DOES MEDIA COVERAGE OF THE SOCIAL SECURITY TRUST FUND AFFECT CLAIMING, SAVING, AND BENEFIT EXPECTATIONS?

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Abstract

This study explores how workers respond to reports about Social Security's finances, using an online experiment in which participants are shown identical articles with different headlines. The headline for the control group reports that Social Security has a "long-term financing shortfall," but does not directly reference the trust fund. The headlines for the three treatment groups highlight the depletion of the trust fund. Two treatment groups saw headlines emphasizing the trust fund's 2034 reserve depletion date – using increasingly sensationalist language – while a third treatment group saw a headline explaining that ongoing program revenues will cover three-quarters of scheduled benefits after 2034.

The paper found that:

- Treated respondents plan to claim around one year earlier than the control group.
- Treated respondents also shifted their expectations about the level of future benefits away from extreme positions and toward a more realistic assessment.
- In particular, the headline emphasizing ongoing revenues yielded the most accurate beliefs about the level of future benefits.

The policy implications of the findings are:

- Shifting the media narrative around the trust fund to highlight ongoing revenues could improve the public's understanding of actuarial projections.
- However, workers may still respond to news coverage of the trust fund by claiming earlier.
- If workers follow through with their stated intention to claim earlier, they will lock in lower monthly benefits without increased saving to make up the gap.

Introduction

The *2020 Trustees Report* projects that the Social Security Old-Age and Survivors Insurance (OASI) program faces a long-term financing shortfall and that the trust fund will deplete its reserves in 2034, after which payroll tax revenues will cover only about three-quarters of scheduled benefits.[1] Yet, news coverage of the *Trustees Report* often emphasizes the trust fund depletion date and de-emphasizes the ability of ongoing revenue to support three-quarters of scheduled benefits. This emphasis could lead the public to believe that all future benefits are insecure.

If workers respond to their misperceptions, they might adjust their behavior in ways that could either harm or enhance their retirement security. For example, workers might claim earlier than they would have otherwise in the belief that future reforms will spare individuals already receiving benefits. Claiming at age 62 instead of the Full Retirement Age (FRA) currently reduces monthly benefits by 30 percent, and recent evidence suggests that it also reduces lifetime benefits (Biggs, Chen, and Munnell 2021). Conversely, workers might insure against low Social Security benefits by saving more on their own, a response that would improve their retirement finances at the expense of current consumption.

This study explores how workers respond to reports about Social Security's finances, using an online experiment where participants are shown identical articles with different headlines. The headline for the control group reports that Social Security has a "long-term financing shortfall," but does not directly reference the trust fund. The headlines for the three treatment groups highlight the depletion of the trust fund. The first headline draws on language from the summary document accompanying the *Trustees Report*: "The Social Security Trust Fund Will Deplete its Reserves in 2034." The second mirrors recent media coverage: "Social Security Fund Headed toward Insolvency in 2034, Trustees Find." And the third emphasizes ongoing program revenue alongside the trust fund: "Revenues Projected to Cover Only 75 Percent of Scheduled Social Security Benefits After 2034."[2]

Participants were then asked about their expectations for the future: their planned claiming age, the level of benefits they expect to receive from Social Security, and how much

[1] The *2021 Trustees Report* has not yet been released at the time of writing. The 2020 report does not account for any of the possible impacts of the COVID-19 pandemic on the actuarial status of the trust fund.
[2] The headline emphasizing ongoing revenue is similar to language used in the *Social Security Statement*.

they plan to save in their 401(k) or IRA. The analysis compares the expectations of the treatment groups to the control group.

The results show that headlines about the trust fund shift claiming ages and expected benefit levels, but not future savings goals. Respondents in all three treatment groups stated that they plan to claim around one year earlier than the control group. They also shifted their beliefs about future benefit levels away from extreme positions and toward more realistic expectations; in particular, respondents who read the headline about ongoing revenue were more likely to expect around three-quarters of scheduled benefits.

In summary, headlines about the trust fund induce earlier claiming – regardless of tone – but adding information about revenues makes readers more realistic about the level of future benefits. In no case do workers plan to increase their saving to offset future benefit cuts.

The remainder of this paper proceeds as follows. The next section provides background on Social Security's actuarial projections, the various ways these projections are communicated to the public, and prior literature on workers' responses. The third section explains the data and experimental methodology, while the fourth section presents results. The fifth section concludes.

Background and Literature Review

The *2020 Social Security Trustees Report* projects that the OASI trust fund will be depleted in 2034, at which point ongoing payroll tax revenues will only cover about three-quarters of scheduled benefits. To communicate current projections to the public, the beginning of the summary document that accompanies the *2020 Trustees Report* reads:

"Social Security and Medicare both face long-term financing shortfalls under currently scheduled benefits and financing. […] The Old-Age and Survivors Insurance (OASI) Trust Fund, which pays retirement and survivors benefits, will be able to pay scheduled benefits on a timely basis until 2034, the same as reported last year. At that time, the fund's reserves will become depleted and continuing tax income will be sufficient to pay 76 percent of scheduled benefits."[3]

[3] Social Security and Medicare Boards of Trustees (2020). Similarly, the *2020 Social Security Statement* – a personalized brochure available online and mailed to workers 60 and older who lack online accounts – informs workers that benefit levels may change after 2034 because ongoing payroll-tax revenue will only cover about two-thirds of current-law benefits.

