



AMERICANS UNITED TO PROTECT SOCIAL SECURITY

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Is the SSA an arm of the GOP?

The Systematic Shift to Scare Tactics in Social Security Administration Communications

In a February 2005 report, the Minority Staff of the United States House of Representatives Committee on Government Reform investigated the apparent change in the Social Security Administration public communications practices under the current administration. Recent communications suggest the SSA has modified its communications to build public support for President Bush's Social Security privatization plan. The information below is a summary of the findings of the investigation and additional evidence of the politicization of the Social Security Administration and the systematic shift toward the use of scare tactics in communications with the public.

Changes to the SSA Strategic Plan

1997 Strategic Plan:

In 1997 the SSA adopted the following strategic objective: **“to strengthen public understanding of Social Security programs.”**

2003 Strategic Plan:

In 2003 the above objective was stripped from the strategic plan. Instead a new goal appeared: **to “support reforms” that “ensure sustainable solvency and more responsive retirement and disability programs.”**

Changes In Official Presentations to the Public

Social Security Administration officials and other administration officials have been touring the country on taxpayer dollars speaking at pro-privatization rallies. SSA Deputy Commissioner James Lockhart has been particularly visible on the pro-privatization circuit appearing with such pro-privatizers as Rep. Tom Delay, Sen. Rick Santorum, Rep. Peter Hoekstra, and Rep. Jim Kolbe.

Additionally, the SSA provides its employees with a narrated PowerPoint presentation to use in public forums. In 2000 the presentation declared: “There is no immediate financial crisis,” and “the baby boom generation’s pressure on the trust funds is not permanent.” In 2004 these statements were struck from the presentation.

See appendix 1: “SSA Official Pushes the GOP Agenda” for more on Deputy Commissioner James Lockhart’s participation in the GOP privatization blitz.

Changes to “The Future of Social Security” Booklet

2000 version: “Will Social Security be there for you? Absolutely.”

2004 version: “Social Security must change to meet future challenges.”

2000 version: “Social Security Is an Economic Compact Among Generations.”

2004 version: “Current Social Security System Is Unsustainable in the Long Run.”

Changes to the SSA Mailed Statements

In perhaps the most noted change, the Social Security Administration has even changed the text of the statements sent annually to every worker who contributes to Social Security.

2001: The 2001 statements told workers to think of Social Security as a “foundation on which to build your financial future” and assured employees that Social Security will “be there when you retire.”

2005: These statements were eliminated from the 2005 statements, in their place an ominous warning was inserted: “Congress has made changes to the law in the past, and can do so at any time. The law governing benefit amounts may change because, by 2042, the payroll taxes collected will be enough to pay only about 73% of benefits.”

This alarming statement was sent to 140 million Americans.

(Press Release, Office of Sen. Frank Lautenberg, January 26, 2005)

<http://lautenberg.senate.gov/~lautenberg/press/2003/01/2005126B00.html>

Changes to the SSA 800 Number Pre-Recorded Message

In a December 22, 2004 letter to SS Commissioner Jo Anne B. Barnhart, Senator Frank Lautenberg (D-NJ) called on SSA to stop the propaganda. Senator Lautenberg pointed out that callers to the SSA put on hold were now being bombarded by recorded messages such as the one below:

"Did you know that the 76-million strong baby boom generation will begin to retire in about ten years? When that happens, changes will need to be made to Social Security -- changes to make sure there's enough money to continue paying full benefits. And most experts agree, the sooner those changes are made, the less they are going to cost."

From Senator Lautenberg's release:

In his letter to Commissioner Barnhart, Lautenberg wrote, "I strongly object to SSA's use of taxpayer dollars to promote a partisan political agenda, and ask that you remove these messages from your telephone lines."

In the letter, Lautenberg points out that among the factual inaccuracies in these messages is the assertion that changes need to be made in ten years to ensure that Social Security has enough money to continue paying full benefits. Lautenberg pointed out that the Bush administration itself concedes that such funds are sufficient to pay full benefits through 2042. The non-partisan Congressional Budget Office estimates that the system will be solvent even longer -- until 2053.

