board as a model, Stephen Zeldes recommended that SSA start a visiting scholars program, where outside academics can be brought in for short periods of time, 3 to 5 days, and present a seminar on the work that they are doing themselves, and have a chance to interact with SSA staff. This, he said, would build links between Social Security and the outside world.

Karen Holden said that SSA should encourage short-term research visits to ORES or the Census Bureau in order to use the data these agencies have.

H. Start a Mailing List of Outside Researchers Working on Issues Related to Social Security

To help build links between SSA and outside researchers, Stephen Zeldes recommended starting an e-mail or paper mailing list of outside researchers working on Social Security. SSA should use the list to let academics know what is going on in the agency, and outsiders can respond.

I. Increase ORES' Research Capacity

A number of panelists commented on SSA's limited capacity to conduct and fund valuable research activity.

Dorothy Rice, who left the Social Security Administration in 1976 after having served as Deputy Assistant Commissioner for Research and Statistics, commented on

the strong research capability and resources that the Office of Research and Statistics had in its heyday. She expressed regret that over the years there has been an erosion of resources and people. Although the office still has good people, they are too few. She commended the Board for taking on the important issues of research and the additional resources — both staff and funding — that are required to carry it out, and for addressing these issues in its first report.

Gerben DeJong stated the opinion that SSA's research capacity is very small relative to its mission and the scope of its work, particularly in the area of disability. He cited the fact that SSA spends over $65 billion a year for disability income transfer payments, not including what is spent under Medicaid, Medicare, and Workers' Compensation.

Disability income programs are going to receive increased scrutiny in the years to come, DeJong said, and therefore it is important to have a research capacity to answer questions. SSA's Office of Research, Evaluation, and Statistics has the problem of diminished staffing and funding. Large amounts of money are set aside for very large-scale studies, which are needed, but leave very little money for any kind of discretionary research.

DeJong thinks that what SSA needs is a stronger in-house think tank that can more critically examine goals, purposes and missions of the organization — encouraging more "out of the box" thinking. He urged a mixture of both large and small scale studies. The large scale studies are needed given the scale of SSA's programs. But also needed are smaller studies that can focus on specific features of the programs, specific sub-populations, and that can address emerging policy issues that require relatively quick turnaround.

IV. WHAT ARE THE LIMITS ON THE ACCESS BY OUTSIDE RESEARCHERS TO SSA'S DATA, METHODS, AND ASSUMPTIONS?

WHAT COULD OR SHOULD BE DONE TO REDUCE OR REMOVE THESE LIMITS?

A number of the panelists commented on the problem of access to SSA's data, methods and assumptions, citing both the problems of privacy and limited resources.

In the view of Joseph Quinn, access to data sets such as HRS is too restrictive, which he thinks will discourage or prevent some researchers from using them. The current inability to combine restrictive data sets — for example, the Social Security earnings data, geographic identifiers, and upcoming pension data — eliminates one of the primary advantages of the HRS, which is great data on people, their Social Security benefits and histories, and their pension rights.

Michael Hurd commented on the resource limitations at ORES, and expressed the view that there would be considerable benefit, both to ORES and to the HRS and AHEAD surveys, if with enhanced staffing, particular data products that might be produced from linking SSA data and survey data could be suggested and worked out. The accomplishment of some of the agreed upon tasks, he said, has been limited by resources.

Hurd also referred to the issue of data confidentiality as "a very vexing issue." Progress has been made and further progress needs to be made. Linking of data could become much more routinized if we could thoroughly understand and study the issue of data confidentiality.

Eric Hanushek said that a lot of work has been done recently on confidentiality issues, some of which has come out of the National Academy's Committee on National Statistics, and some elsewhere, that should be incorporated into discussions about these issues. There are a variety of different approaches that have not been adequately entered into the debate, both in terms of the underlying science, and how agencies handle confidentiality administratively. Currently, Hanushek said, each agency that releases data that has confidentiality concerns tends to do it in its own way. They do not think about various statistical techniques. He suggested that there ought to be more serious regular discussion to try to incorporate the available information, and to encourage further research on privacy. Hanushek thinks that every agency has been very conservative on privacy issues, as they should be, because information should not be improperly released. But, he said, there is a lot more that could be done that would improve our ability to answer some fundamental questions.

Gary Burtless stated that he thinks that there are two distinct kinds of confidentiality issues. One has to do with the linking of administrative information from Social Security with other data. The Census Bureau and other interviewing organizations, he said, always want to be confident that they have a high level of response when they go out and meet people, and if people think that there is a chance that what they say will be linked to their tax records or their Social Security records, that will contribute to a long-term trend in which people are less willing to respond to these surveys. With data linkups we have to be much more demanding in terms of preserving confidentiality and having very high standards.

