



**Director's Corner** *John P. Laitner*

This year's RRC conference, *Retirement, Planning, and Social Security in Interesting Times*, at the National Press Club, August 5-6, was the Consortium's twelfth. David Rust, Deputy Commissioner, Retirement and Disability Policy, SSA, opened the conference, noting the 75th anniversary of the Social Security program itself, and the research accomplishments of the RRC. The Michigan Retirement Research Center has been proud to be a member of the Consortium since its founding.

With worries lingering about the recession, the conference began with the session *Financial Crisis: What Have We Learned? How Have Older Americans Fared?* And, Thursday's lunchtime speaker,

Donald Marron, Director of the Urban-Brookings Tax Policy Center, spoke on *Fiscal Policy in Interesting Times*. Thursday afternoon began with a session on *Social Security Disability Insurance*, long a topic of special attention among MRRC researchers. Other sessions followed on recent Consortium analyses of financial planning and literacy, health, and behavioral economics. Friday's lunchtime speaker, James Roosevelt Jr., President of Tufts Health Plan, returned to the topic of Social Security's anniversary.

One of the missions of the RRC is to encourage young scholars to pursue research in Social Security related subject areas, and the conference included presentations by a Sandell Scholar and two Dissertation Fellows.

The popularity of the annual conference continues to grow, with this year's sign-ups exceeding 400. The conference provides an opportunity to listen to up-to-date scholarly research, and for academic and private-sector researchers and government policymakers interested in Social Security to meet and network. ■

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**2010 RRC Conference: Retirement, Planning, and Social Security in Interesting Times**

The 12th annual Retirement Research Consortium (RRC) conference, *Retirement, Planning, and Social Security in Interesting Times*, was held on August 5-6, 2010, at the National Press Club in Washington, DC. Twenty-one scholarly papers addressed topics such as the financial crisis; Social Security and labor supply; Social Security Disability Insurance; private financial planning for retirement; the role of health, demography, and tastes in the life-cycle economic model; and behavioral findings.

David Rust, Deputy Commissioner of Retirement and Disability Policy of the Social Security Administration (SSA), noted that August 14, 2010, marked the 75th anniversary of the enactment of the Social Security program. He invited attendees to visit a website recently unveiled by SSA "where the public can share and read personal stories and reflections about the importance of Social Security in their lives." Touching on the contributions of RRC research to the Social Security program, he said, "the RRC has generated numerous research findings that have influenced Social Security policy, pension policy, SSA's special initiative to encourage saving and now the Financial Literacy Research Consortium, and our overall understanding of how the Social Security programs affect the lives of retirees, workers, individuals with disabilities, and children. Other more basic research has been important to the development of our microsimulation



*David A. Rust, Deputy Commissioner, Retirement and Disability Policy, SSA*



Donald Marron, Director, Tax Policy Center, The Urban Institute

models, which we use to inform our understanding of how changes to the Social Security programs might affect the well-being of current and future beneficiaries.”

Thursday’s lunch speaker was Donald Marron, Director of the Tax Policy Center at the Urban Institute, who noted that in today’s economy we face great challenges and a

high degree of uncertainty. He said that the goals of the RRC and his organization are similar in that they try to help policymakers see through the uncertainty.

A special session focused on Social Security Administration data that is available on the website data.gov. Alan Lane, Associate Chief Information Officer for Open Government, explained that the 2009 federal initiative on transparency and openness in government charged SSA with making more information about the data it collects available to taxpayers. He encouraged attendees to contact him with “ideas on high-value data and how it can be used to improve accountability.” He also invited suggestions as to other data sets that would be useful to researchers or the public.



Alan Lane, Associate Chief Information Officer for Open Government, SSA

Recognizing of the 75th anniversary of the founding of Social Security by his grandfather, James Roosevelt Jr., President and CEO of Tufts Health Plan, gave the Friday lunch talk titled *The Mythology of Fear*. He noted that Franklin D. Roosevelt launched the Social Security



James Roosevelt, Jr., President and CEO, Tufts Health Plan

program with the familiar words, ‘The only thing we have to fear is fear itself.’ He spoke about the fundamental belief shared by both his grandparents that “all people should be free from fear of want and destitution.” He lauded the legacy of the program that has survived three-quarters of a century without deficit financing. ■

## MRRC Researchers Present Findings

The University of Michigan Retirement Research Center (MRRC) and SSA cohosted the 12th annual Retirement Research Consortium conference, Retirement, Planning, and Social Security

in Interesting Times. MRRC takes turns cohosting the conference every three years with the other consortium research centers, Boston College and the National Bureau of Economic Research. MRRC



Left to right: RRC Directors, David Wise (NBER), Alicia Munnell (Boston College), and John P. Laitner (University of Michigan)

staff worked in conjunction with the Social Security Administration to organize the event. MRRC Director John P. Laitner cochaired the conference with the other Center directors.

