

## Econ 21SI – Saving Social Security: Proposals for Reform

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**Instructor:** Sean Arenson  
**E-mail:** sarensen at stanford.edu  
**Phone:** 916.600.6979

**Sponsor:** Prof. John Shoven  
**E-mail:** shoven at stanford.edu

**Course Website:** <http://econ21si.stanford.edu>

**Time:** Tuesdays, 4:15-5:30PM  
**Location:** Building 200, Room 217

**Description:** Social Security is the Federal government's single largest program, and also one of its most controversial. With benefit payments scheduled to exceed revenue by 2017 and recent revelations that reform may not even appear on the domestic agenda until 2009, the future of one of the most popular federal programs in history is in serious jeopardy, and the cohort that stands to lose the most is today's college students of Generation Y. This course will examine the demographic and political factors that have put Social Security in this precarious position, and the broad menu of reform options that face policymakers today.

This course is designed to provide a politically neutral, in-depth look at the Social Security program and the problems that it faces in the near future. A major focus of the course will be analysis of proposals for reform in terms of the program's function and financing and in the context of the other social insurance and social welfare programs currently in place.

**Prerequisites:** None. Only an interest in the topic is required.

**Attendance:** This class will be primarily lecture- and discussion-based. Therefore, it is important that you attend all class sessions. If you foresee a conflict, you must let me know via e-mail in advance.

**Assignments:** There will be two written assignments this quarter, one of short length and the other of medium length. You will be given ample time to complete these assignments.

**Readings:** Each week, suggested readings for the following week's class will be posted to the course website. Since this class will move at a fast pace, these readings are highly encouraged, as they will enhance your learning experience. Readings for weeks in which a guest lecture is scheduled will be chosen by the guest and will be relevant to the material they plan to discuss.

**Grading:**

This class will be graded on a S/NC basis. Credit will be awarded to students who meet the attendance requirements and complete the written assignments. This class can be taken for either 1 or 2 units. The requirements are the same regardless of the number of units taken.

**Schedule and Topics**

(See course website for updated version)

<b>Week</b>	<b>Date</b>	<b>Lecturer</b>	<b>Topics</b>
1	April 11	Sean Arenson	Brief History of Social Security Social Security Basics and Function Introduction to Reform - Program problems - Menu of reform options
2	April 18	Sean Arenson	Introduction to Reform cont. Introduction to Personal Accounts Diamond Orszag Plan Personal Security Accounts 2005 Hybrid indexing
3	April 25	John Cogan	Economics and Politics of Personal Accounts
4	May 2	Shripad Tuljapurkar	Demographics of Social Security
5	May 9	Gopi Shah	Incentives and Disincentives to Work Career Length in Social Security
6	May 16	Sean Arenson	Conclusions and Discussion from Guest Lectures The Unified Budget The Trust Fund
7	May 23	Sita Slavov	Political and Economic Risks of Social Security
8	May 30	John Shoven	Personal Security Accounts 2005 Hybrid Indexing Role of Equities in Reform
9	June 6	Sean Arenson	Conclusions and Discussions from Guest Lectures Course Recap and Conclusions