

"Raising False Alarms"

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If there's a better government program than Social Security, I'd like to know what it is.

It has gone a long way toward eliminating poverty among the elderly. Great numbers of them used to live and die in ghastly, Dickensian conditions of extreme want. Without Social Security today, nearly half of all Americans aged 65 or older would be poor. With it, fewer than 10 percent live in poverty.

The Center on Budget and Policy Priorities tells us that close to 90 percent of people 65 and older get at least some of their family income from Social Security. For more than half of the elderly, it provides the majority of their income. For many, it is the only income they have.

When you see surveillance videos of some creep mugging an elderly person in an elevator or apartment lobby, the universal reaction is outrage. But when the fat cats and the ideologues want to hack away at the lifeline of Social Security, they are treated somehow as respectable, even enlightened members of the society.

We need a reality check. Attacking Social Security is both cruel and unnecessary. It needs to stop.

The demagogues would have the public believe that Social Security is unsustainable, that it is some kind of giant contributor to the federal budget deficits. Nothing could be further from the truth. As the Economic Policy Institute has explained, Social Security "is emphatically not the cause of the federal government's long-term deficits, since it is prohibited from borrowing and must pay all benefits out of dedicated tax revenues and savings in its trust funds."

Franklin Roosevelt couldn't have been clearer about the crucial role of the payroll taxes used to finance Social Security. They gave the beneficiaries a "legal, moral and political right" to collect their benefits, he said. "With those taxes in there, no damn politician can ever scrap my Social Security program."

There has always been feverish opposition on the right to Social Security. What is happening now, in a period of deficit hysteria, is that this crucial retirement program is being dishonestly lumped together with Medicare as an entitlement program that is driving federal deficits.

Medicare costs are a serious problem, but that's because of the nightmarish expansion of health care costs in general.

Beyond Medicare, the major drivers of the deficits are not talked about so much by the fat cats and demagogues because they were either responsible for them, or are reaping gargantuan benefits from them, or both. The country is drowning in a sea of debt because of the obscene Bush tax cuts for the rich, the wars in Afghanistan and Iraq that have never been paid for and the Great Recession.

Mugging the nation's grandparents by depriving them of some of their modest, hard-earned Social Security retirement benefits is hardly an answer to the nation's ills. And, believe me, those benefits are modest. The average benefit is just \$14,000 a year, which is less than the minimum wage would pay. With employer-provided pensions going the way of the typewriter and pay telephones, the income from Social Security is becoming more precious by the day.

"If we didn't have Social Security, we'd have to invent it right now," said Roger Hickey, co-director of the Campaign for America's Future. "It's perfectly suited to the terrible times we're going through. Hardly anyone has pensions anymore. People's private savings have taken a huge hit, and home prices have been hit hard. So the private savings that so many seniors and soon-to-be seniors have counted on have just been wiped out.

"Social Security is still there, and it's still paying out retirement benefits indexed to wages. It's the one part of the retirement stool that is working."

The deficit hawks and the right-wingers can scream all they want, but there is no Social Security crisis. There is a foreseeable problem with the program's long-term financing, but it can be fixed with changes that do no harm to its elderly beneficiaries. One obvious step would be to raise the cap on payroll taxes so that wealthy earners shoulder a fairer share of the burden.

The alarmist rhetoric should cease. Americans have enough economic problems to worry about without being petrified that their Social Security benefits will be curtailed. A Gallup poll taken recently found that 90 percent of Americans ages 44 to 75 believed that the country was facing a retirement crisis. Nearly two-thirds were more fearful of depleting their assets than they were of dying. The fears about retirement are well placed — most Americans do not have enough to retire on. But there should be no reason to believe that Social Security is in jeopardy.

The folks who want to raise the retirement age and hack away at benefits for ordinary working Americans are inevitably those who have not the least worry about their own retirement. The haves so often get a perverse kick out of bullying the have-nots.