



**AARP North Dakota  
Social Security Survey  
February 3, 2005**



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# AARP North Dakota Social Security Survey

## February 3, 2005

In late-January and early February, 2005, AARP commissioned five state telephone surveys of representative adult samples (age 18+) in: North Dakota, Montana, Nebraska, Arkansas, and Florida. A total of 704 interviews were conducted in each of the above five states. These surveys gave AARP an opportunity to present state-level views of private accounts when the consequences of such accounts are considered.

This report will highlight the North Dakota state survey data. The survey methodology is described at the end of this report, and a tabulated questionnaire is appended.

AARP is a non-partisan organization. It does not contribute to political campaigns nor does it endorse or oppose any candidates for public office.

### Key Findings

**Overall view of the need for Social Security Reform.** North Dakotans were asked to choose one of four statements about Social Security. One-quarter (24%) believe that the Social Security program has no serious problems. A further 22% think that Social Security has minor problems that can be fixed with slight changes to the current system. Thus, nearly half of North Dakotans believe that Social Security has either no problems or only minor problems. Nearly three in 10 (26%) believe that Social Security has serious problems that require substantial changes to the current system. A fifth thinks that Social Security's problems are so bad that the current system should be replaced (21%). Thus, 8 in 10 North Dakotans believe in reforming the Social Security system, not replacing it with something else.

**Overall view of private accounts.** Slightly less than half of North Dakotans (47%) oppose private accounts when the survey question simply asks about the option to invest some of their Social Security contributions, and does not specify consequences. Forty-four percent favor private accounts and 9% are unsure of where they stand on this issue.

Whereas North Dakotans who favor private accounts were evenly divided between *strongly favor* and *somewhat favor*, North Dakotans who oppose private accounts were almost twice as likely to *strongly oppose* private accounts (31%) than there were to *somewhat oppose* (16%) them. That is, intensity of feeling about private accounts was much greater on the oppose side than it was on the favor side.

**Anticipated effect of private accounts on Social Security.** Half of North Dakotans believe that allowing workers to invest some Social Security payroll taxes in the stock market will weaken Social Security (50%). One-third believe it will strengthen Social Security (33%); and 16% do not know.

**Taking into account some consequences of private accounts.** When several consequences of private accounts are introduced, we find that between a third to two-thirds of those who initially favored private accounts ended up opposed to private accounts.

The consequences that proved to be of most concern to supporters of private accounts revolved around the associated cuts to Social Security benefits, and the new federal debt caused by draining money from Social Security to create private accounts. Specifically, 66% of supporters would drop their support if private accounts could not make up for the cuts to Social Security benefits private accounts would cause. Fifty-four percent of supporters would drop their support if changing the way Social Security benefits are calculated would result in reduced benefits. Fifty-seven percent of supporters would drop their support if creating private accounts means new federal debt to make up from funds drained from Social Security.

The possibility of having to create a new federal agency to administer private accounts resulted in nearly half (45%) of North Dakotans who initially supported private accounts turning to oppose them. If creating private accounts would result in there being winners and losers, 37% of those who initially supported private accounts dropped their support. The fact that people with private accounts would have to pay management fees resulted in one-quarter who switched from support to opposition.

**Total opposition to private accounts among North Dakotans.** If we add the respondents who dropped their support in response to each consequence of private accounts, to those who initially opposed private accounts, we get a clearer picture of where North Dakotans stand on the private account issue.

Table 1 lists all the consequences read to respondents who originally initially favored allowing workers to invest up to \$1,300 of their Social Security contributions in individual retirement accounts. The favor or opposition percentages are recalculated percentages based on the entire survey sample. That is, the initial group opposed to private accounts as measured by the first private account question, added to those who dropped their support for private accounts in response to each consequence of private accounts.

When respondents are exposed to the benefit cuts, greater federal debt, or the passing of debt to our children, caused by draining money from Social Security in order to create private accounts, majorities oppose these accounts. In fact, the initial 44% of the adult public who favor private accounts drops to between 12% and 29% depending on the consequence presented.

