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## Private Accounts a Bust in Nebraska

by Dave Zweifel

President Bush early this month staged a series of "town hall" meetings around the country to push his scheme to "fix" Social Security.

The meetings, obviously, were stacked with Bush partisans who talked glowingly of how well off future generations will be with privatized (oh, I forgot, "personal") accounts.

In meetings from Fargo, N.D., to Blue Bell, Pa., Bush insisted that his plan would mean more money in retirement for American workers than the current system provides.

Too bad he didn't visit Nebraska. He would have been hard-pressed to stack a meeting there.

According to a recent story in the Los Angeles Times, Nebraska's state and county workers were given do-it-yourself retirement accounts only to painfully learn that they aren't so great. Many of the workers made so many investment errors that they ended up making less than colleagues with fixed-benefit pensions and less than they needed to make ends meet in their old age.

The performance was so poor that the Nebraska Legislature junked the accounts for new workers a couple of years ago.

Many pension experts told the L.A. paper that there's a concern whether most people, even those who want to make their own retirement investments, have the time or knowledge to do so successfully.

"If people have private accounts in Social Security and they're left to make the decisions themselves, the results likely will not be positive," Anna Sullivan, executive director of the Nebraska Public Employees Retirement Systems, told the Times.

Matter of fact, while Bush contends that two-thirds of Americans would divert funds from Social Security into the private accounts he proposes, only 5 percent of public employees in seven states who were offered similar private accounts this past decade took that option. Most just don't feel comfortable making investment decisions.

The Bushies argue that the workers won't have to make those decisions. They'll be able to turn their accounts over to private investment counselors who will do the investing for them.


It might be wise to remember that that's exactly what Americans did back in the 1920s. Smooth talkers in three-piece suits happily invested other people's money in Wall Street. When it came time for many of those workers to retire, all too many found that their money was gone as the economy of the United States and the rest of the world crashed around them.

That's when Social Security was invented to provide a risk-free, guaranteed bottom-line check to people who had worked all their lives, ending the nation's shame of sending its elderly to the poor farms.

Now the politicians who run this country want to turn the clock back to those pre-Social Security days. The people can't let them do that.

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