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Baton Rouge, Louisiana.

WHAT'S HAPPENING WITH SOCIAL SECURITY?

What happened to all the debate about the future of our Social Security system? At the beginning of the year, month after month, that seemed to be all we read or heard about. Now, all of a sudden, it's become a non-issue. Iraq, Supreme Court nominees, Karl Rove, have all become front burner issues. What happened to Social Security reform?

Let me put in a disclaimer here. The subject is more than academic to me. I turned 65, a little over a month ago. My first check should arrive any day. So what's the long-range prognosis that the whole system will keep up its part of the bargain not only for me, but for my kids and their kids for many years to come?

At the beginning of this year, the President was crisscrossing the country selling his "reform plan" that included private savings accounts. There seemed to be a major crisis at hand. The trust fund for Social Security was running out of money, and it was only a matter of time before the system was broke. In a radio address to the nation on January 15th of this year, the President made a startling claim: "According to the Social Security trustees, waiting just one year adds \$600 billion to the cost of fixing Social Security." \$600 billion? Fat chance my checks will keep coming in.

But now, it seems like any major push for Social Security reform has been put on the shelf. And the Democrats in Congress don't seem to be the major stumbling block. The President knew from the beginning that there would not be much support coming from that side of the aisle. Surprisingly though, Republican members of the current Congress went back to their home states, but found tepid public support. Wall Street Journal polls have shown consistently that the majority of the American public opposes personal accounts invested in the stock market. One third of Republicans feel that way. Far from any groundswell here.

On a recent book tour throughout central Louisiana, I stopped for lunch at Lea's Restaurant south of Alexandria in LeCompte. I raised the issue with a local sugar cane farmer in the area. "Look, I'm quite conservative, as most of us are around here. It's great to talk about these bold government initiatives. But they all end up being complicated, and you got to borrow a lot of money. This just doesn't work for me."

What he is saying reflects the view of many conservatives who prefer the old, the predictable and the familiar over the new and untried. That's why Republican congressmen got lukewarm support from the faithful on the Terri Schiavo case and their blasting of decisions by federal judges. The idea may make sense but the method, coming on like gangbusters, hasn't played all that well outside the Beltway.

Is the social security trust fund in all that bad of shape? Certainly there are some problems. Seniors are living longer; and federal spending continues to grow at a disproportionate rate. Senior citizens are doing what the bumper stickers in Florida say: "I'm spending my kids' inheritance." And the money being spent is both theirs as well as the governments. But the problem may not be as bad as many of the naysayers in Washington are shouting.

If you objectively read and listen to all the rhetoric put out by both sides, it's reasonable to conclude that some fine tuning needs to take place. I'm not sure you holler, "Houston, we have a problem!" But we need to require people to work a little longer in life, and income levels ought to have some bearing on the benefit one receives.

The Congressional Budget Office reports that if no action is taken, retirees will still get 73% of their benefits in 2052. That's a problem that needs to be addressed, but on the other hand it reflects no immediate emergency. And the partisanship present on both sides of the issue has created deep ideological divisions that make it all the more difficult for a little pragmatism to bring about a reasonable solution.

Another problem. If a system for private accounts is adopted, there is the danger that the average citizen does not know enough about economics to look out for their own investments. A recent Harris poll found, for example, that about half of American adults had no idea that if they kept their savings at home in cash, they may be at greater risk of losing ground to inflation, than if they had invested it in the most conservative manner. Half the students polled could not actually define the term "budget deficits." And an overwhelming number of those polled had no understanding that the purpose of mutual funds was to provide diversification. Bottom line? There are a large number of Americans who are completely unprepared to make private investment decisions.

Even some key players in Washington pushing for private investments have been making bad financial decisions. The Washington Post reported not too long ago that a campaign fund controlled by Senate Majority Leader Bill Frist(R-Tenn.) has lost almost \$460,000 in stock market investments since 2000, and the fund doesn't even have enough money to cover a sizable bank loan, according to federal elections records.

And what about the billions of dollars coming into the social security system that can never be claimed by those who are paying in? There are more than 7 million illegal immigrants in the United States who are providing the system with a subsidy of more than \$7 billion a year. But legally, they are not entitled to receive any benefits. Fair or unfair, this is a nice chunk of change that is left out of the discussion.

What this whole debate needs are some responsible voices, both Republican and Democrat. No political pandering needed. No grandstanding or pontificating. Hopefully, there will be a window of opportunity in the near future, where some real

leadership in Washington will step up to the plate. A nonpartisan group that will put forward numbers that can be trusted, arguments that cannot be bought and sold, with a reasonable list of solutions and outcomes on the table for consideration.

Hey, I'm 65 and I've got my check coming in. But there are an awful lot of folks out there that are going to need their social security check in the years to come. There are consequences, if no common ground is found. We who are a little older may not face them, but our children and grandchildren will. And that would be a shame.

“I care about our young people, and I wish them great success, because they are our Hope for the Future, and someday, when my generation retires, they will have to pay us trillions of dollars in Social Security.”

Dave Berry

Peace and Justice.

Jim Brown

(Jim's column will not appear for the next few weeks as he takes off on a lengthy book tour throughout the southeast, and spends some exercise and family time in North Carolina).