Another issue, however, has to do with stand-alone data files that simply are the administrative records in Social Security, where there are ways to mask the data before it is released, yet give external researchers a lot of evidence that is helpful both for analyzing issues that are special to Social Security and wider economic issues.

Peter Wheeler, SSA's Associate Commissioner for ORES, made the point that it is not a question of SSA's willingness to provide data. The problem is that matching data and sanitizing it to ensure that individual privacy is protected is not simple, but is a meticulous, resource-intensive job which, over time, should get easier as ORES gets better at it. He pointed to the agency's financial support of the HRS, and the serious negotiations that have gone on to protect privacy while moving ahead with matching HRS data.

Bernard Wixon of ORES described an ongoing ORES modeling project that combines Survey of Income and Program Participation (SIPP) data with SSA's disability determination data, allowing staff at ORES to estimate whether someone in the SIPP panel would be disabled under SSA's criteria, as well as the basis for eligibility or ineligibility. In response to a question, Denton Vaughan said that these data are not available to outsider researchers because statutory confidentiality restrictions limit the release of SSA data linked to the SIPP.

Peter Wheeler said that one of the things ORES is doing is trying to hire a chief statistician for SSA so that data issues could more readily be addressed. The point was made, however, that masking data to protect privacy is complex and SSA has to have staff who can deal with the problems if they are going to be addressed.

Karen Holden noted that the small staff at ORES inhibits the ability of SSA to do the labor-intensive work of protecting confidentiality when linking data sets.

V. COMMENTS ON THE FORUM PROCEEDINGS

Following the Social Security Advisory Board's June 24, 1997 Forum on a Long-Range Research and Program Evaluation Plan for the Social Security Administration, the Board produced a report on the proceedings of the forum. This was circulated to additional Social Security experts, requesting their comments. Following is a summary of the comments that were received.

Henry Aaron, Senior Fellow, The Brookings Institution

Henry Aaron agreed that the menu of recommendations by the Board's panels is "comprehensive and well conceived." However, he noted that it is more than SSA can handle, given SSA's current capabilities. He said that building the research capacity of ORES merits top priority.

Aaron cited three areas as being at the top of his research list:

1. The determinants of retirement. It is all well and good to talk about policies to "change the retirement age." But unless we have a better idea about policies that are likely to work, we cannot begin to have a serious policy discussion and consider which of these policies might have political appeal.

2. The economic status of widows and how they got "that way." Widows comprise the economically most disadvantaged group among the elderly. It is worth investigating what sorts of actions cause that outcome. As David Card pointed out at a recent Retirement Workshop, one should not presume that this outcome is necessarily unplanned (although most of us think it <u>is</u> unplanned).

3. Look at age-specific disability rates by age cohort. With that sort of information in hand, one can then look at age-specific mortality rates of the disabled versus age-specific mortality rates of the non-disabled, an exercise that should shed some light on the perennial and important question of whether the criteria for disability benefits is changing. This is a study that would use the so-called "difference in differences" approach. It is pure number crunching and could easily be done internally.

In addition, Aaron attached a list of research questions that were discussed at a Retirement Workshop at the Center for Advanced Study in the Behavioral Sciences on April 5, 1997, which he said had objectives similar to those of the June 24th research forum. These relate to: determinants of the retirement decision; the adequacy of attempts to model retirement as a joint spousal decision; effect of increasing divorce and remarriage; effect of demand-side and supply-side factors in determining timing of retirement — the role of employers; effect of changes in the form of delivering pensions or health benefits (with no change in cost) on the timing of retirement; the expectations of people in making retirement decisions; the role of norms and peer behavior in making retirement decisions; the reasons for the high poverty rate among widows; and how annuity markets could be made to work better.

Frederick B. Arner, Consultant
Former Staff for Disability Issues, Committee on Ways and Means

Frederick Arner recommended increasing research on the administration of the disability program and improving and making more available statistics relating to the program. He said that an improved understanding of how the disability program is administered will provide better information on the true nature of program.

Christopher Bender, Consultant

Christopher Bender agreed with the recommendation of Eugene Steuerle on the value of learning from the experiences of other countries. He commented that international approaches to pension reform are sometimes bolder (and less prudent), experimental, and more varied and consequently quite informative.

Connie Citro, Staff, Committee on National Statistics, National Research Council

Connie Citro stressed that there is a critical need for enhanced access to SSA's administrative data for research and modeling purposes—both SSA data alone and SSA data linked with survey data.

