



***Social Security is more than a card...it's a promise from each generation of Americans to those that follow.***

***—William McNary, USAction President***

## ***Social Security...Keeping the Promise***

Our core American values—justice, equality, liberty, fairness and opportunity—are all captured in the promise of Social Security. **Social Security is the most popular and successful program in our nation's history**, guaranteeing retirement security, life insurance coverage and disability benefits to all Americans. Today, some **47 million Americans receive Social Security benefits** each month. **We should strengthen this program and not break our promise by privatizing Social Security.**

- Social Security has a successful track record: more than 70 years of providing benefits to **all** Americans.
- Social Security is a guaranteed benefit. All Americans contribute, and all Americans will eventually receive benefits. Currently, 47 million Americans receive payments from the Social Security Trust Fund.
- Social Security is the biggest source of income for two-thirds of all seniors, and the *only* source of income for one out of five seniors.
- Social Security pays monthly benefits to 3 million children, more than any other government program.
- Nearly 15 million Americans receive survivor's benefits or disability benefits.
- Without Social Security benefits the poverty rate among elderly African Americans and Latinos would more than double, and half of all elderly women would live in poverty.

## ***Bush's Privatization Scheme = Massive Benefit Cuts***

Although President Bush claims he will save Social Security, the reality is that all of **his proposals would slowly destroy the program**. Today's average 20-year-old has plenty to worry about: making rent, paying for health insurance, affording college and watching close friends and family leave to fight in Iraq. But under the Bush plan, young people would lose **\$152,000 in guaranteed financial security**—that's just one more worry we don't need!

- **Bush's plan will cut benefits for everyone under the age of 55, even if they do not choose to put money in a private account.** This means a 15 percent

cut for 45-year-olds, a 25 percent cut for 35-year-olds and, **for 15-year-olds just entering the work force, a massive benefit cut of close to 40 percent.**

- Bush's "private accounts" don't even come close to making up the difference. If the market is steady—*but only if the market is steady*—an average 20-year-old can expect only to make up about a third of these benefit cuts.
- **Privatizing Social Security costs money and hurts the economy.** Overall, Bush's plan will saddle future generations with a huge burden of debt—more than \$2 trillion in the first decade alone, money we will be forced to borrow from other countries.
- **Private accounts do not give Americans a choice.** Under Bush's plan every American would essentially be forced to make Enron-style gambles with their financial security; everyone's benefits will be cut, even those who don't choose a private account.

## ***Tough Choices and Fake Crises***

Since the beginning of this year, President Bush and his staff have been touring the nation trying to sell Americans on the idea of privatizing Social Security. They talk of "tough choices" and "bankruptcy crises." The truth is **there is no Social Security crisis.** When the Bush administration talks about tough choices, they're really referring to the choice they've made to put the financial well-being of their wealthy friends ahead of the financial security of all Americans.

- Social Security can pay full benefits for at least four decades. **If the economy grows at historic levels, there will be no shortfall at all.**
- Bush's predicted "shortfall" is a small fraction—about one fifth—the amount of his tax breaks for wealthy Americans.
- Wall Street investors who stand to collect at least \$39 billion in fees from private accounts, and Fortune 500 companies like Charles Schwab, Boeing and Pfizer, are launching a multi-million dollar campaign to promote Bush's privatization plan.

## ***Making the Right Choices***

Social Security is a program for every American, a program that protects every American family and helps to keep average, working and middle class Americans out of poverty. Congress should ensure that Social Security remains healthy. **There are common sense adjustments that can be made to protect the future of Social Security without replacing our guaranteed benefits with a guaranteed gamble.**

- Repealing the tax cuts just for the richest one percent of Americans — the millionaires and billionaires — would provide enough revenue to cover Bush's projected "shortfall."
- Reinstating the estate tax would generate \$55 billion in 2009 alone.
- Raising the tax cap would not only help to raise revenue, it would make the system fairer. Believe it or not, millionaires contribute the same amount to Social Security as people who make \$90,000, which is currently the maximum amount of income that can be taxed. We should all contribute to the growth and health of our society.