

SUNDAY

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NOVEMBER 21, 1999

The Aging and Latinization Of California

The state's older white population and the group that will bear most of the costs of their retirement — its growing Latino workforce — both have a stake in preserving the Social Security safety net

By Fernando M. Torres-Gil

The coming convergence of two major demographic trends in California — the aging of the white population and the growth of the Latino community — will literally change the face of the Golden State over the next half century.

Whether an increasingly young and Hispanic workforce will shoulder the costs of financing the retirement of a largely white electorate is as yet unclear. And as the numbers shift and the social, financial and political pressures mount, how these two

groups address this issue will play a fundamental role in shaping the state's future.

What is clear is that older voters need to invest in the young (most of whom will be Hispanics). Self-interest dictates such a policy: larger numbers of today's elderly and Baby Boomers can expect to live into their 90s and beyond, thus increasing their long-term reliance on the largess of younger voters.

The growth of ethnic and minority populations in the United States and Cal-

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► SOCIAL SECURITY: Page 4



BILL RUSSELL / The Chronicle

Preserving the Social Security Safety Net in a Diverse America

► SOCIAL SECURITY
From Page 1

ifornia will eventually make white, non-Hispanic populations a minority in many areas. Already, according to the U.S. Census Bureau and the California Department of Finance, demographic change in California is so far advanced that it will begin the new millennium without a majority ethnic group.

Although diversity is not new (with the immigration tides of the 19th and early 20th centuries), its impact today will be so far-reaching as to fundamentally alter the political and social landscape. During the next 50 years, the Census Bureau predicts, the largest growth in this country's population will be among Hispanics and the elderly, each of which will represent almost 20 percent of the total population.

This convergence of aging and Latinoization is increasingly a factor in the political debates swirling around Social Security and other programs that affect the quality of life of older people. Social Security is a vital safety net for millions of older people, survivors of beneficiaries and people with disability. Its creation in 1935 and the subsequent enactment of other entitlement programs, such as Medicare and Medicaid, signaled this nation's commitment to protecting all people from the vicissitudes of old age, impoverishment and illness.

Yet today, the *raison d'être* of these programs is increasingly questioned. Social Security is under

tremendous pressure, demographic, financial and political. The aging of the Baby Boomers (those born between 1946 and 1964), will double the number of retirees that depend on these programs. As a result, the Social Security surplus will disappear by 2034. These pressures have generated proposals to fundamentally restructure the 60-year-old program or, as Generation X advocacy group Third Millennium suggests, to put individuals in charge of investing retirement monies the government collects.

Minorities Courtied
In this milieu, minority groups have become the latest political players. Hispanics and African Americans are courted by both sides: those who want to end the social insurance feature of Social Security and those who want to maintain the status quo.

Conservative and free-market groups like the Heritage Foundation point to current low rates of return and the fact that most minorities are young workers paying taxes for benefits they may not see. Advocacy groups for the elderly, trade unions and civil rights groups seek alliances with minority political leaders to protect this program for the high proportion of low-wage workers among African Americans and Hispanics. Why are these groups especially interested in the debates around Social Security? First, Hispanics growing numbers give them considerable political clout. On Capitol Hill, the Hispanic Congressional Caucus is a

potent force. In California, the growing number of Hispanic state legislators, the presence of a Hispanic majority leader in the state assembly and the election of the first Hispanic lieutenant governor in this century point to Hispanics' very real power in policymaking.

Secondly, Hispanics are becoming a crucial part of the electorate in key states: Florida, Texas and California. The dramatic increase in naturalization and registration among Hispanics gives them considerable electoral influence, especially as a swing vote. Thirdly, and perhaps more importantly for the next century, Hispanics will make up much of the workforce in a nation with a large proportion of non-Hispanic elderly.

Hispanics remain a relatively young population with higher fertility levels than whites and African Americans. High rates of continued immigration from Mexico and Latin America guarantee that they will increasingly be a larger part of the California population. As the percentage of whites decreases from 77 percent in 1970 to 39 percent in 2021, the Hispanic population will grow to 40 percent and become the largest ethnic group in the state. As a result, the politics of aging will be increasingly defined by the nexus of a largely young, working-age population of Hispanics supporting a large proportion of white, English-speaking retirees.

