

# State government levy tariffs on imports

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Social Security Social Security Current debate on whether the federal government should consider an increase on Social Security and Medicare expenditure attracts controversy between critics and opponents of the policy. Social security and Medicare are among the key areas that take the greatest part of the federal government's budget. The federal government has a bulk of its expenditure on health-care programs. Nearly 49 percent of 2013 federal government's expenditure was used for major entitlements, which include social security and Medicare (Boccia, 2014). Because of America's increasing population of the elderly, the federal government is most likely to increase its expenditure on Social Security and Medicare. The population of retired workers in America was 37.9 million as at December 2013, for instance (Center on Budget and Policy Priorities, 2014).

An increase in expenditure on Social Security and Medicare would hurt taxpayers and federal government on other sectors. Currently, the Federal government's expenditure on other sectors such defense and sectors of security are equally high. Expenditure on defense and other sectors of security was \$643 billion in 2013, representing 19 percent of the entire budget. Furthermore, the federal government's expenditure is growing at a rate of 63 percent higher than the level of inflation, a trend that has been consistent for the past 20 years (Boccia, 2014).

Based on the high level of expenditure that the federal government already has on social security and Medicare, it is unjustified to increase it. Lee, Johnson and Joyce (2008) recognize social security as a key income source for the retired. An increase would imply a consequential rise in the national debt. The greatest concern relates to a large population of retirees. Viable recommendations for the elderly to fund their retirement include proper use

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of personal savings. Programs to help the elderly boost personal investments would help them finance their retirement.

#### References

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