Alan Gustman, Professor of Economics, Dartmouth College

Alan Gustman said that he is very sympathetic with many of the panelists' recommendations, including strengthening the role of SSA in developing and supplying data; ensuring that Social Security data are attached to many surveys (on a confidential basis), as they are to HRS; and further exploring behavioral models of

retirement, savings and health determination. In addition, he made the following suggestions:

1. Establish a formal panel to evaluate all the in-house research conducted by ORES over the past decade in terms of quality, emphasis, innovation, and importance to policy. This information, he said, is necessary to produce a meaningful research and program evaluation plan for the future. Gustman said that one might conclude that the current emphasis, quality and product are the best that one can expect given the resources available, or that resources could be better used, or that more or fewer resources should be devoted to ORES, or that there should be a reorganization between in-house and extramural research. He also recommended evaluating the relation of ORES to research undertaken elsewhere in SSA, including the actuaries' office, and independently evaluating that research.

2. Gustman said that the omission of mention of any research on a privatized Social Security system is astounding. He noted that this is the major public policy alternative to the current system, and one would expect a significant fraction of ORES resources to be devoted to understanding the strengths and weaknesses of various forms of a privatized system, so that if and when policy makers decide to consider privatization, there will be a body of research to guide policy decisions.

3. There should be a mechanism created to insure that research at SSA will be at the cutting edge of social science technology. Rather than be at the mercy of the ebb and flow of ideas in the academic sector, SSA should be encouraging and guiding the innovation in research technology so that they will be in the best position to guide policymakers in the future. This requires a commitment to innovation and the presence of considerable in-house expertise, as well as a very close relationship with the best researchers in the academic community.

Martha McSteen, President, National Committee
to Preserve Social Security and Medicare

Martha McSteen said there is a need to increase the overall budget for staff, materials, and equipment for SSA research. She said that the staff needs to be highly capable researchers who are paid sufficiently to make it possible to secure and maintain a high quality staff.

In addition, she said that there must be a well focused effort to efficiently use outside researchers to assist with or conduct research under contract. Strengthening the SSA capability to effectively use and pay for high quality outside research should have positive results. McSteen also said that a more comprehensive external research effort will require an effective internal SSA staff component to direct this external research activity.

Relevant research is presently being carried out in a variety of universities and other research facilities, McSteen said, and SSA should develop an approach that enhances the sharing of information and stimulates not only the continuation of this research but creates an environment that further stimulates it. She said that this could be achieved in a number of ways but an annual conference where current research is presented could prove useful and would assure that SSA remained more involved in this type of research rather than becoming insulated from it because of the work pressures that automatically come with its own internal research.

McSteen recommended the following as areas where research is especially important:

1. The work and health needs of older people;
2. Disability and work;
3. Means testing and other basic principles of social insurance;
4. The adequacy of the program for surviving spouses;
5. Privatization of Social Security;
6. Economic growth and other long-range financing issues; and
7. Social Security in other countries.

Robert J. Myers, Consultant, Former Chief Actuary, SSA

Robert Myers said that on the whole he strongly agrees with the views expressed by the panelists and others at the research forum. In addition, he made the following comments:

1. Too much importance should not be attached to opinion surveys and to surveys asking people for information about "hard" data on their personal matters, as against using "hard" data from general sources.

2. More mention should be made of the actuarial research that has always been done in the process of preparing the actuarial cost estimates.

3. Research on the internal rates of return on OASDI contributions is unnecessary because it is not a relevant matter insofar as social insurance programs are concerned.

4. He opposes the great emphasis on probabilistic projections because, although it is a great intellectual exercise and of interest to experts, it is confusing to policymakers who want "the answer," not many answers.

5. There should be research on administrative expenses and service of SSA and how well SSA meets the goal of providing "world-class" service. He defines this as, among other things, having virtually all 800 calls answered by a person within one minute, seeing "drop in" callers to district offices within 15 minutes, making appointments at district offices within a few days at most, and adjudicating disability claims reasonably rapidly.

James M. Perrin, M.D., Associate Professor of Pediatrics
Harvard Medical School, Massachusetts General Hospital

James Perrin supported the recommendations from the forum regarding improving access to research data, support for junior investigators, and the general development of stronger, more diverse research into Social Security activities. However, he noted that the report gives very limited attention to the tremendous growth in the child and adolescent SSI program and the key questions that might be raised about this program and its growth. He also noted that the 1996 Personal Responsibility and Work Opportunities Act created major changes in the definition of disabilities for children in the SSI program, and the recent budget reconciliation legislation affected continued access to Medicaid for children with disabilities.

Dr. Perrin also made the following recommendations and observations with respect to the child and adolescent SSI program:

1. Basic information regarding the clinical and functional status of childhood beneficiaries with disabilities is remarkably lacking. The SSI program for children includes several cohorts of children with different trajectories. These include very young children, entering the rolls often through presumptive eligibility categories. Many of these children will not have a disability two or three years later. Other categories include young children with permanent physical disabilities although likely to improve over time; adolescents with developmental and mental impairments who likely will have long-term disability without much improvement; and other adolescents for whom long-term outcomes should be quite good. A better understanding of these different patterns and categories would help.

