

Economics

Family



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Motoko Rich Moving From Disability Benefits to Jobs April 7, Retrieved The New York Times The article contains a compelling argument for the problem in Social Security and how its own system only worsens the dependability of those who rely on disability benefits to impede them from working. Rich advocates for the utilization of gradual decrease in the benefit of those who are able to get a job instead of a nine-month cutoff period once the person is able to cross the threshold of \$1, 000. “ That way, they preserved some benefits as they eased back to work, rather than losing them all after just nine months” (par. 8). This argument by the author was based on a study conducted by Social Security Administration’s James Smith, Alice Porter and Tim Tremblay. The organization conducted a program in the states of Connecticut, Vermont Utah and Wisconsin where the benefits of the disabled was gradually reduced over a longer period of time and even up to six years in gainful level. The participants were able to obtain continued disability paycheck beyond the nine months. Another control group, again randomly picked, followed the threshold. The main problem in the case of disability is not the core policies employed by the government but the value system and the overall attitude of the population. The study and the argument of the author are well and good and rightfully intended but the outlook of the people who are able to take advantage of this program is the main problem why government spending for such purpose has brought a bleak future for this aspect of Social Security. The point of economists and policy analysts in saying that beneficiaries are discouraged from working rings nothing but the truth. Those who are dependent upon government hand to survive are dissuaded from taking a full time job because they will lose their benefit as soon as they hit the thousand dollar paycheck within nine months. In the <https://assignbuster.com/economics-essay-samples-24/>

author's example he illustrates a simple scenario where a man who works 15 a week for \$13 an hour would not want to extend work for another 5 hours as it will make him earn an amount which would make him subject for discontinued disability benefit. This is also a great illustration of the value that is lost in a person who would rather live on government stipend than work for his own means. To me the timeframe given by the government of nine months is enough and more than sufficient to ensure that a person is fully on his feet before he is cut off from disability. The simple fact is we are not talking about a child here who is only beginning to walk for the first time. Most of the people on disability had worked and are capable of working. This is nothing but covetousness disguised in social justice if one is able to work fully but refuses to because he will lose the benefit of government care. It implores upon on a man's sense of decency that he lets others who are in worse need of financial assistance gain from this government generosity. Even the study is inconclusive since there was a variation in the findings as the desired effects of long-term safety net was only found in Connecticut and Vermont. The findings in Utah were not mentionable while that in Wisconsin cannot be regarded as significant data (Rich, par. 9). This only shows that it is premature to jump into the conclusion that the solution lies in extending the nine-month grace period is the solution. On the contrary, if a beneficiary is determined to remain in his position, then lengthening the time will not hinder him from doing so through his own will. A stronger and stricter government policy on who gets to be on disability pay and for how long must be implemented as what is happening in most states these days.

Government monitoring is important lest we let those who are able to fend for their selves serve as a burden to those who are earnestly making a living.

It has been projected that the disability program is the first benefit program to become insolvent in just a matter of 4-7 years if no step is taken soon. Today, it is estimated that 18% of men aged 25-54 are simply not working. In this regard, \$115 billion was spent in 2010 for benefits and another \$75 billion for medical treatment. This equates to \$1, 500 for every household. “ Perhaps the worst thing about the disability program is that, once in it, many people never leave...Relative to a low-paying job, especially if the job exacerbates a chronic injury or chronic pain, the modest monthly disability payment of about \$1, 100 on average can look appealing” (Leonhardt, par. 6). The debate on welfare and the argument thereof is primarily for the alleviation of poverty. It is intended for both adults and children to guarantee immediate effects. There is a solution offered to include an incentive to work despite providing through welfare and this is the negative income tax (NIT). Here, there is a minimum income level a family may belong to and a corresponding rate wherein instead of benefits it becomes “ taxed away” as income increases (Baumol and Blinder, p. 396-397). This seems like a better and more subtle way than that proposed by Rich. The previous perception on the pride of men and the overt reluctance to be on welfare must be enforced. People are getting more dismissive on the fact that they are beneficiaries or that they are bound to be one. What’s bothersome is that this has become matter-of-factly to some people. This attitude must be suppressed. Attitude is the most important aspect to be established. The amount of \$1, 500 for each household is no longer applicable to the vicarious benefit that the government seeks to carry out, it is already bordering on lecherous. Bibliography Baumol, William J. and Alan S. Blinder. Economics: Principles and Policy. Australia: Thomson Learning, Inc. , 2000. Leonhardt, <https://assignbuster.com/economics-essay-samples-24/>

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