**Table 1**  
(n= 704)

**Would you still favor private accounts if it meant...?**

	Private Accounts	
	Still Favor	Oppose
Workers pay management fees associated with private accounts	<b>29%</b>	<b>58%</b>
New government agency created to administer program	<b>22%</b>	<b>66%</b>
Diverting some of Social Security payroll taxes means large new federal debt in order to pay current retirees benefits	<b>14%</b>	<b>72%</b>
Losers of private accounts will need additional help from government	<b>24%</b>	<b>63%</b>
Cuts to your guaranteed SS benefits would be so severe that you could not make up the difference with money earned from your private acct.	<b>12%</b>	<b>75%</b>
Changes to the way SS benefits are calculated would result in cuts in guaranteed benefits for everyone not just people who choose to participate in private accounts program	<b>16%</b>	<b>70%</b>

## **Methodology**

AARP commissioned Woelfel Research, Inc., a national survey research firm, to conduct a random digit dial (RDD) telephone survey of the 500 adults, age 18+, in each of five states (North Dakota, Montana, Nebraska, Arkansas, and Florida). Interviews were conducted between January 27<sup>th</sup> and February 1<sup>st</sup>. Each state survey has a sampling error of plus or minus 4 percentage points. This means that in 95 out of 100 samples of this size, the results obtained in the sample would fall in a range of 4 percentage points of what would have been obtained if every adult in the state had been surveyed.

For presentation purposes, percentage points have been rounded off to the nearest whole number. As a result, percentages in a given table column may total slightly higher or lower than 100%. For questions that permit multiple responses, columns may total to significantly more than 100%, depending on the number of different responses offered by each respondent. Similarly, when only selected responses are shown, percentages may total less than 100%.

**Questions for the Social Security Survey  
NORTH DAKOTA**

Hello, this is \_\_\_\_\_ calling from Woelfel Research, Inc., a national opinion research firm. We are not telemarketers and are not trying to sell you anything. We would like to find out your opinions on some aspects of Social Security. Your views are important and we would greatly appreciate your participation. All of your responses are kept entirely confidential. This survey should take about five minutes of your time.

S1. Are you at least 18 years old

- 1. Yes           **CONTINUE**
- 2. No           **[ASK TO SPEAK TO SOMEONE IN HH WHO IS  
AGE 18+. IF NONE IN HH, TERMINATE]**

1. Which of the following statements comes closest to your opinion about the Social Security program?

**[ROTATE]**

- 23.6%**   1. The Social Security program has no serious problems, certainly none that require changing the current system
- 21.9%**   2. Social Security has minor problems that can be fixed with slight changes to the current system
- 26.4%**   3. Social Security's problems are serious and can be fixed only with substantial changes to the current system
- 20.7%**   4. Social Security's problems are so bad that the current system should be replaced
- 7.4%**     Don't Know

2. Some people propose allowing workers to invest some of their Social Security payroll taxes in the stock market through individual retirement work accounts. For the average worker, this portion could be up to \$1,300 per year that they could invest. In general, do you favor or oppose this approach? Is that strongly or somewhat?

- 23.2%**   1. Strongly favor
- 20.5%**   2. Somewhat favor
- 16.1%**   3. Somewhat oppose
- 30.6%**   4. Strongly oppose
- 9.3%**    5. Undecided/don't know
- 0.2%**    6. No answer/refused



3. Do you think allowing workers to invest some Social Security payroll taxes in the stock market will strengthen or weaken the Social Security System?

<b>32.8%</b>	1.	Strengthen
<b>50.2%</b>	2.	Weaken
<b>16.2%</b>	3.	Undecided/don't know
<b>0.8%</b>	4.	No answer/refused

**FOR THOSE WHO SOMEWHAT OR STRONGLY OPPOSE IN Q. 2, SKIP TO Q. 6**

**ASK 4 A-F ONLY FOR THOSE ANSWERING STRONGLY OR SOMEWHAT FAVOR IN Q.2**

4. Now let me read you some statements that people have made about proposals to allow workers to invest part of their Social Security payroll taxes. After hearing the statement, please let me know if you still favor or now oppose proposals for private accounts.

**ROTATE STATEMENTS**

4a. If creating private accounts out of Social Security will create losers as well as winners, and the losers may need additional help from the government would you still favor or now oppose proposals for private accounts?