2. Only limited information exists regarding trends in childhood disability over time, growth in the population in general as well as growth in specific types of conditions.

3. Study the interaction of several other programs for children and families, including welfare, Medicaid, public health program, special education and maternal and child health, with consideration of the tradeoffs among them.

4. The influence of child disability on work participation of parents has had only limited attention, despite its major importance for work policy and programs.

5. Current SSI incentives encourage maintaining evidence of disability among children and especially adolescents. To maintain benefits, adolescents emphasize their disability rather than obtain skills to minimize disability. Given the general epidemiologic data regarding longer-term outcomes of child disability, one would expect that many young people with major disabilities should be able to become self-sufficient, employed, and relatively independent. Thus, carefully evaluated experimentation with different incentive plans seems a high priority as well.

In regard to recent changes in the child and adolescent SSI program that will cause over 100,000 children and adolescents to lose benefits, Dr. Perrin recommended that the following questions be addressed: What are the implication of these losses for these children and their families? How will it affect work force participation of their parents? To what degree will other public programs effectively replace SSI benefits? What will the loss of benefits mean for child functioning and health status?

It would help, he said, to begin a systematic approach to the development of serious data regarding this program.

Howard Young, Actuarial Consultant; Chair, l994-96 Advisory Council's Technical Panel on Methods and Assumptions

Howard Young commented that the panelists gave a very comprehensive range of useful suggestions. He called the Board's attention to the recommendation of the Technical Panel to establish an ongoing advisory committee of experts who would maintain familiarity with OASDI and the related procedures for making estimates, and would be available for ad hoc advice on specific matters. (As recommended in the Panel report, this group — with gradually changing membership — could meet every six months or so and receive interim materials from SSA, stay in touch with procedural developments, and be available for ad hoc consultation on an individual or group basis for advice regarding the proposals that SSA is asked to evaluate.)

Howard Young also called the Board's attention to his analysis of the affordability of Social Security, as distinct from the "burden." (*Another Look at the Affordability of U.S. Social Security Cash Benefits* (*OASDI*)), 1994.

Appendix I

Mandate of the Social Security Advisory Board

In 1994, when the Congress passed legislation establishing the Social Security Administration as an independent agency, it also created a 7-member bipartisan Advisory Board to advise the President, the Congress, and the Commissioner of Social Security on Social Security and Supplemental Security Income (SSI) policy. The conference report on this legislation passed both Houses of Congress without opposition. President Clinton signed the Social Security Independence and Program Improvements Act of 1994 into law on August 15, 1994 (P.L. 103-296).

The law gives the Board the following functions:

1) analyzing the Nation's retirement and disability systems and making recommendations with respect to how the Old-Age, Survivors, and Disability (OASDI) programs and the Supplemental Security Income (SSI) program, supported by other public and private systems, can most effectively assure economic security;

2) studying and making recommendations relating to the coordination of programs that provide health security with the OASDI and SSI programs;

3) making recommendations to the President and to the Congress with respect to policies that will ensure the solvency of the OASDI programs, both in the short term and the long term;

4) making recommendations with respect to the quality of service that the Social Security Administration provides to the public;

5) making recommendations with respect to policies and regulations regarding the OASDI and SSI programs;

6) increasing public understanding of Social Security;

7) making recommendations with respect to a long-range research and program evaluation plan for the Social Security Administration;

8) reviewing and assessing any major studies of Social Security as may come to the attention of the Board; and

9) making recommendations with respect to such other matters as the Board determines to be appropriate.

Appendix II

A. Members of the Social Security Advisory Board June 1997

Harlan Mathews, Chair

Harlan Mathews served as a U.S. Senator from Tennessee from January 1993 to December 1994. Prior to that, he was Secretary of the Cabinet for Tennessee Governor Ned McWherter and Tennessee's State Treasurer. During his 13-year tenure as Tennessee's State Treasurer, Senator Mathews administered a state-wide public employee pension program.

Jo Anne Barnhart

Ms. Barnhart is a political and public policy consultant to State and local governments on welfare and social services program design, policy, implementation, evaluation, and legislation. From 1990 to 1993 she served as Assistant Secretary for Children and Families, Department of Health and Human Services, overseeing more than 65 programs, including Aid to Families with Dependent Children, the Job Opportunities and Basic Skills Training program, Child Support Enforcement, and various child care programs. Previously she was Minority Staff Director for the U.S. Senate Committee on Governmental Affairs, and legislative assistant for domestic policy issues for Senator William V. Roth. Most recently, Ms. Barnhart served as Political Director for the National Republican Senatorial Committee.