Yet, news coverage of the *Trustees Report* often adopts a more alarmist tone.[4] For example, the headline of a 2019 *New York Times* article reads, "Social Security and Medicare Funds Face Insolvency, Report Finds," while the implications of reserve depletion are described in vague terms only in the body of the text: "the program's reserve fund is projected to be depleted in 16 years, at which time recipients will get smaller payments than they are scheduled to receive if Congress does not act."[5] Similarly, a 2019 FOXBusiness article ran the headline, "Social Security shortfall: Trust fund to run dry in 2035, trustees predict."[6] The caveat that tax revenues are sufficient to pay three-quarters of scheduled benefits appears in the third paragraph.[7]

Given that readers are far more likely to remember headlines written in large font than information buried in the body of a news article, the alarmist tone of some Social Security reporting could lead the public to a highly pessimistic view of the program's future. Indeed, many workers believe that they will ultimately receive far less than 75 percent of scheduled benefits. For example, Luttmer and Samwick (2018) report that 91 percent of respondents to an online survey know that the OASI trust fund is projected to deplete its reserves, but half of respondents believe that future benefits will be 63 percent or less of scheduled benefits.[8] And a recent public opinion survey by the Pew Research Center suggests an even more pessimistic outlook, with 42 percent of respondents expecting to receive nothing from Social Security when they retire (Parker, Morin, and Menasce Horowitz 2019). This public pessimism is not a new phenomenon; Jacobs, Watts, and Shapiro (1995) and Jerit and Barabas (2006) find that extensive negative reporting on Social Security throughout the 1980s and 1990s shook the public's confidence in the program's viability.[9]

Prior studies have also shown that workers adjust their labor supply and private saving in response to policy uncertainty around future Social Security benefits. In the U.S. context, Benítez-Silva, Dwyer, and Sanderson (2006) show that incorporating benefit uncertainty into a

[4] Examples of news articles in this section precede the COVID-19 pandemic. However, the condition of the trust fund did not change notably between the time of these articles and the *2020 Trustees Report*.
[5] Rappeport (2019).
[6] De Lea (2019).
[7] Also see Borak (2017) and Fonda (2019).
[8] Luttmer and Samwick (2018) estimate the amount of Social Security benefits that workers would be willing to give up to reduce the policy uncertainty caused by the long-run financing shortfall, but do not study how workers arrive at their (mis)perceptions of future benefits.
[9] Recently, Sacerdote, Sehgal, and Cook (2020) document similar negativity in media coverage of the COVID-19 crisis.

lifecycle model of retirement can explain why many individuals continue to claim before the FRA; and Delavande and Rohwedder (2011) find that individuals who are uncertain about future Social Security benefits hold more of their investments in fixed income. Abroad, Jappelli, Marino, and Padula (2019) find that Italian workers respond to pension uncertainty by saving more; Giavazzi and McMahon (2012) find that uncertainty about a German pension reduction increased households' saving and labor supply; and Van der Wiel (2008) finds that workers in the Netherlands are more likely to participate in private pensions when they anticipate cuts to the national pension. Relatedly, a growing literature uses theoretical models of optimal saving and labor supply to document the welfare loss caused by Social Security's long-run shortfall.[10]

The goal of this project is to link media coverage of the trust fund to workers' claiming and saving behavior. Specifically, the survey explores how the language and tone used to describe actuarial projections – the choice to highlight the depletion date for the trust fund, ongoing revenues, or neither – affects expectations about claiming ages, retirement saving, and future benefit levels.

Data and Experimental Design

Participants for the experiment were recruited from the AmeriSpeak panel maintained by NORC at the University of Chicago. The AmeriSpeak panel is nationally representative and sufficiently large to create a sample of future Social Security beneficiaries. To participate in the study, panelists needed to be ages 21 to 61 in 2021, be in the labor force, or have accumulated 40 quarters to qualify for future Social Security retirement benefits.[11] Recognizing that workers cannot be expected to think calmly about Social Security in the midst of an unprecedented public health emergency, the experiment was fielded in June 2021 when the COVID-19 crisis was (at least temporarily) receding.

Once respondents were admitted to the sample, they were presented with an identical short news article about the future of Social Security finances. While the main text of the article

[10] For examples see Skinner (1988); Benítez-Silva, Dwyer, and Sanderson (2006); Gomes, Kotlikoff, and Viceira (2012); Luttmer and Samwick (2018); Caliendo, Garry, and Slavov (2019); and Shoven, Slavov, and Watson (2021).
[11] The sample excludes homemakers, who will not have enough work history to be eligible for Social Security, and individuals already out of the labor force due to disability. It includes individuals who are working or looking for work, as well as individuals out of the labor force who are eligible for benefits because they previously worked 40 quarters.

was identical throughout, the headline, which was also repeated as the first line of the text, varied across groups.

