

Waxman: Bush's Stand Is Morally Wrong

Rep. Henry Waxman (D-Calif.), the ranking member of the House Committee on Government Reform, sent an open letter to President Bush on April 28, slamming him for saying that “there is no trust fund” for Social Security.

“The implication of your statements is breathtaking,” Waxman writes. “In effect, you are saying that your Administration does not intend to repay the trillions of dollars being borrowed from the Social Security trust funds. Your position is wrong morally and legally, and it breaks a 70-year commitment that the payments Americans make into the Social Security system will be held in trust for Social Security beneficiaries, not diverted to tax cuts for the super rich or to other government expenditures.”

The letter is in three parts: first a history of the enactment of Social Security in 1935, and the promises made by President Franklin D. Roosevelt; second, a review of what was done in 1983 by Congress, with President Reagan, to make the changes that allowed Reagan to say, “We promised to protect the financial integrity of Social Security. We have.” Third, how much the American working population has put into Social Security in FICA taxes—running a very solid surplus, which has now been squandered by Bush.

Waxman also documents how Bush's tax cuts, “passed by Congress in 2001, 2002, and 2003 were the largest single drain” on the trust fund. These cuts “consumed approximately \$750 billion over the last four years, more than the entire Social Security surplus over that period.” By 2015, Bush's tax cuts would cost \$2.25 trillion of the \$3.1 trillion Social Security surplus between 2001 and 2015.

Bush's renegeing on the trust fund obligation basically steals the benefits that Americans “have paid for and earned.” Waxman tells Bush to “repudiate these statements now.”

He notes that Bush is the only President to ever have questioned the commitment of the U.S. government to repay Social Security. But the most devastating blow comes from President Roosevelt himself, whom Waxman quotes: “We put those payroll contributions there so as to give the contributors a legal, moral, and political right to collect their pensions and unemployment benefits. . . .”

However, *EIR* notes that Waxman omitted to include the devastating end of that quote, where FDR said, “The payroll tax is there so that no damn politician can steal my Social Security program.”