(Press Release, Office of Senator Frank Lautenberg, December 22, 2004)

Changes to the Trustees' Report Press Releases

The Social Security Trustees release an annual report on the solvency of the Social Security system every March. The titles of the SSA press releases have become increasingly dismal under the Bush administration, even as the Trustees' projections of the solvency of Social Security have improved four of the last five years.

2001 press release title:

"Social Security Trust Funds Gain One Additional Year of Solvency."

Two years later, the long-term outlook for Social Security solvency *improved by four years to 2042.*

Yet the 2003 press release was titled:

“Social Security Not Sustainable for the Long Term” and begins: “The Social Security Board of Trustees today declared that the Social Security program is not sustainable over the long term.”

PREVIOUS SOCIAL SECURITY TRUSTEE REPORTS (www.ssa.gov)

Before The Bush Administration

1998 Social Security solvent until 2032

1999 Social Security gains two additional years of solvency

2000 Social Security gains three additional years of solvency

Under The Bush Administration

2001 Social Security gains one additional year of solvency

2002 Social Security: long-range deficits remain

2003 Social Security not sustainable for the long term

2004 Little change in long term solvency of Social Security

Changes In SSA website

The SSA website was recently updated to include “Frequently Asked Questions about Social Security’s Future”. Whereas the SSA website previously provided answers to practical questions about Social Security programs, the new section includes a dire warning of “a massive and growing shortfall” and benefits that “could be reduced by 33 percent.”

For more information, see original sources:

United States House of Representatives Committee On Government Reform Minority Staff, “The Politicization of the Social Security Administration,” February 2005.

<http://reform.democrats.house.gov/Documents/20050228105615-40334.pdf>

Office of Senator Frank Lautenberg, “Letters and Documents on Social Security Covert Propaganda,” January 2005.

<http://www.lautenberg.senate.gov/sspropaganda.html>

For more on the taxpayer funded privatization campaign tour, see:

Bamboozlepaloza: By the Numbers

Center for American Progress, 5-5-05

<http://thinkprogress.org/2005/05/05/bamboozlepaloza-by-the-numbers/>

Appendix 1:

SSA Official Pushes the GOP Agenda

Remarks from SSA Deputy Commissioner James Lockhart on his nationwide promotional tour

"We certainly will be supporting the president ... and believe in what he's doing to fix Social Security." (Associated Press, 7-7-05)

Q: What happens if we don't make any changes in Social Security?

A: Well, if we don't make any changes, and we just keep muddling along, if you will, when the trust fund itself disappears in 2041, we'll have to slash benefits.

(Providence Journal, July 3, 2005)

http://www.projo.com/business/moneyline/projo_20050703_nd03x.1e3a071.html

"The key thing to get out is that there's a sense of urgency here," Mr. Lockhart, deputy commissioner of the Social Security Administration, said in an interview before the Tuesday event. He later showed the mostly gray-haired crowd a bevy of graphs and charts illustrating the system's approaching financial woes, and told them, "The sooner we act, the better. ... It's unsustainable, and we need to make changes." (Washington Times, 3-31-05)

In a telephone interview on Thursday from Houston, where Mr. Lockhart took part in a town hall meeting with Representative Tom DeLay of Texas, the House majority leader, Mr. Lockhart said his objective was "to help educate the American public about the need for reform in Social Security, and that it should be sooner rather than later." (New York Times, 2-24-05)

Lockhart presented the Bush administration's position, arguing that the Social Security trust fund will be depleted under the current system by 2041.

The problem, he said, is that retirees are living longer, and therefore collecting benefits longer, while fewer young people are entering the workforce to pay into the system.