The control group saw a headline similar to the summary in the companion document to the *Trustees Report*:

[Control]: Social Security Faces a Long-Term Financing Shortfall

Social Security faces a long-term financing shortfall. The Social Security program provides retirement and survivors insurance benefits to workers and their families. Workers earn these benefits by paying into the system during their working years. The *Social Security Trustees Report* projects that the trust fund will deplete its reserves in 2034, at which point ongoing program revenues are projected to be sufficient to cover about three-quarters of current-law benefits.

The first treatment group saw a headline and first sentence emphasizing the depletion date, with the same text for the remainder of the article as the control group:

[1st Treatment]: The Social Security Trust Fund Will Deplete its Reserves in 2034

The second treatment group saw a more alarmist headline and first sentence, similar to the news articles discussed above. Again, the text for the remainder of the article was the same as for the control group:

[2nd Treatment]: Social Security Fund Headed toward Insolvency in 2034, Trustees Find

The final treatment group saw new wording that conveyed more information about depletion in the headline and first sentence, with the same text for the remainder of the article as the control group:

[3rd Treatment]: Revenues Projected to Cover Only 75 Percent of Scheduled Social Security Benefits After 2034

The hypothesis is that, relative to the control group, the three headlines emphasizing the trust fund will make respondents think that a policy change is imminent. But the third headline ("revenues cover 75 percent of benefits") will also convey more realistic expectations about the level of future benefits.

To test this hypothesis, the survey asked respondents five follow-up questions:

1. "Do you expect to receive Social Security benefits when you retire?"
2. "At what age do you expect to claim Social Security benefits?"
3. "What percent of the benefits you are supposed to receive under current law do you expect to actually receive?"[12]
4. In a typical year, what percent of your annual income do you *currently* save in the following types of retirement accounts: 401(k), 403(b), or IRA (including any employer contribution)?[13]
5. In a typical year going forward, what percent of your annual income do you *plan to* save in the following types of retirement accounts: 401(k), 403(b), or IRA (including any employer contribution)?

The AmeriSpeak panel contains pre-collected demographic information such as age, race, household income, education, and geographic region. Appendix A contains the full survey.

Ultimately, the experiment included 3,118 participants, evenly divided among the four headlines. In general, the survey elicited a very high response rate: around 98 percent for the questions about benefit expectations, 100 percent for the question about claiming, and 98 percent for the questions about private saving. The sample was weighted to represent the national population using the *Current Population Survey*.[14]

Results

Since the first step with any experimental analysis is to confirm that the random assignment worked as expected, Table 1 presents summary statistics for each of the four headlines. Reassuringly, respondents assigned to each headline are similar along demographic and socio-economic lines – they are age 43 on average, 60 percent white, and 40 percent college-

[12] Survey respondents were asked to pick from the following options: 0-20 percent; 21-40 percent; 41-60 percent; 61-80 percent; 81-100 percent; or more than 100 percent.

[13] Both this question and the next one ask respondents to choose from among six options: 1-10 percent; 11-20 percent; 21-30 percent; 31-40 percent; 41-50 percent; and more than 50 percent.

[14] Specifically, the weights align the sample with the *Current Population Survey* along the following dimensions: age, gender, census division, race/ethnicity, education, and homeownership status. The weights also adjust for the fact that not all AmeriSpeak panelists invited to take the survey completed the sample screening questionnaire, and that non-response is more likely in certain demographic groups.

educated. Most are currently working, and 60 percent of the sample earn less than $100,000 in household income.

The next step is to assess whether the headlines changed claiming ages. Table 2 reports the results from a simple Ordinary Least Squares (OLS) regression, in which the dependent variable is anticipated claiming age and the independent variables are binary indicators for being assigned to the three different headlines (with the control group as the omitted category).[15] The first column of Table 2 does not include any additional control variables, while the second column also controls for respondents' demographic characteristics. As expected, given the random assignment of headlines, the control variables have virtually no impact on either the magnitude or the statistical significance of the effects.

The results show that all of the headlines referencing the trust fund led to earlier claiming. The constant term in column (1) gives a mean claiming age of 66 for the control group. Respondents who saw the first headline ("reserves depleted in 2034") expect to claim half a year earlier (not statistically significant), while those who saw the second headline ("trust fund headed toward insolvency in 2034") expect to claim a full year earlier ($p<0.01$), and respondents who saw the third headline ("revenues cover 75 percent of benefits") plan to claim 0.7 years earlier ($p<0.05$).[16]

The next question is how the different headlines changed respondents' expectations about future benefit levels.[17] Recall that the survey asked respondents to estimate what percent of scheduled benefits they expect to actually receive. In order to make the exercise easier for respondents, the survey asked them to pick from among six possible options: 0-20 percent; 21-40 percent; 41-60 percent; 61-80 percent; 81-100 percent; or more than 100 percent. Figure 1 provides context by plotting the distribution of expected benefits among the control group. Around 20 percent of respondents expect to receive almost nothing from Social Security, and 34

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[15] The sample for this regression drops respondents who never expect to receive any Social Security benefits because these respondents were not asked to pick a claiming age. To confirm that this sample selection does not bias the results, the regression was also run on the full sample coding missing claiming ages as either age 62 or age 67. These robustness checks yielded qualitatively similar results to the main findings presented here (results available on request).

