

Social Security:

A living proof of a humane society

Poverty a curse

Poverty is a curse and must be eradicated. A nation has to ensure that no one goes hungry to bed, everyone gets a nutritious meal and some money to meet other basic expenses.

Inadequate spending and quality issues

Not all nations spend adequate money on providing social security. Those spending adequately may not be doing so qualitatively. At times, nations think that by doling out money, they can address the issue of hunger. That is, however, not the reality. The money doled out may not be sufficient to buy ready-to-eat food articles. Therefore, the state's role does not end by providing money. It needs to do more to ensure proper nutrition.

Objectives of social security

- No hunger; provision of proper nutrition & some money to meet basic expenses
- Provide distressed employment to develop skills & job-readiness (State to do it)
- Ensure that employees save adequately for the future
- Maintain human dignity while giving assistance; aid should not be embarrassing

Our Governomics model takes care of these aspects in its architecture for social security.

Governomics architecture for social security

Three-prong measures:

- Direct State Support
- Indirect Measures, and
- Social Security Investment Funds

Direct State Support

This support has three components of fresh food initiative, sale of raw food/food articles at subsidized rates and financial assistance to the unemployed through distressed employment programme and dole in the form of money.

Households in the developing countries have the habit of cooking fresh food. With the state support of subsidized raw food, their living

becomes much more tolerable than the poor people residing in the developed world.

The distressed employment programme provides employment to one or two household members for 100 days in a year.

Indirect Measures

There are certain measures that a state can take to ameliorate the distress. For example, children earning sufficiently must look after their parents in need (give some money on a monthly basis). Such measures do not cost the state anything but improve social security. Our model proposes some such measures.

Social Security Investment Funds

Governomics lists four types of Social Security contributions by employees (and employers in certain cases). These four funds take care of the corpus building for employees of state and organized & unorganized private sectors. Our design ensures distributive justice.

Coverage of population

The average world unemployment hovers around 5-7%. Actual unemployment may be higher. Our model proposes to cover over 25% households under distressed employment programme and direct financial assistance at different points of time during the year.

Expenditure

The financial burden on the state is expected to be around 4% of GDP, if managed according to the prescriptions of our model.

Conclusion

The real issue in the domain of social security is not the provision of money. Developed nations have necessary money; even the developing economies manage to set aside a decent sum. The real issue is of having *proper policy prescriptions* to achieve the objectives and intent of providing social security.

Presently, the real objectives of social security remain un/underachieved. Our Governomics model can help accomplish all of them.