Lockhart argued that private accounts will offer a better rate of return than the Social Security system, but Levi insisted that won't be the case after the costs of switching the current system to a new program are factored in. (Times Union, June 28, 2005)

The second lesson is the importance of acting sooner, rather than later, in beginning to implement reforms . . . Further, the sooner action is taken, the sooner confidence can be restored to the Social Security program. (Lockhart Social Security Testimony Before Congress, May 18, 2005)

The official, James B. Lockhart III, was appointed by President Bush and is one of several administration officials who helped Bush promote his plan for individual accounts during a 60-day nationwide tour earlier this year. (Congressional Quarterly Today, 6-23-05)

"Heckling, catcalls and frequent interruptions greeted" Lockhart and Rep. Wally Herger (R-02) as they "tried to pitch" Bush's "reforms" (Hearden, Redding Record Searchlight, 3/31).

Appendix 2:

Social Security Benefits Statement

Your Estimated Benefits

To qualify for benefits, you earn "credits" through your work—up to four each year. This year, for example, you earn one credit for each \$920 of wages or self-employment income. When you've earned \$3,680, you've earned your four credits for the year. Most people need 40 credits, earned over their working lifetime, to receive retirement benefits. For disability and survivors benefits, young people need fewer credits to be eligible.

We checked your records to see whether you have earned enough credits to qualify for benefits. If you haven't earned enough yet to qualify for any type of benefit, we can't give you a benefit estimate now. If you continue to work, we'll give you an estimate when you do qualify.

What we assumed—If you have enough work credits, we estimated your benefit amounts using your average earnings over your working lifetime. For 2005 and later (up to retirement age), we assumed you'll continue to work and make about the same as you did in 2003 or 2004. We also included credits we assumed you earned last year and this year.

We can't provide your actual benefit amount until you apply for benefits. **And that amount may differ from the estimates stated below because:**

(1) Your earnings may increase or decrease in the future.
(2) Your estimated benefits are based on current law.

The law governing benefit amounts may change.*

(3) Your benefit amount may be affected by **military service, railroad employment or pensions earned through work on which you did not pay Social Security tax.** Visit www.socialsecurity.gov/mystatement to see whether your Social Security benefit amount will be affected.

Generally, estimates for older workers are more accurate than those for younger workers because they're based on a longer earnings history with fewer uncertainties such as earnings fluctuations and future law changes.

These estimates are in today's dollars. After you start receiving benefits, they will be adjusted for cost-of-living increases.

▼ *Retirement	You have earned enough credits to qualify for benefits. At your current earnings rate, if you stop working and start receiving benefits...	
	At age 62, your payment would be about...	\$ 903 a month
	If you continue working until...	
	your full retirement age (67 years), your payment would be about...	\$1,309 a month
	age 70, your payment would be about...	\$1,633 a month
▼ *Disability	You have earned enough credits to qualify for benefits. If you became disabled right now, your payment would be about...	\$1,197 a month
▼ *Family	If you get retirement or disability benefits, your spouse and children also may qualify for benefits.	
▼ *Survivors	You have earned enough credits for your family to receive survivors benefits. If you die this year, certain members of your family may qualify for the following benefits.	
	Your child...	\$933 a month
	Your spouse who is caring for your child...	\$933 a month
	Your spouse, if benefits start at full retirement age...	\$1,245 a month
	Total family benefits cannot be more than...	\$2,287 a month
	Your spouse or minor child may be eligible for a special one-time death benefit of \$255.	
▼ Medicare	You have enough credits to qualify for Medicare at age 65. Even if you do not retire at age 65, be sure to contact Social Security three months before your 65th birthday to enroll in Medicare.	

*Your estimated benefits are based on current law. Congress has made changes to the law in the past and can do so at any time. The law governing benefit amounts may change because, by 2042, the payroll taxes collected will be enough to pay only about 73 percent of scheduled benefits.

We based your benefit estimates on these facts:

Your name...	Wanda Worker
Your date of birth...	May 5, 1964
Your estimated taxable earnings per year after 2004...	\$35,897
Your Social Security number (only the last four digits are shown to help prevent identity theft)...	XXX-XX-1234