[16] We lack statistical power to determine whether the differences in effect size between treatment groups are themselves significant.

[17] We interpret these results as a measure of how much respondents expect benefits to be cut; of course, since respondents also claim earlier the benefit levels could also reflect an anticipated actuarial reduction.

percent expect to receive full (or nearly full) benefits; the rest have expectations somewhere in the middle.[18]

Table 3 demonstrates how the different headlines impacted expectations. In general, headlines referencing the trust fund moved expectations away from extreme positions and toward a more realistic view. Specifically, respondents who read the first and second headlines ("reserves depleted in 2034" and "trust fund headed toward insolvency in 2034") were 7 percentage points more likely to expect 40 to 60 percent of scheduled benefits. Respondents who read the third headline ("revenues cover 75 percent of benefits") were more likely to anchor on the correct answer – 60-80 percent of scheduled benefits.[19]

Yet, despite strong effects on claiming and benefit expectations, the headlines did not alter respondents' intended retirement savings rates going forward. Table 4 classifies respondents as intending to increase, decrease, or make no change to their savings rate. Nearly three-quarters of respondents in the control group intend to make no change, and this rate is similar across all of the headlines. Similarly, only around 7 to 8 percent of respondents intend to increase their savings in any group, and 20 percent plan to decrease their savings going forward. Testing for statistically significant differences confirms that the headlines had no effect on private retirement saving (results not shown).

Results by Age

One question is the extent to which responses varied by age, since those closer to retirement could reasonably expect less impact from the exhaustion of the trust fund. Indeed, Table 5 shows that, controlling for other factors, older workers expect a higher ratio of actual to scheduled benefits than other age groups.[20] Relative to the youngest respondents, those ages 40-

[18] Reassuringly, this distribution of expected benefits is broadly consistent with Luttmer and Samwick (2018), although it is more optimistic than Parker, Morin, and Menasce Horowitz (2019).
[19] The analysis confirms the statistical significance of these results by running Ordinary Least Squares regressions in which the dependent variables are binary indicators for expecting either: 0-20 percent; 21-40 percent; 41-60 percent; 61-70 percent; 81-100 percent; or more than 100 percent of scheduled benefits. The independent variables are binary indicators for the three headlines. The standard errors are robust to heteroskedasticity. The full regression results are available from the authors upon request.
[20] As noted above, respondents are asked to pick a benefit level from one of several bins, where the bins increase expected benefits by 20-percentage-point increments. The dependent variable for this regression transforms the categorical responses to a continuous variable by assigning each respondent the midpoint of their chosen bin.

54 expect to receive 13 percentage points more of their scheduled benefits, and respondents ages 55 and older expect to receive 24 percentage points more.[21]

To test the hypothesis that prime-age workers are more sensitive to headlines about the trust fund, the analysis is performed separately for two groups of respondents. The first group includes prime-age workers, defined as ages 25 to 54, who will not reach their Social Security FRA before the trust fund depletes its reserves in 2034. The second group includes older workers, ages 55 to 61, who will reach their FRA before the trust fund is projected to deplete its reserves. As expected, prime-age respondents reacted to the headlines by planning to claim one year earlier, while older workers did not respond at all (see Figure 2).[22]

Similarly, Figure 3 contrasts the impact of the headlines on benefit expectations. Since the overall effect, documented previously, was to shift respondents' expectations from extreme positions toward realism, Figure 3 plots the effect of the headlines on the share of respondents expecting 40 to 80 percent (the more realistic view) of scheduled benefits. Prime-age respondents who read headlines about the trust fund were 12 percentage points more likely to take a realistic view of future benefits, but older respondents did not change their expectations.[23]

Conclusion

This study explores how media headlines about the Social Security trust fund affect workers' planned claiming ages, savings rates, and benefit expectations. While the full article in all cases communicated the results of the *2020 Trustees Report* – including the projection that ongoing revenues are sufficient to cover three-quarters of scheduled benefits – the headlines varied across groups.

Specifically, the control group saw an article with the headline: "Social Security faces a long-term financing shortfall." The headline for the first treatment group drew on language from

[21] Other predictive characteristics are income and gender – households whose typical annual income exceeds $100,000 expect to receive 13 percent more of their scheduled benefits than households typically earning less than $30,000, while men expect to receive 6 percent more of their scheduled benefits than women.