Lori L. Hansen

Ms. Hansen is a Policy Analyst at the National Academy of Social Insurance. She was a Technical Assistant to former Social Security Commissioner Robert Ball in his capacity as a member of the National Commission on Social Security Reform. She was also a Special Assistant to the President and Director of Government Affairs at the Legal Services Corporation. In addition, Ms. Hansen was a senior professional staff member on the U.S. Senate Committee on Labor and Human Resources, Subcommittee on Employment, Poverty, and Migratory Labor, and was legislative assistant to Senator Gaylord Nelson, then Chairman of the Subcommittee on Social Security of the Senate Committee on Finance. She also served on the professional staff of the Senate Select Committee on Nutrition and Human Needs.

Martha Keys

Martha Keys served as a U.S. Representative in the 94th and 95th Congresses. She was a member of the House Ways and Means Committee and its Subcommittees on Health and Public Assistance and Unemployment Compensation. Ms. Keys also served on the Select Committee on Welfare Reform. She served in the executive branch as Special Advisor to the Secretary of HEW and as Assistant Secretary of Education. She was a member of the 1983 National Commission (Greenspan) on Social Security Reform. Martha Keys is currently consulting on public policy issues. She has held executive positions in the non-profit sector, lectured widely on public policy in universities, and served on the National Council on Aging and other Boards. Ms. Keys is the author of *Planning for Retirement: Everywoman's Legal Guide.*

Gerald M. Shea

Mr. Shea is the Assistant to the President for Government Affairs of the AFL-CIO. Prior to his present appointment, he held several managerial positions related to economic issues within the AFL-CIO and the Service Employees International Union. In addition to his role on the Advisory Board, Mr. Shea served as a member of the 1994-1996 Advisory Council on Social Security.

Carolyn L. Weaver

Ms. Weaver is Director of Social Security and Pension Studies at the American Enterprise Institute. She was a member of the 1994-1996 Advisory Council on Social Security. She was a senior adviser to the 1983 National Commission on Social Security Reform and a member of both the 1987-88 Social Security Advisory Council and the 1989 Social Security Commissioner's Disability Advisory Committee. Ms. Weaver also served as Chief Professional Staff Member on Social Security for the U.S. Senate Committee on Finance. She is the editor of *Social Security's Looming Surpluses: Prospects and Implications* and *Disability and Work: Incentives, Rights, and Opportunities*, and author of *Crisis in Social Security: Economic and Political Origins.*

B. Panel Moderators and Presenters

Richard V. Burkhauser

Richard V. Burkhauser is a Professor of Economics and Associate Director of the Center for Policy Research at Syracuse University. He has published widely in the area of United States and European social security disability policy. He is on the Editorial Boards of *The Gerontologist, The Journal of Disability Policy Studies, The Review of Income and Wealth* and *Labour Economics.* In 1996 he co-edited two books on disability policy: *Disability, Work and Cash Benefits, and Curing the Dutch Disease: An International Perspective on Disability Policy Reform.* Professor Burkhauser received his Ph.D. in economics from the University of Chicago.

Gary Burtless

Gary Burtless is a Senior Fellow in the Economic Studies program at the Brookings Institution in Washington, D.C. He does research on issues connected with public finance, aging, saving, labor markets, income distribution, social insurance, and the behavioral effects of government and tax policy. He is co-author of *Five Years After: The Long Term Effects of Welfare-to-Work Programs* (Russell Sage, 1995), *Growth with Equity: Economic Policymaking for the Next Century* (Brookings, 1993), and *Can America Afford to Grow Old? Paying for Social Security* (1989); editor and contributor to *Does Money Matter? The Effect of School Resources on Student Achievement and Adult Success* (1996), *A Future of Lousy Jobs? The Changing Structure of U.S. Wages* (1990), and *Work, Health and Income Among the Elderly* (1987); and the author of numerous articles on the effects of Social Security, public assistance, unemployment insurance, taxes, and manpower training programs.

His recent research has focused on sources of growing wage and income inequality in the United States, the influence of international trade on income inequality, the job market prospects of public assistance recipients, and reform of social insurance in developing countries and formerly Communist economies. Burtless has consulted extensively for the World Bank and national governments on reforming social security policy in countries outside the industrialized West, including Egypt, the Republic of Georgia, Mexico, Russia, Ukraine, and Venezuela. He has also served, over a lengthy period, as a consultant to the U.S. Social Security Administration and, more briefly, to the *Secretaria de Desarrollo Social*, the Mexican Cabinet agency responsible for income maintenance and social welfare policy. He recently served on the Technical Panel on Trends and Issues in Retirement Savings for the 1994 Advisory Council on Social Security, and he now serves on the Panel of Privatization of Social Security of the National Academy of Social Insurance.

