

# **Bowles! Simpson! Stop using the deficit as a *phony excuse* to gut our Social Security!**



***We know full well there's a huge deficit!*** Fighting the Iraq-Afghan wars, giving tax cuts to corporations and the wealthy, and bailing out the banks doesn't come cheap! Especially when it's done on credit!

***But Social Security has never added a cent to the deficit!*** Even Erskine Bowles and Alan Simpson (Co-Chairs of the President's Deficit Commission) admit that. And yet they are touring the nation, broadcasting on national TV, saying half of us will need cuts to our Social Security benefits, we will need to work longer before collecting Social Security, and our benefits won't match increases in the cost of living. They say we need these cuts because of the deficit, which they admit Social Security has nothing to do with!

***Social Security is NOT in crisis!*** It's been there for 75 years, keeping tens of millions of seniors, people with disabilities, and children out of poverty. Even the most pessimistic forecasts say Social Security's *\$2.5 Trillion surplus* will fund 100% current benefits until 2037, and 78% current benefits forever, *even if nothing is done*. Making high-earners pay payroll taxes like the rest of us and keeping their benefits constant would let Social Security pay everyone full benefits through this century. Social Security will be there for us if we fight to keep it.

***Bowles and Simpson want to destroy working people's future!*** They want even lower taxes for corporations and the wealthy, who refuse to hire us, and higher taxes for us, who can't find jobs. They want to limit total federal revenue, which will make the deficit and unemployment worse.

## **WHAT YOU CAN DO TO PROTECT SOCIAL SECURITY FOR GENERATIONS**

Call the President (202-456-1414), Senators Feinstein (415-393-0707) and Boxer (415-403-0100), and your Congressperson (877-762-8762/ Capitol Switchboard).

**DEMAND:** No cuts to Social Security, Medicare or Medi-Cal. Good paying jobs for America's workers. Restore funding for all schools, pre-school through graduate school. **Stop spending billions on wars and corporate bailouts. Support Main Street – Not Wall Street!**

California Alliance for Retired Americans (CARA)/ 510-663-4086/ [www.californiaalliance.org](http://www.californiaalliance.org)  
Monterey Bay Central Labor Council / 831-425-1609/ [www.montereybaylabor.org](http://www.montereybaylabor.org)

**Questions for Attendees of the Panetta Institute Presentation by  
Alan Simpson and Erskine Bowles, Co-Chairs of President's Deficit Commission  
February 22, 2011**

**Social Security**

1. If what we're talking about here is reducing the federal deficit, and your own Report admitted that Social Security does not contribute to the deficit, why are you even talking about Social Security?
2. How can you justify raising the age to collect Social Security, when it's an average 13% benefit cut,
3. when it's only the wealthy who are living longer, when older people find it almost impossible to find jobs, when many older people's bodies are already worn out, when it would make it harder for younger people to find jobs, and when you say Social Security doesn't add to the deficit?
4. If today's 25 year old retired at age 65 in 2050, having earned an average earnings of today's 64,000, he or she would retire with 24.5% less Social Security benefits under your plan. How can you justify that cut if, as you admit, Social Security does not add to the deficit?
5. Your plan has a new formula for Social Security COLA increases that assumes we can switch to cheaper alternatives when our goods and services get priced beyond our means. But seniors cannot switch to cheaper healthcare, and many seniors are already at rock-bottom housing. Why are you cutting Social Security if Social Security does not contribute to the deficit?

**Jobs**

1. If what we're talking about here is reducing the federal deficit how can you justify your Co-Chair's recommendation to cap revenue at 21% of the Gross National Product? Won't cutting revenue make the deficit worse? How will we ever renew our infrastructure, our highways, our schools, our housing? How can we ever create jobs?
2. Your Co-Chairs' plan transfers money from the middle class to the rich. It reduces the corporate tax rate, and income taxes on the most wealthy, and permanently extends corporate tax credits for research. But we lose our tax deductions for mortgage interest, for state and local taxes paid, for charities, and even for contributing to our IRAs. This is giving more money to those that hoard it, and refuse to hire. We need jobs!

**Healthcare**

1. Just as the war in Afghanistan is being extended from 2011 to 2014, and just as we're discovering PTSD is affecting more and more vets, and just as more military families are living in poverty your plan increases premiums and co-pays for vets in Tri-Care. How do you justify that?
2. Over ¾ of people going bankrupt over medical costs had insurance, but the insurance didn't cover expenses or had ruinous co-pays. "Cadillac" insurance isn't about posh gym memberships, it's about plans that cover us and we can afford to use. Your plan would impose a stiffer excise tax on decent insurance. How do you justify taxing health insurance that meets our needs?
3. All over the country, States' Medicaid expenses are increasing as joblessness, employer cut-backs, and high medical costs drive more people into Medicaid. Meanwhile State revenues drop. Your Co-Chairs' plan would fix the dollar amount each state would get, no matter how their Medicaid need might grow. How are States supposed to maintain a medical safety net?
4. The Obama Health Plan's Independent Payment Advisory Board already has sweeping powers to cut Medicare's payments for doctors, home health, medicines, and many other services. Even Congress cannot reverse these cuts. Your plan gives that Board even more power to make cuts. Medicare's Actuary says Medicare payment cuts already threaten to drive hospitals away from providing Medicare services. Don't you worry that Medicare patients will find it hard to find healthcare?