[22] Appendix Table B1 presents full regression results where an indicator for being in the older-worker group is interacted with an indicator for reading any of the headlines about the trust fund. The interaction term is highly statistically significant.

[23] Although it would have been interesting to see whether middle-age workers also reacted less than very young workers, we did not observe significant differences in treatment effects within the prime-age group due to relatively small coefficients and large standard errors. We also looked for treatment effect heterogeneity by other demographic characteristics – including income, gender, education, and current savings rates – but did not see any notable patterns.

the summary document accompanying the *Trustees Report*: "The Social Security Trust Fund Will Deplete its Reserves in 2034." The headline for the second treatment group used more alarmist language, similar to prominent articles in the news media: "Social Security Fund Headed toward Insolvency in 2034, Trustees Find." And the headline for the third treatment group equally emphasized ongoing revenues: "Revenues Projected to Cover Only 75 Percent of Scheduled Social Security Benefits After 2034."

The results show that headlines about the trust fund shift claiming ages and benefit expectations, but not intended savings rates. Respondents who read one of the three treatment headlines reduced their anticipated claiming ages by around one year, on average. Additionally, they were more likely to express realistic expectations about the level of future benefits, and less likely to hold extreme positions (expecting either very low or very high benefits). In particular, reading about ongoing revenue pushed respondents to the most realistic assessment of future benefits (around three-quarters of current law levels).

These findings suggest that media coverage of the trust fund makes many workers fear an unrealistically severe cut to their future Social Security benefits. Providing salient information about ongoing program revenues helps align workers' expectations with a more likely scenario. However, adjusting the narrative to include ongoing revenue may not be sufficient to prevent workers from claiming early. If future beneficiaries follow through with their intention to claim a year earlier, they will lock in lower monthly benefits without increased saving to make up the gap.

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Tables and Figures

Table 1. *Mean Demographic and Socioeconomic Characteristics of Survey Respondents, by Headline*

Characteristic	Control "Long-run shortfall"	Headline 1 "Reserves depleted"	Headline 2 "Headed toward insolvency"	Headline 3 "Revenues cover 75 percent"
Age	43.14	42.39	42.56	42.68
White	0.61	0.59	0.59	0.56
Black	0.11	0.13	0.12	0.13
Other race	0.10	0.10	0.10	0.08
Hispanic	0.18	0.18	0.19	0.22
Male	0.51	0.49	0.52	0.47
Married	0.53	0.55	0.54	0.56
College+	0.44	0.40	0.42	0.41
Income < $30k	0.18	0.20	0.20	0.20
Income $30k-$60k	0.26	0.25	0.27	0.28
Income $60k-$100k	0.24	0.25	0.27	0.28
Income > $100k	0.32	0.30	0.26	0.25
Working	0.83	0.78	0.81	0.81
Laid off	0.05	0.10	0.09	0.08
Retired	0.03	0.03	0.04	0.02
Employment "other"	0.08	0.09	0.07	0.08
Sector: Private	0.62	0.55	0.62	0.60
Sector: Federal	0.06	0.08	0.05	0.05
Sector: State/local	0.15	0.17	0.18	0.15
Worked 10 years	0.93	0.93	0.93	0.93
Save currently 0-10%	0.55	0.56	0.54	0.54
Save currently 10-20%	0.28	0.25	0.24	0.24
Save currently 20-30%	0.12	0.09	0.13	0.12
Save currently 30-40%	0.02	0.04	0.04	0.04
Save currently 40-50%	0.01	0.02	0.02	0.03
Save currently 50%+	0.01	0.02	0.01	0.03
Number of observations	798	780	759	781

Source: Authors' calculations from experimental data provided by NORC (2021).

Table 2. *Effect of Headlines about the Trust Fund on Anticipated Claiming Age*

Variables	(1) Claiming age	(2) Claiming age
Headline 1: "Reserves depleted"	-0.53	-0.45
	(0.37)	(0.37)
Headline 2: "Headed toward insolvency"	-1.11***	-1.05***
	(0.35)	(0.34)
Headline 3: "Revenues cover 75 percent"	-0.73**	-0.67**
	(0.30)	(0.30)
Constant	65.94***	65.44***
	(0.24)	(0.99)
Observations	2,420	2,420
R-squared	0.01	0.04
Age	No	Yes
Female	No	Yes
Race indicators	No	Yes
College +	No	Yes
Household income brackets	No	Yes
Married	No	Yes

Notes: Robust standard errors in parentheses. *** p<0.01, ** p<0.05.
Source: Authors' estimates from experimental data provided by NORC (2021).

Table 3. *Effect of Headlines about the Trust Fund on the Distribution of Expected Relative to Scheduled Benefits*

Share of scheduled benefits	Percentage-point difference		
	Headline 1	Headline 2	Headline 3
	"Reserves depleted"	"Headed toward insolvency"	"Revenues cover 75 percent"
0-40%	-0.03	-0.05*	-0.09***
41-60%	0.07***	0.07***	0.04*
61-80%	0.03	-0.001	0.07***
81+	-0.06**	-0.01	-0.02

Notes: The treatment effects subtract the percentage of respondents expecting a given share of scheduled benefits in the control group from the percentage expecting that share in the treatment group. The differences do not sum to zero because some respondents did not answer the question. *** p<0.01, ** p<0.05, * p<0.1.
Source: Authors' estimates from experimental data provided by NORC (2021).