Burtless graduated from Yale College in 1972 and earned a Ph.D. in economics from the Massachusetts Institute of Technology in 1977. Before going to Brookings in 1981, he served as an economist in the Office of the Secretary of Labor and in the Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health, Education, and Welfare. In 1993 he was a Visiting Professor of Public Affairs at the University of Maryland, College Park.

Gerben DeJong

Gerben DeJong is the Director of the National Rehabilitation Hospital (NRH) Research Center in Washington, DC. In this capacity, he also serves the Director of the NRH Research Center's two federally funded Research and Training Centers (RTCs), the RTC on Medical Rehabilitation and Health Policy (RTC-MR&HP) and the RTC on Managed Care and Disability (RTC-MC&D). He also serves as a professor in the Department of Family Medicine and as an adjunct professor in the Georgetown Public Policy Institute at Georgetown University. Prior to coming to Washington in 1985, Dr. DeJong was a Senior Research Associate and Associate Professor in the Department of Rehabilitation Medicine at Tufts University School of Medicine in Boston, MA. Dr. DeJong's academic training is in economics and public policy studies (MA and MPA, University of Michigan; Ph.D., Brandeis University). His main research interests are in disability and health outcomes, health care utilization, disability policy, long-term care policy, national health care policy, and biomedical ethics. He is the author or coauthor of more than 160 papers on health, income maintenance, and disability issues. He is perhaps best known for his seminal work on disability and health policy and the independent living movement. His works have appeared in a variety of health, science, business, and public policy journals, and have been published in more than seven different languages. In 1985, he received the Licht Award for Excellence in Scientific Writing from the American Congress of Rehabilitation Medicine. He is a frequently invited speaker both in the United States and abroad. In 1984, he was a Fulbright Scholar in the Netherlands serving with the research staff of the Social Security Council.

Dr. DeJong is an ardent student of health care reform and the managed care revolution. He is especially interested in managed care's probable impact on medical rehabilitation and on people with disabilities. He has had an abiding interest in the consumer side of health markets and the ability of consumers to make informed decisions about health plans and

health care providers. During the Clinton transition, Dr. DeJong served on the Transition Team's working group on long-term care policy. During the health care reform debate in the 103rd Congress, he spoke throughout the country on health care reform. He continues to testify before Congress on health care and disability income issues. In 1993, Dr. DeJong presented the honorary Coulter Lecture to the American Congress of Rehabilitation Medicine on the topic of "Health Care Reform and Disability." In 1994, he gave the keynote address to the National Brain Injury Association's annual meeting on the future of health care reform and brain injury. In 1995, Dr. DeJong presented the honorary John W. Goldschmidt Lecture at NRH on "Empowering the Consumer and Enabling the Provider in an Era of Managed Care."

Carroll L. Estes

Carroll L. Estes is Professor of Sociology in the Department of Social and Behavioral Sciences, School of Nursing, University of California, San Francisco (UCSF) and Director of the Institute for Health & Aging. Dr. Estes, whose Ph.D. is from the University of California, San Diego, conducts research on health and aging policy, long-term care, health and economic security of the aged, older women, fiscal crisis, and devolution. She is the author of *The Decisions-Makers: The Power Structure of Dallas* (SMU Press:1963), *The Aging Enterprise* (Jossey Bass, 1979); co-author of *Fiscal Austerity & Aging* (Sage, 1983), *Political Economy, Health and Aging* (Little Brown, 1984), *The Long Term Care Crisis* (Sage, 1993); co-Editor of *The Nation's Health* (Jones & Bartlett, 1997) with Philip Lee, *Health Policy & Nursing* (Jones & Bartlett, 1997) with Charlene Harrington, and *Critical Gerontology* (Baywood, 1997) with Meredith Minkler. She is past president of the Gerontological Society of America, The American Society on Aging & The Association for Gerontology in Higher Education. Dr. Estes is a member of the Institute of Medicine of the National Academy of Sciences and current National Vice President of the Older Women's League.

Eric A. Hanushek

Eric Hanushek is Professor of Economics and of Public Policy and Director of the W. Allen Wallis Institute of Political Economy at the University of Rochester. He joined the University of Rochester in 1978 and has previously been Director of its Public Policy Analysis Program and Chairman of the Department of Economics. From 1983 through 1985, he was Deputy Director of the Congressional Budget Office.

