

Place your name on the back of this sheet of paper and nowhere else. Staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points. If you use double-sided printing or print on the back of scrap paper, I will give you one additional point.

Econ Club meets Thursdays at 11:00 in Morlan 103. You need not be a major in the department to attend. Attendance can help you with networking. That will help you meet upper-class students who can help you with courses and maybe with a job later.

- 1) (25 points) What is the problem facing Social Security? For the solution of “raising the retirement age,” how would that reduce the problem? Would you use it? Why or why not?
- 2) (35 points) What is the problem facing Social Security? For the solution of “increasing the return on the revenue,” how could that be done? How would that reduce the problem? Would you use it? Why or why not?
- 3) (25 points) What is the problem facing Social Security? For the solution of “raising the wage cap,” how would that reduce the problem? Would you use it? Why or why not?
- 4) (15 points) Why do I claim that most sales taxes are regressive taxes?