Table 4. *Distribution of Intended Retirement Saving Relative to Current Saving, by Headline*

Future saving plans	Percent of respondents			
	Control	Headline 1	Headline 2	Headline 3
	"Long-run shortfall"	"Deplete reserves"	"Headed toward insolvency"	"Revenues cover 75 percent"
No change	0.73	0.71	0.74	0.72
Increase	0.07	0.08	0.08	0.07
Decrease	0.20	0.21	0.19	0.21

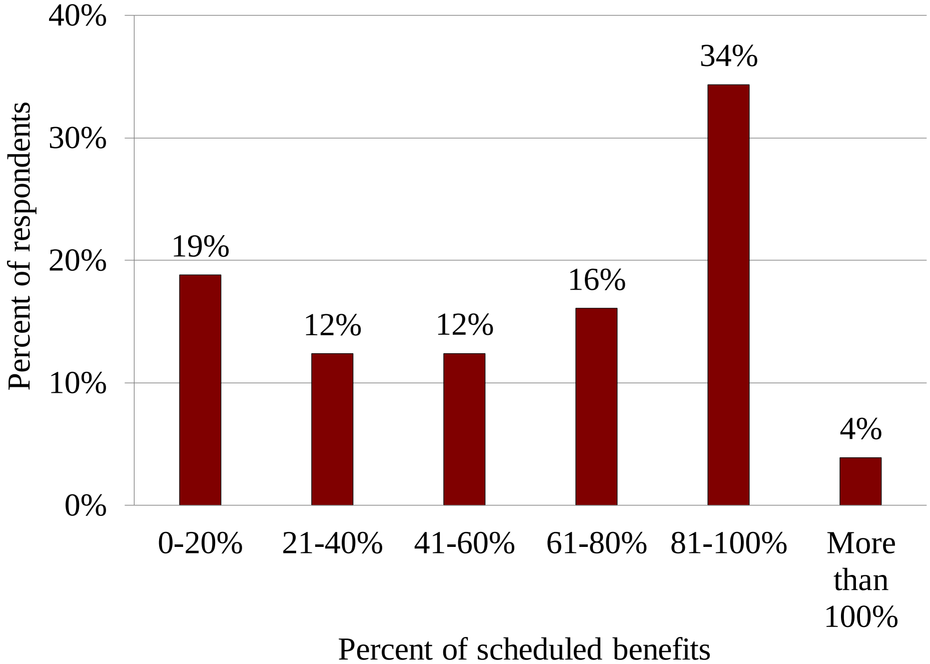
Note: Distribution does not sum to 100 because some respondents did not answer the question.
Source: Authors' calculations from experimental data provided by NORC (2021).

Table 5. *Association Between Worker Characteristics and Expected Relative to Scheduled Benefits, Control Group*

Variables	(1) Expected relative to scheduled benefits
Age 40-54	12.73***
	(3.50)
Age 55+	23.92***
	(3.81)
Income $30k-$60k	6.63
	(4.93)
Income $60k-$100k	7.91
	(4.92)
Income > $100k	12.95***
	(4.89)
Currently save > 10%	2.42
	(2.89)
Working	4.43
	(4.39)
Looking for work	-6.60
	(6.20)
Urban	0.69
	(3.98)
Male	6.41**
	(3.08)
Black	4.34
	(3.98)
Hispanic	-4.04
	(4.16)
Other race	-8.06
	(5.85)
Married	-3.54
	(3.17)
Constant	39.59***
	(6.62)
Observations	786
R-squared	0.13