MRRC researchers participated in the conference by presenting conference papers based on their SSA-funded research and as discussants, providing commentary on the papers of their colleagues. MRRC papers presented were as follows:

- *Cognition, Financial Wealth, and the Effects of the Financial Crisis on the Well-Being of Older Americans*, Matthew Shapiro, University of Michigan
- *Reconciling Findings on the Employment Effect of Disability Insurance*, John Bound, University of Michigan, and Timothy Waidmann, The Urban Institute
- *The Labor Supply Effects of Disability Insurance Work Disincentives: Evidence from Administrative Data*, Nicole Maestas, RAND, and Jae Song, Social Security Administration
- *Financial Knowledge and Financial Literacy at the Household Level*, Alan Gustman and Nahid Tabatabai, Dartmouth College; Thomas Steinmeier, Texas Tech University
- *Cognitive Ability and Retiree Health Care Expenditure*, Daniel Silverman and Lauren Nicholas, University of Michigan, Hanming Fang, University of Pennsylvania
- *Personality, Lifetime Earnings, and Retirement Wealth*, Angela Duckworth, University of Pennsylvania, and David Weir, University of Michigan



*Matthew Shapiro, University of Michigan*



*Frank Stafford, Senior Advisor to MRRC (2010-2011), University of Michigan*



*Timothy Waidmann, Urban Institute*



*Alan Gustman, Dartmouth College*



*Nicole Maestas, RAND*



*Daniel Silverman, University of Michigan*



*David Weir, University of Michigan & Angela Duckworth, University of Pennsylvania*

# Next Generation Scholars Present SSA-Funded Papers

The Social Security Administration supports two programs that encourage the development of the next generation of scholars in retirement income and disability insurance research: the Steven H. Sandell Grant Program and the Dissertation Fellowship Program.

**Sandell Grant.** Steven H. Sandell served as the first director for the newly formed Division of Policy Evaluation and demonstrated a commitment to training new scholars in the field. The Sandell grant provides opportunities for young scholars from all academic disciplines and senior scholars working in a new area to pursue cutting-edge projects on retirement income and disability insurance issues. Gopi Shah Goda, a Sandell Scholar at Stanford University, spoke about *Incorporating Employee Heterogeneity into Default Rules for Retirement Plan Selection*.

**Dissertation Fellowship.** The Dissertation Fellowship program provides funding opportunities for doctoral candidates to pursue cutting-edge research on retirement issues. Dissertation Fellows Svetlana Pashchenko (University of Virginia), presented *Accounting for Non-Annuity, and Geena Kim (University of Pennsylvania), discussed *Medicaid Crowd-Out of Long-Term Care Insurance with Endogenous Medicaid Enrollment*.*

Both funding opportunities are administered by the Center for Retirement Research at Boston College. ■



*Geena Kim, University of Pennsylvania (Dissertation Fellow)*



*Svetlana Pashchenko, University of Virginia (Dissertation Fellow)*



*Gopi Shah Goda, Stanford University (Sandell Scholar)*

# What's New at SSA?

## The 2010 OASDI Trustees Report

The 2010 OASDI Trustees Report, officially called *The 2010 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, presents the current and projected financial status of the trust funds. View the *report*.

## Fast Facts & Figures About Social Security, 2010

This annual booklet highlights data on the most important aspects of the Social Security and Supplemental Security Income programs, the people they serve and the benefits they provide. View the *booklet*.

# MRRC Researchers in the News

On July 2, 2010, **U.S. News & World Report** cited Marjorie Honig and Irena Dushi's 2009 working paper in *401(k) Participation, But Not Savings, Grows*.

*How to Keep Seniors Working: Lessons from Chile*, by Estelle James was published in the August 24, 2010, issue of **National Center for Policy Analysis**. The article was based on her 2005 working paper with Alejandra Cox Edwards.

Nicole Maestas testified before the **Senate Finance Committee** on July 15, 2010, about work after retirement. She was also interviewed by **US News & World Report** and **USA Today** on the same topic.

## MRRC Newsletter Online

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[www.mrrc.isr.umich.edu?id=264](http://www.mrrc.isr.umich.edu?id=264).

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