<b>55.7%</b>	1.	Favor
<b>36.7%</b>	2.	Oppose
<b>7.1%</b>	3.	Undecided/don't know
<b>0.5%</b>	4.	No answer/refused

4b. If creating private accounts will require the creation of a new government agency to administer the accounts, would you still favor or now oppose proposals for private accounts?

<b>50.5%</b>	1.	Favor
<b>44.5%</b>	2.	Oppose
<b>3.9%</b>	3.	Undecided/don't know
<b>1.2%</b>	4.	No answer/refused

4c. If creating private accounts will drain money out of Social Security and require large new Federal debt to pay the Social Security benefits for current retirees, would you still favor or now oppose proposals for private accounts?

- |              |    |                      |
|--------------|----|----------------------|
| <b>31.5%</b> | 1. | Favor                |
| <b>57.2%</b> | 2. | Oppose               |
| <b>9.7%</b>  | 3. | Undecided/don't know |
| <b>1.6%</b>  | 4. | No answer/refused    |

4d. If creating private accounts would require each worker to pay the management fees associated with their account, would you still favor or now oppose proposals for private accounts?

- |              |    |                      |
|--------------|----|----------------------|
| <b>66.1%</b> | 1. | Favor                |
| <b>25.4%</b> | 2. | Oppose               |
| <b>7.6%</b>  | 3. | Undecided/don't know |
| <b>1.0%</b>  | 4. | No answer/refused    |

4e. If creating private accounts could mean changes in the way Social Security benefits are calculated, resulting in cuts for everyone and not just the people who choose to participate in the private account, would you still favor or now oppose proposals for private accounts?

- |              |    |                      |
|--------------|----|----------------------|
| <b>36.3%</b> | 1. | Favor                |
| <b>54.1%</b> | 2. | Oppose               |
| <b>8.2%</b>  | 3. | Undecided/don't know |
| <b>1.4%</b>  | 4. | No answer/refused    |

4f. If creating private accounts meant that cuts in your guaranteed Social Security benefits would be so severe that you could not make up the difference with money earned from your private account, would you still favor or would you now oppose proposals for private accounts?

- |              |    |                      |
|--------------|----|----------------------|
| <b>26.2%</b> | 1. | Favor                |
| <b>65.6%</b> | 2. | Oppose               |
| <b>7.7%</b>  | 3. | Undecided/don't know |
| <b>0.5%</b>  | 4. | No answer/refused    |

6. Generally speaking, do you usually think of yourself as...?  
(READ LIST. ENTER ONE ONLY)

<b>29.4%</b>	1.	A Republican
<b>24.2%</b>	2.	A Democrat
<b>37.2%</b>	3.	An Independent
<b>2.5%</b>	4. (DO NOT READ)	Other
<b>3.9%</b>	5. (DO NOT READ)	Don't know
<b>2.8%</b>	6. (DO NOT READ)	Refused

(SCRAMBLE CODES 1-3)

7. Generally speaking, would you characterize your political views as being...?  
(READ LIST. ENTER ONE ONLY)

<b>36.5%</b>	1.	Conservative
<b>43.6%</b>	2.	Moderate
<b>12.4%</b>	3.	Liberal
<b>2.6%</b>	4. (DO NOT READ)	None of the Above
<b>3.0%</b>	5. (DO NOT READ)	Don't know
<b>1.9%</b>	6. (DO NOT READ)	Refused

**Demographic questions:**

D1. What is your age as of your last birthday? [RECORD IN YEARS]

---

<b>38.7%</b>	1.	Under 40
<b>34.5%</b>	2.	40-59
<b>24.1%</b>	3.	60+
<b>59.7%</b>	4.	18-49
<b>37.6%</b>	5.	50 and older
<b>2.7%</b>		Refused

D2. What is your marital status? Are you currently....

<b>60.8%</b>	1	Married,
<b>7.3%</b>	2	Divorced,
<b>0.3%</b>	3	Separated,
<b>9.0%</b>	4	Widowed,
<b>21.3%</b>	5	Or have you never been married?
<b>0.7%</b>	6	Living with partner [DO NOT READ]
<b>0%</b>	7	Don't know [DO NOT READ]
<b>0.6%</b>	8	Refused [DO NOT READ]

**[ASK ONLY IF RESPONDENT IS 50 YEARS OF AGE OR OLDER]**

D3. Are you [OR YOUR SPOUSE IF MARRIED] a member of A-A-R-P formerly known as the American Association of Retired Persons? [IF NOT "MARRIED" ASK, "Are you a member..."]