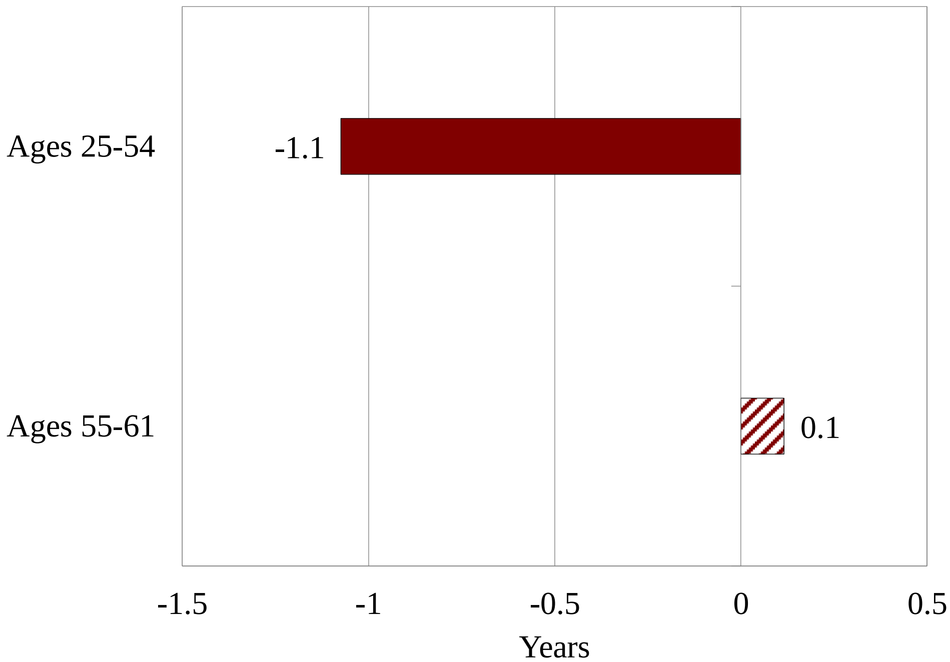
Notes: Robust standard errors in parentheses. *** p<0.01, ** p<0.05.
Source: Authors' estimates from experimental data provided by NORC (2021).

Figure 1. *Distribution of Expected Benefits as a Share of Scheduled Benefits, Control Group*



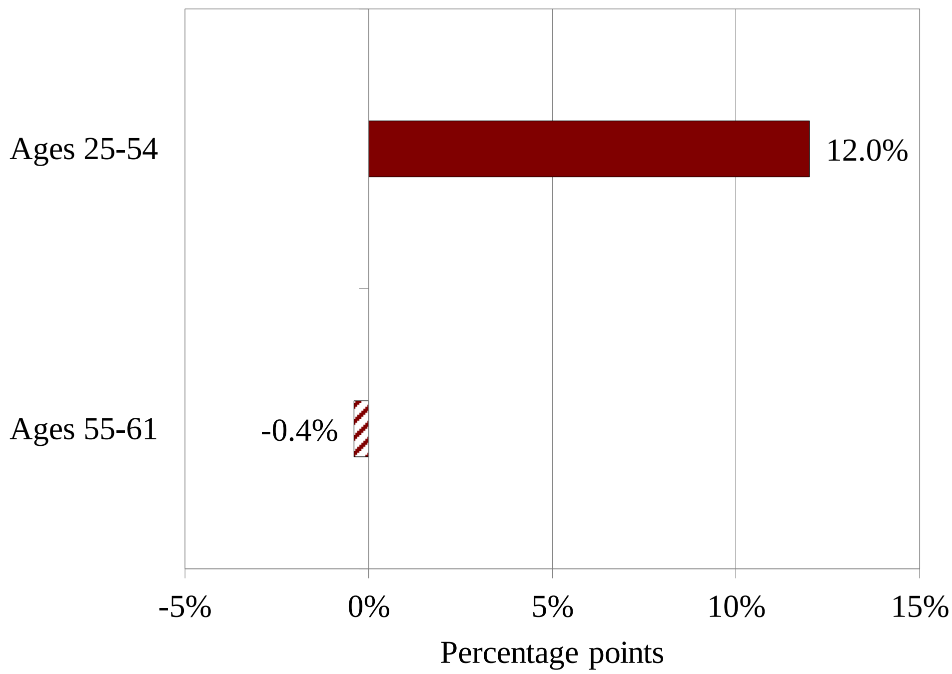
Note: Two percent of respondents did not answer this question.
Source: Authors' calculations from experimental data provided by NORC (2021).

Figure 2. *Effect of Headlines about the Trust Fund on Anticipated Claiming Ages, by Current Age*



Note: The solid bar is statistically significant at the 1-percent level.
Source: Authors' calculations from experimental data provided by NORC (2021).

Figure 3. *Effect of Headlines about the Trust Fund on the Share of Respondents Expecting 40-80 Percent of Scheduled Benefits, by Current Age*



Note: The solid bar is statistically significant at the 1-percent level.
Source: Authors' calculations from experimental data provided by NORC.

Appendix A. Complete Survey

Survey Questions*
Trust Fund Depletion

Conducted for: Boston College
Conducted by: NORC at the University of Chicago
Sample Source: AmeriSpeak Probability-Based Panel
Sampled Population: General Population Age 25-61 who are not disabled
Date Fielded: June 1st – 24th, 2021

* There are standardized introduction and thank you informational screens that are always delivered to AmeriSpeak panelists as they take the survey, which is not included here. At the end of the document, all of the demographic profile measures that have been asked of AmeriSpeak prior to the survey and included with the final delivered data are noted.

WINTRO_1.
Thank you for agreeing to participate in our new AmeriSpeak survey! This survey is about Social Security retirement benefits.

S1.
Have you worked for pay for at least 10 years?

RESPONSE OPTIONS:
1. Yes
2. No

[IF S1=77,98,99 AFTER PROMPT, TERMINATE]

S2.
Which statement best describes your current employment status?