This crossroads of aging and Latinoization raises the potential for conflict — and for possible alliances. Writers like David Hayes-Bautista, one of the first to identify the nature of an age-race stratified society, point to a potential scenario of young, resentful Hispanics unwilling to pay taxes needed to support older whites who are guilty of real or imagined wrongdoings toward minorities. This scenario has some validity — the passage of ballot measures to eliminate benefits to immigrants, abolish affirmative action and restrict bilingual education recently felt they can't yet match the electoral clout of middle-aged and white voters.

The potential for alliances — action based on the perceived need to find common ground among young Hispanics and older whites — should be given equal credibility. Each will need the other in the coming decades. We all, regardless of age and race, have a stake in preserving a social safety net. Why?

- We all will face some type of disability as we age.
- We all, regardless of age and race, are living longer.
- The elderly of the next century — those who are now middle-aged but also those who are 65 years and over (and can expect to be in their 80s and 90s) — will have in their hands the political power to dictate public policy.
- We all share responsibility in this debate.

Elderly Hispanics
Hispanics enjoy a life expectancy rate at least as high as non-Hispanic whites. While there will be more whites 65 or older than Hispanics 65 or older, there will still be four times as many elderly Hispanics in 2020 as now — 4.7 million as compared to the current 1.1 million. Social Security is the sole source of income for a full third of elderly Hispanics. Without Social Security, the poverty rates for elderly Hispanics would increase from 19 percent to 61 percent.

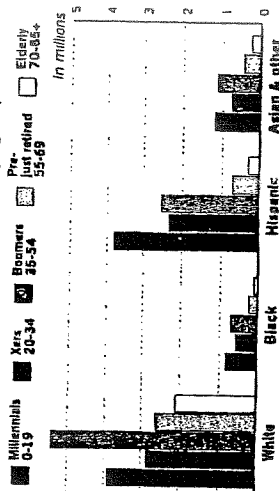
Older voters must, in their old age, continue the legacy of their "greater generation." Just as they invested in public education, highways and public works, they must also invest in young people (most of whom will be Hispanics), support school bonds, health care and job training.

Hispanics have an equal responsibility. Hispanic leaders, in particular, must avoid ideological and nationalistic positions that divide groups or blame segments of voters for perceived injustices. Hispanics cannot forget that they, too, will be elderly someday, and that all of us have grandparents and parents who depend on Social Security. We must also note that not all Hispanics will be poor — many more will move in-

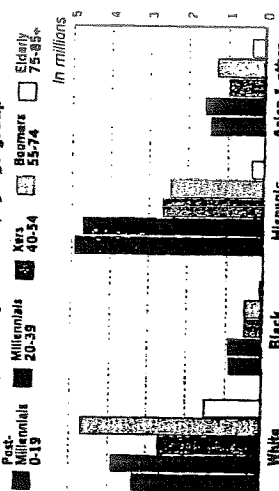
SHIFTING DEMOGRAPHICS IN CALIFORNIA

In 20 years, the two largest groups will be today's Baby Boomers—made up mostly of retired or soon-to-retire whites—and today's Millennials and Post-Millennials, who will make up the bulk of the workforce.

Race/ethnicity in the year 2000, by age group



Race/ethnicity in the year 2020, by age group



Source: California Department of Finance

to the middle class and be successful entrepreneurs and thus be equally concerned about their taxes.

The Hispanic destiny in California is to someday be in a position to govern this great state. Thus, Hispanics must demonstrate inclusiveness, vision for the long-term, and past wrongs.

Promoting intergenerational and interracial alliances around Social Security and aging is a good place to start. In the new millennium, a window of opportunity exists in which

Hispanic, Baby Boomers and people can develop new political alliances that ensure a secure old age for all, regardless of race, ethnicity or personal circumstance

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