His research involves applied public finance and public policy analysis with special emphasis on education issues. He has also investigated the determination of individual incomes and wages, retirement income security, housing policy, social experimentation, statistical methodology, and the economics of discrimination. His publications include *Assessing Policies for Retirement Income, Improving America's Schools, Assessing Knowledge of Retirement Behavior, Modern Political Economy, Making Schools Work, Educational Performance of the Poor, Improving Information for Social Policy Decisions, Statistical Methods for Social Scientists, and Education and Race* along with numerous articles in professional journals.

Born in Lakewood, Ohio, in 1943, he was a Distinguished Graduate of the United States Air Force Academy where he received his Bachelor of Science degree in 1965. In 1968, he completed his Ph.D. in economics at the Massachusetts Institute of Technology. He served in the U.S. Air Force from 1965-1974.

He had prior academic appointments at the U.S. Air Force Academy (1968-1973) and Yale University (1975-1978). During 1971-1972 he was a Senior Staff Economist at the Council of Economic Advisers. During 1973-74, he was a Senior Economist at the Cost of Living Council. He was president of the Association for Public Policy Analysis and Management in 1988-89.

Karen C. Holden

Karen C. Holden is Professor of Public Affairs and Consumer Science and Associate Director of the Robert M. La Follette Institute of Public Affairs, University of Wisconsin-Madison. She received her Ph.D. in Economics from the University of Pennsylvania in 1973. She serves on the Executive Committee of the Institute for Research on Poverty and the Steering Committee of the Center for Demography and Ecology. She is also an associated faculty in the NIMH training program in the Economics of Mental Health in the Department of Economics. She is a Fellow of the Gerontological Society of America, a founding member of the National Academy of Social Insurance, and an Associate of the Fellows program of the Employee Benefit Research Institute. In 1986-87 she was a Visiting Economist at the Office of Research and Statistics, Social Security Administration.

The general area of Professor Holden's research is the economic well being of the elderly and disabled and how public insurance policy has influenced individual behavior and economic resources across demographic groups. Currently, she is principal investigator of a grant awarded by the Social Security Administration on "Economic Circumstances of Widows: Effects of Age at and Duration of Widowhood." Professor Holden is also co-principal investigator of another grant awarded by the Social Security Administration on "Changes in the Economic Status of Disabled and Aged Beneficiaries, and their Correlates."

Michael Hurd

Michael Hurd is Professor of Economics, SUNY, Stony Brook; Senior Economist, RAND; and Research Associate, NBER. He received a Masters Degree in Statistics and a Ph.D. in Economics from the University of California, Berkeley. He is the author of a widely cited article (J. of Economic Literature, 1990) on the economics of aging. He has written research papers on the economic status of the elderly, the structure of private pensions and Social Security and their effects on retirement decisions, the determinants of consumption and saving (particularly mortality risk), forecasting the economic status of the elderly, and the determinants of the use of health care services among the elderly. His current work includes the use of subjective information, particularly survival probabilities, to explain economic decisions such as saving and retirement. He served on the Technical Panel of Experts (1990) and the Panel of Experts (1991) to the Social Security Advisory Council, and on the Advisory Committee for the World Bank Old-Age Security Study. He is a Co-Principal Investigator of the Health and Retirement Study and of the study of the Asset and Health Dynamics among the Oldest-Old.

Pamela Loprest

Pamela Loprest is a Senior Research Associate at the Urban Institute. She is a labor economist conducting research in the areas of disability policy, work and welfare, and aging. Her recent research includes studying the effects of disability on work and welfare receipt, changes in the Supplemental Security Income program for children with disabilities, health insurance coverage of the near-elderly, and the effects of health insurance on retirement. Dr. Loprest is also co-author of a book entitled *Serving Children with Disabilities: A Systematic Look at the Programs* with Laudan Aron and Eugene Steuerle.

Joseph Quinn

Joseph F. Quinn is a professor of economics at Boston College. His research focuses on the economics of aging, with emphases on the economic status of the elderly, the determinants of the individual retirement decision and the patterns of labor force withdrawal among older Americans. He recently co-chaired the Technical Panel on Trends and Issues in Retirement Savings for the 1994-96 Social Security Advisory Council.

Dorothy P. Rice

Dorothy P. Rice is Professor Emeritus in the Department of Social and Behavioral Sciences, School of Nursing, at the University of California-San Francisco. Previously, Professor Rice was Director of the National Center for Health Statistics and Deputy Assistant Commissioner for Research and Statistics in the Social Security Administration. She is a member of the Institute of Medicine and a former member of the Committee on National Statistics of the National Academy of Sciences, and has received numerous awards. Professor Rice is the author of numerous publications including "Health Status and National Health Priorites," "Cost of Injury in the United States," and "The Economic Cost of Alcohol and Drug Abuse and Mental Illness." A founding member of the National Academy of Social Insurance, she received an honorary Sc.D. from the College of Medicine and Dentistry of New Jersey and her B.A. from the University of Wisconsin-Madison.