RESPONSE OPTIONS:
1. Working – as a paid employee
2. Working – self employed
3. Working – other, please specify: [TEXTBOX]
4. Not working for pay – on temporary layoff from a job
5. Not working for pay – looking for work
6. Not working for pay – other, please specify: [TEXTBOX]

[IF S2=98 OR (S1=2 AND S2=6), TERMINATE]

INTRO_EXP.
On the next page, you will see a short passage similar to one you might see in a news article. Please read the excerpt carefully. The "Continue" button will appear after a few seconds.

EXPERIMENT.

INSERT IF P_EXP=1:

Social Security Faces a Long-Term Financing Shortfall

Social Security faces a long-term financing shortfall. The Social Security program provides retirement and survivors insurance benefits to workers and their families. Workers earn these benefits by paying into the system during their working years. The *Social Security Trustees Report* projects that the trust fund will deplete its reserves in 2034, at which point ongoing program revenues are projected to be sufficient to cover about three-quarters of current-law benefits.

INSERT IF P_EXP=2:

The Social Security Trust Fund Will Deplete its Reserves in 2034

The Social Security trust fund will deplete its reserves in 2034. The Social Security program provides retirement and survivors insurance benefits to workers and their families. Workers earn these benefits by paying into the system during their working years. The *Social Security Trustees Report* projects that the trust fund will deplete its reserves in 2034, at which point ongoing program revenues are projected to be sufficient to cover about three-quarters of current-law benefits.

INSERT IF P_EXP=3:

Social Security Fund Headed toward Insolvency in 2034, Trustees Find

The Social Security trust fund is headed toward insolvency in 2034, Trustees find. The Social Security program provides retirement and survivors insurance benefits to workers and their families. Workers earn these benefits by paying into the system during their working years. The *Social Security Trustees Report* projects that the trust fund will deplete its reserves in 2034, at which point ongoing program revenues are projected to be sufficient to cover about three-quarters of current-law benefits.

INSERT IF P_EXP=4:

Revenues Projected to Cover Only 75 Percent of Current-Law Social Security Benefits After 2034

Revenues are projected to cover only 75 percent of current-law Social Security benefits after 2034. The Social Security program provides retirement and survivors insurance benefits to workers and their families. Workers earn these benefits by paying into the system during their working years. The *Social Security Trustees Report* projects that the trust fund will deplete its reserves in 2034, at which point ongoing program revenues are projected to be sufficient to cover about three-quarters of current-law benefits.

Q1.
What is your main sector of employment?

RESPONSE OPTIONS:

1. Private
2. Federal
3. State or local government
4. Working – other, please specify: [TEXTBOX]
5. Not currently working for pay

Q2.
Do you expect to receive Social Security benefits when you retire?

1. Yes
2. No

[SHOW IF Q2=1]
Q3.
At what age do you expect to claim Social Security benefits?
[NUMBOX]

Q4.
What percent of the benefits you are supposed to receive under current law do you expect to actually receive?

RESPONSE OPTIONS:
1. 0-20%
2. 21-40%
3. 41-60%
4. 61-80%
5. 81-100%
6. More than 100%

Q5.
In a typical year, what percent of your annual income do you *currently* save in the following types of retirement accounts: 401(k), 403(b), or IRA (including any employer contribution)?

RESPONSE OPTIONS:
1. 0-10%
2. 11-20%
3. 21-30%
4. 31-40%
5. 41-50%
6. More than 50%

Q6.
In a typical year going forward, what percent of your annual income do you *plan to* save in the following types of retirement accounts: 401(k), 403(b), or IRA (including any employer contribution)?

RESPONSE OPTIONS:

1. 0-10%
2. 11-20%
3. 21-30%
4. 31-40%
5. 41-50%
6. More than 50%

DEBRIEF.

Thank you for completing this survey. The purpose of this research is to understand how media coverage of the Social Security trust fund affects people's expected claiming age and their confidence in the amount of benefits they will receive in retirement.

The 2020 *Trustees Report* projects that the Social Security old-age trust fund will deplete its reserves in 2034, at which point, if nothing changes, <u>ongoing revenues are projected to be sufficient to cover about three-quarters of scheduled benefits</u>.

Appendix B. Additional Results

Table B1. *Effect of Headlines about the Trust Fund on Expected Relative to Scheduled Benefits and Claiming Age, by Current Age*

Variables	(1) Claiming age	(2) Expect 40-80% of scheduled benefits
Any headline	-1.07***	0.12***
	(0.35)	(0.03)
Age 55+ in 2021	-0.87**	-0.01
	(0.41)	(0.05)
Any headline * age 55+ in 2021	1.19**	-0.13**
	(0.48)	(0.06)
Constant	66.14***	0.29***
	(0.29)	(0.02)
Observations	2,420	3,118
R-squared	0.01	0.02

Notes: Robust standard errors in parentheses. *** p<0.01, ** p<0.05
Source: Authors' estimates from experimental data provided by NORC (2021).

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