

WHAT YOU SHOULD KNOW ABOUT

Social Security Privatization

Privatizing Social Security would cut guaranteed benefits by 30 percent even for workers who don't choose private accounts.

The average retiree would lose \$152,000 in benefits in the 20 years after retirement. (The Century Foundation, Center on Budget and Policy Priorities, Center for Economic and Policy Research)

Risky privatized accounts won't make up for the benefit cuts.

For people who choose private accounts, the government would take back 50 cents for every \$1 in the account. That's on top of the 30 percent benefit cut. (Center on Budget and Policy Priorities, Economic Policy Institute)

Privatization would leave many retirees in poverty. Taxpayers and family members would have to provide them with the help that now comes from Social Security's guaranteed benefits.

Privatization would explode the deficit, saddling our children with \$2 trillion in debt in the first 10 years alone, mainly borrowed from foreign countries such as China and Japan. (Center on Budget and Policy Priorities)

Privatization would open Social Security up to corruption, waste and Enron-ization because politicians would decide which Wall Street firms make billions in inflated fees off our private accounts.

We have time to strengthen Social Security the *right* way rather than slashing guaranteed retirement benefits. First, we must require Congress to pay back the money borrowed from the trust fund. We could end the "wealthy wage exemption" so CEOs pay the same Social Security taxes on their salaries as we pay on ours. We could repeal the Bush tax cuts for the top 1 percent of taxpayers. And we could help working families build private pensions and savings on top of Social Security.