David C. Stapleton

David C. Stapleton is a Vice President and Senior Economist at The Lewin Group, a health care consulting firm located in Fairfax, Virginia, and is the Director of Lewin's Applied Economics Practice. Dr. Stapleton is widely recognized as an expert on disability and employment issues and has directed numerous research projects on SSA's disability programs. He recently directed five projects funded by the SSA and the Assistant Secretary for Planning and Evaluation (ASPE) in the Department of Health and Human Services on the causes of recent growth in Disability Insurance and Supplemental Security Income disability program participation. This work culminated in a conference on "SSA's Disability Programs: Explanations of Recent Growth and Implications for Disability Policy," held in Washington, D.C. on July 20-21, 1995. He is currently co-editing a volume of papers and presentations from the conference with SSA's Kalman Rupp, to be published by the Upjohn Institute at the end of this year. He is also directing a project for SSA to assess the impacts of the elimination of disability benefits to those for whom drug abuse or alcoholism is material to eligibility, and a second project for ASPE, conducted in cooperation with SSA, concerning the importance of access to health insurance for employment and program participation of people with disabilities.

Prior to joining Lewin in 1991, Dr. Stapleton held Associate Professor appointments at both Dartmouth College and the University of Maryland at College Park. He received his Ph.D. in Economics from the University of Wisconsin at Madison, in 1978.

Eugene Steuerle

Eugene Steuerle is a Senior Fellow at the Urban Institute and author of a weekly column, "Economic Perspective," for Tax Notes Magazine. At the Institute he has conducted extensive research on budget and tax policy, social security, health care and welfare reform.

His publications include six books, and more than 100 reports and articles, 400 columns and 35 Congressional testimonies or reports. One recent book (co-authored with Jon Bakija) *Retooling Social Security for the Twenty-First Century*, was cited by the former Executive Director of the National Commission on Social Security Reform as "undoubtedly the most comprehensive analysis of the very long-range financing problems confronting the Social Security program." His most recent book, *The New World Fiscal Order* (co-edited with Masahiro Kawai), lays out implications of common fiscal problems, including an aging population, for industrial countries across the globe.

Earlier in his career Dr. Steuerle served in various positions in the Treasury Department under four different Presidents and was eventually appointed Deputy Assistant Secretary of the Treasury for Tax Analysis. Between 1984 and 1986 he served as Economic Coordinator and original organizer of the Treasury's tax reform effort, for which Treasury and White House officials have written that tax reform "would not have moved forward without your early leadership" and the "Presidential decision to double the personal exemption...[is] due to your insightful analysis." A former IRS Commissioner has written "During the past decade, few people have had greater impact on major changes in the tax law."

Dr. Steuerle serves or has recently served as an advisor, consultant, or board member to a Technical Panel to the Social Security Advisory Council, the National Commission on Retirement Policy, the National Academy on Aging, the Joint Committee on Taxation, retreats of the Senate Finance Committee and the Ways and Means Committee of the House of Representatives, the International Monetary Fund, the IRS, the Entitlement Commission, the National Commission on Children, the Department of Labor, the American Tax Policy Institute, and as a member of the Capital Formation Subcouncil of the Competitiveness Policy Council. Previous positions also include Federal Executive Fellow at the Brookings Institution, Resident Fellow at the American Enterprise Institute, and President of the National Economists' Club Education Foundation. He is cited frequently in newspapers and news magazines such as The New York Times, The Washington Post, The Economist, Newsweek, Business Week, The Wall Street Journal, USA Today, The Financial Times, and The Philadelphia Inquirer; and has appeared on TV and radio shows or stations such as CNN, ABC, and NPR.

Stephen P. Zeldes

Stephen P. Zeldes is the Benjamin Rosen Professor of Economics and Finance at Columbia University's Graduate School of Business. He is also a Research Associate with the National Bureau of Economic Research and a Visiting Academic Economist at the Federal Reserve Bank of New York. Professor Zeldes served as a member of the Technical Panel on Trends and Issues in Retirement Saving that reported to the 1994-96 Advisory Council on Social Security, and is currently a member of the National Academy of Social Insurance Panel on Social Security Privatization.

Professor Zeldes joined the Columbia University faculty in 1996. Prior to this, he was a Professor at the Wharton School of the University of Pennsylvania. He received his doctorate in economics from Massachusetts Institute of Technology in 1984.

In his research, Professor Zeldes has examined a wide range of applied macroeconomic issues, including social security reform, the determinants of household saving and portfolio choice, the effects of government budget deficits, and the relationship between consumer spending and the stock market. His research has been published in the leading academic journals.

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