the first 17 years of the program. Many of the three million persons already receiving social security old-age benefits established their legal eligibility with far less than the maximum tax payments of $1128. Is it any wonder that some persons look upon social security as a great insurance bargain?

The truth, however, is that social security is not insurance at all in the economic sense of the word. The value of *private* old-age or life insurance protection stems from the insured person's ownership equity in productive property. But the payment of one's social security tax entitles him to no more ownership equity in property than does the payment of a liquor tax, tobacco tax, gasoline tax, income tax, property tax, sales tax, luxury tax, poll tax, or any other kind of tax. The payment of social security taxes cannot endow the payers of that tax with special rights and privileges without denying the rights of other citizens to their income and property.

Politically Dependent

UNLIKE private insurance, the protection afforded by the social security program rests upon the willingness and *ability* of government officials to authorize future appropriations from future tax revenue. The so-called social

security fund has not been invested in productive property. In place of the money which was collected to go into the fund, there are receipts saying in effect that the government used that money to meet current operating expenses of one kind or another. The government bonds which are said to constitute a social security fund can only be redeemed in valuable goods or services as any other government bonds are redeemed—by future levies against the private property and productive efforts of individuals. Who can say now what the real value of a government bond will be to the next generation of taxpayers who may be asked to redeem it in goods and services?

A bond is a form of indebtedness or a liability on the part of the person who issues it. It is deemed to be the asset of the person who holds it for redemption. The distinction between an asset and a liability is important. The government bonds held in the social security fund may look exactly like the government bonds held by individuals or by private insurance companies. The difference between such holdings has to do with the question of who owes what to whom.

If a private insurance company holds a government bond, that is an asset. It would be absurd for the company to issue and hold bonds of its own, claiming them as an asset, for they would also be a liability. The solvency of the