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Let's be honest about Social Security

By Mark Weisbrot and Dean Baker | March 20, 2005

POLLS CAN provide important guidance for politicians, but there are times when it is foolish and dangerous to rely on a temporarily misinformed public for a political compass. The current debate over Social Security provides one of the most compelling examples in modern history of the pitfalls of poll-driven political strategy.

On Thursday two leading Democratic strategists, James Carville and Stanley Greenberg, publicly took their party to task for their "just say no" approach to President Bush's proposed privatization and benefit cuts. "To say there is no problem simply puts Democrats out of the conversation for the great majority of the country that want political leaders to secure this very important government retirement program," they warned. "Voters are looking for reform, change, and new ideas, but Democrats seem stuck in concrete."

Stuck, indeed. The more appropriate metaphor would be that they are holding their ground and refusing to surrender to a president who is once again manufacturing a "crisis" for a political purpose. And why should they do otherwise, when this strategy is clearly working?

Let's start with the facts. According to the numbers President Bush is using, Social Security can pay all promised benefits for the next 37 years without any changes at all. Even if nothing were done by 2043, the program would still pay a higher real (adjusted for inflation) benefit than what people receive today.

And even looking into the science-fiction future of the Social Security Trustees' 75-year planning period, the projected shortfall is less than what we fixed in each one of the decades of the '50s, '60s, and '80s. In other words, according to the president's own numbers, Social Security is financially stronger today than it has been throughout most of its history. If we use the projections of the nonpartisan Congressional Budget Office, it's even better: Social Security is rock-solid for nearly half a century.

So this attack on Social Security has nothing to do with the solvency of the program. Nonetheless last week, a Quinnipiac University poll found that respondents, by a 49 to 42 percent margin, believed that Social Security would not be able to pay them a benefit when they retire. But this is a ridiculous idea, based completely on misinformation. It is even more far fetched than the notion, which also commanded a majority before the invasion of Iraq, that Saddam Hussein was responsible for the massacre of 9/11.

That myth was at least theoretically possible, although completely unfounded. In the case of Social Security, there is no dispute about the facts. There are just a few cheap verbal and accounting tricks that have been used to convince the public that Social Security faces serious problems. These are

easily refuted. Look how fast President Bush stopped using the word "crisis" to describe Social Security, when the Democrats hit him with the truth.

They should hit him just as hard when he says "there is no trust [fund]." Or when the president or anyone else claims that Social Security runs into trouble in 2018, or when the baby boomers retire (most will be dead before Social Security faces any problems). Or when they make other arithmetically impossible claims: for example, that future stock market returns will be the same as in the past, when they are projecting that future economic growth will fall by one-half.

Democrats could also point to a whole set of urgent problems that are not 50 years away but banging on the door right now. We already pay twice as much per person for healthcare as compared to other developed countries, which manage to provide universal health insurance. These costs, including prescription drugs, continue to spiral out of control. Our federal debt is also growing at an unsustainable rate and, measured as a share of our economy, is approaching a 50-year record.

The strategy of standing up to President Bush on Social Security is working. The same Quinnipiac poll showed that 59 percent of Americans disapprove of the way the president is handling Social Security, with only 28 percent approving. It makes no political sense to capitulate and pretend that this attack on our nation's most successful and popular government program is actually an attempt to insure its solvency. Even in politics, there are times when honesty is the best policy.

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