

# THE JEWISH JOURNAL OF GREATER LOS ANGELES

Volume 20, Number 8 • 8-12 Nisan, 5765 • April 15-21, 2005 • www.jewishjournal.com



by Rep. Henry Waxman

## The Social Security Fix: Pay Back Funds

**President Bush has proposed the biggest transfer of wealth in history. He plans to use trillions of dollars in contributions to the Social Security**

Trust Fund to pay for tax cuts for the wealthy and other administration spending priorities. And he does not want to pay the money back.

The Social Security system works by requiring Americans to make regular contributions to a trust fund. Currently, with more workers contributing to the trust fund than retirees receiving benefits, the Social Security Trust Fund should be accumulating a surplus. If the Bush Administration would leave the trust fund untouched, there would be no Social Security "crisis."

According to the nonpartisan Congressional Budget Office (CBO), the trust fund is projected to accumulate a surplus of \$5.8 trillion by 2020. Combined with future employer and employee contributions, full benefits could be paid for decades to come. The CBO, for example, estimates that without any changes to the system, there would be enough assets to pay growing benefits until at least 2052.

The real threat to Social Security is that President Bush is a Democrat representing the 30th Congressional District in Los Angeles.

President Bush and Republicans in Congress have raided the trust fund to pay for tax cuts and soaring government spending. Over the last four years, the Republicans have taken almost \$500 billion from the trust fund to pay for tax cuts, the war and other government expenses. According to the latest estimates from the CBO,

the Republicans plan to divert an additional \$2.2 trillion from the trust fund over the next decade.

In Los Angeles alone, \$64 billion paid into Social Security for workers' retirements will be spent by the government over the next 10 years. That's \$15,000 per each worker in the 30th Congressional District.

President Bush and his congressional allies do not want to pay this money back. Instead, they are saying the system is in "crisis" and that privatization and steep cuts in benefits are needed to "save" Social Security.

Listen to what President Bush said just this month about the Social Security Trust Fund: "Some in our country think that Social Security is a trust fund — in other words, there's a pile of money being accumulated. That's just simply not true. The payroll taxes going into the Social Security are spent on government programs. There is no trust... And we'd better start dealing with it now."

In his State of the Union Address in 1998, President Clinton proposed that Congress "reserve every penny of the surplus" to ensure the long-term viability of Social Security. This gave rise to the concept of a "lockbox" that would protect the Social Security Trust Fund from federal spending.

And President Clinton, with the cooperation of Congress, delivered on his promise. By 2000, the last year of his presidency, the federal government was not using a single dollar of the trust fund to pay for government operations.

Five years later, the lockbox has been broken and the trust funds stolen. Instead of talking about how to save the trust fund, President Bush presumed in his 2005 State of the Union Address that it's already spent, warning that "in the year 2027, the government will somehow have to come up with an extra \$200 billion to keep the system afloat."

President Bush and the Republican leadership in Congress are the trustees for people's hard-earned Social Security contributions. We need to start asking them some blunt questions. What have they done with the surplus? Why have they squandered the retirement nest egg of American families? And why weren't they more careful or responsible?

The answer to the problems facing Social Security is not to cut benefits or privatize the system. That's a betrayal of millions of honest families who have played by the rules and trusted President Bush and the Republican leadership to do the right thing.

Instead, the answer is three simple words: "Pay it back." ■