<b>41.7%</b>	1	Yes
<b>57.5%</b>	2	No
<b>0.7%</b>	3	Don't know [DO NOT READ]
<b>0%</b>	4	Refused [DO NOT READ]

D4. What is the highest level of education you have completed? [READ LIST]

<b>7.7%</b>	1	Less than high school
<b>25.1%</b>	2	High school graduate or equivalent
<b>30.1%</b>	3	Some college or technical training beyond high school
<b>24.0%</b>	4	College graduate
<b>11.8%</b>	5	Or, Post-graduate or professional degree
<b>0.8%</b>	6	Don't know [DO NOT READ]
<b>0.6%</b>	7	Refused [DO NOT READ]

D5. Which of the following best describes your current employment status? Are you currently...[READ LIST]

<b>54.0%</b>	1	Employed full-time
<b>11.0%</b>	2	Employed part-time
<b>17.8%</b>	3	Retired and not working
<b>2.6%</b>	4	Unemployed and looking for work
<b>4.9%</b>	5	Homemaker
<b>3.0%</b>	6	Disabled
<b>3.0%</b>	7	Student
<b>0.0%</b>	8	Or something else [Specify: _____]
<b>0.1%</b>	9	Don't Know [DO NOT READ]
<b>3.8%</b>	10	Refused [DO NOT READ]

D6. Would you say that you always vote in presidential elections, usually vote, sometimes vote, rarely vote, or never vote)

<b>65.5%</b>	1.	Always
<b>14.3%</b>	2.	Usually
<b>6.9%</b>	3.	Sometimes
<b>3.8%</b>	4.	Rarely
<b>7.7%</b>	5.	Never
<b>0.9%</b>	6.	Refused [DO NOT READ]

D7. For statistical purposes only, please stop me when I get to the category that includes your household's income before taxes in 2004. Was it... [READ LIST]

- |              |     |                                  |
|--------------|-----|----------------------------------|
| <b>6.3%</b>  | 1.  | Less than \$10,000               |
| <b>10.9%</b> | 2.  | \$10,000 but less than \$20,000  |
| <b>17.0%</b> | 3.  | \$20,000 but less than \$30,000  |
| <b>11.1%</b> | 4.  | \$30,000 but less than \$40,000  |
| <b>11.5%</b> | 5.  | \$40,000 but less than \$50,000  |
| <b>15.9%</b> | 6.  | \$50,000 but less than \$75,000  |
| <b>7.7%</b>  | 7.  | \$75,000 but less than \$100,000 |
| <b>5.6%</b>  | 8.  | \$100,000 or more                |
| <b>3.8%</b>  | 9.  | Don't know [DO NOT READ]         |
| <b>10.2%</b> | 10. | Refused [DO NOT READ]            |

D8. Are you Spanish, Latino, or Hispanic?

- |              |    |            |
|--------------|----|------------|
| <b>2.1%</b>  | 1. | Yes        |
| <b>97.2%</b> | 2. | No         |
| <b>0.1%</b>  | 3. | Don't Know |
| <b>0.7%</b>  | 4. | Refused    |

D9. Which of the following groups best describes your race? [READ LIST]

- |              |    |                                     |
|--------------|----|-------------------------------------|
| <b>92.9%</b> | 1. | White                               |
| <b>0.4%</b>  | 2. | Black or African-American           |
| <b>3.2%</b>  | 3. | Asian                               |
| <b>0%</b>    | 4. | Native Hawaiian or Pacific Islander |
| <b>3.2</b>   | 5. | American Indian or Alaska Native    |
| <b>0.4%</b>  | 6. | Other                               |
| <b>0.2%</b>  | 7. | Don't know                          |
| <b>2.9%</b>  | 8. | Refused                             |

D10. [RECORD STATE]

D11. What is your gender?

- |              |    |        |
|--------------|----|--------|
| <b>48.7%</b> | 1. | Male   |
| <b>51.3%</b> | 2. | Female |

D12. Finally, what is your 5-digit zip code?

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**THANK YOU FOR PARTICIPATING! YOUR OPINION COUNTS!**