

DECEMBER 11, 2001

DANGER AHEAD: SOCIAL SECURITY PRIVATIZATION IS BREAKING THE PROMISE

WASHINGTON, D.C. - I am pleased that the House is considering H.Con.Res. 282, a resolution stating our commitment to maintain the promise of Social Security by guaranteeing lifetime, inflation-proof benefits to current and future beneficiaries.

I am not surprised that we feel the need to do so tonight in light of today's dangerous recommendations by the President's Social Security Commission, that we feel the need to reaffirm our commitment to Social Security on the same day that the Commission is suggesting that we break that promise.

We should assure Americans - current retirees, future retirees, persons on disability, survivors and dependents - that we will not abandon them, cut their benefits, raise their retirement age, change benefit formulas, reduce COLAs, or take any other step that jeopardizes their financial security.

We should assure Americans that we will reject the recommendations of the President's Social Security Commission.

We all know that this Commission was handpicked to include only those who favor privatization and individual accounts. It does not include representatives of seniors' groups, women's groups, or consumer groups. It held closed-door sessions in "subcommittee meetings" designed to circumvent government in the sunshine requirements. But even this Commission agrees that you cannot have privatization without cutting benefits.

Two weeks ago, I had the opportunity to meet with members of the Commission at an event sponsored by the Women's Caucus. At that meeting, we were told that the Commission's recommendations would not guarantee current benefits to all current and future retirees. We were told that only those 55 years or older would be guaranteed current benefits. For everyone else, benefit levels could be lower.

In fact, the Commission's recommendations would lower Social Security benefits for future beneficiaries by between 30 percent to 48 percent. Who would be hurt? Persons with disabilities, children, low-wage workers, persons of color and women.

As we know, Social Security is of special importance to women, who are 60% of all recipients. Without Social Security, over half of older women would live in poverty. Women understand that value of Social Security, we know that we must protect it now and in the future.

Therefore, we should listen to what women's groups have to say about the

Commission's recommendations issued today.

Martha Burk, chair of the National Council of Women's Organizations, says that "The President's Social Security Commission proposes major cuts in guaranteed benefits that will not be made up by the stock market gains from individual accounts."

Heidi Hartmann, head of the Institute for Women's Policy Research, says that the recommendations "risk the future economic security of younger workers, particularly women." □ □

They are joined in opposing these recommendations by groups like the Older Women's League, the National Organization for Women, the American Association of University Women, and Business and Professional Women, USA.

In light of the widespread public opposition to privatization, I am not surprised that the Republican leadership is bringing up a resolution that distances this body from the Commission's recommendations. □ □

I only hope that we will do more than voice our commitment to the future of social Security. □ I hope that we will put privatization proposals to rest for good.