

Statement of John Cook
Organization of Residents Associations of New Jersey
For the Social Security Forum
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Rep. Rush Holt
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I represent the Organization of Residents Associations of New Jersey. There are about 8000 residents in our member organizations. Their average age is between 80 and 85. I am 86, myself. For me personally, and for most of our residents, the question of the future of Social Security is a moot issue. Nonetheless, I do have some personal opinions, shared by many of my fellow residents. I am opposed to privatization and I have one objection I have not heard here this morning. I believe that many individual workers, given investment control of their benefits, will wind up losing most or all of the assets. Then they will come back to the Government and say, "Now that I have lost everything you have to take care of me".

I also regret the trend I have observed in the last 30 years that too many individuals during their working years rely on Social Security for the primary means of support during retirement. I am a great believer in the three legged stool concept that retirement income should come from Social Security, employer pension plans, and private savings. Unfortunately, two of the legs of that stool have tended to crumble in recent years.

I have one other concern I have not heard mentioned here or elsewhere. From the beginning of time, it has been the young and healthy who have provided for the welfare of the elderly and disabled. No matter what system of financing you may devise as a medium of exchange it will be true to the end of time that the young and healthy will have to care for the elderly and the disabled. No matter how much gold you have, or how much money in the bank, these items are not food, clothing, shelter, or health care. They only represent a medium of exchange.

When I was young, there were 5 workers for each retiree. More recently the ratio had gone down to 3 to 1. Soon it will be two to one. I see a problem in the future that is not a financial problem, and not a problem of Social Security, but a social problem that could become a serious one.

John H. Cook