Republican Plan for Middle-Class Social Security Benefit Cuts Falls Faster and Farther

Jack Kemp, former Republican Congressman and one-time Republican Vice Presidential Candidate: "I'm against [President Bush's proposal]…This is a political disaster for the Republican Party." [CNBC, Kudlow and Company, 5/6/05]

Rep. Paul Ryan (R-WI): "Ask Paul Ryan what he thinks of President Bush's plan to cut future Social Security benefits for most retirees and it's pretty clear he's not crazy about it." [Milwaukee Journal Sentinel, 5/7/05]

Rep. Mark Green (R-WI): "Ask Republican Congressman Mark Green of Green Bay and he, too, is non-committal. 'I haven't had much of an opportunity to look and see what that actually means,' Green says of the Bush proposal to reduce the growth of benefits for all but the poorest retirees." [Milwaukee Journal Sentinel, 5/7/05]

Sen. Gordon Smith (R-OR): "[Smith] did not specifically endorse Bush's proposal, which is projected to scale back benefits for many workers in the middle." [Statesman Journal, 5/6/05]

Rep. Clay Shaw (R-FL): "Means testing would change the whole nature of Social Security, which is supposed to be an earned benefit that you pay into. I'm a little skeptical." [Washington Post, 5/4/05]

Sen. Sam Brownback (R-KS): "I don't think that's the sort of solution we ought to be going at. I personally don't think that's really the route we ought to be going." [Chicago Tribune, 4/29/05]

Sen. George Allen (R-VA): "I wouldn't want to have a proposal that makes it more difficult for people of lower and middle incomes to provide for their retirement security." [Washington Post, 4/30/05]

Sen. Trent Lott (R-AL): '"I'm not overjoyed about that," Sen. Trent Lott (R-Miss.) told reporters before Bush left the state. Lott said he thought such an indexing plan could lead the nation "toward a welfare system."' [Associated Press, 5/4/05]

Speaker Dennis Hastert (R-IL): "In terms of actual reaction to the president's news conference last night, Republicans like House Speaker Dennis Hastert, they put out statements last night saying they applaud the president for being courageous…But people like Hastert are clearly not endorsing the president's plan yet. And that has to do a lot with politics. They know the president is a lame duck, he doesn't have to face the voters again. But House and Senate Republicans will have to face the voters next year. They know the polls show the public is not sold on this yet." [CNN, "Live Today," 4/29/05]

Sen. Bill Frist (R-TN): "Many Republicans limited their remarks Friday to thanking the president for educating the public on the problems with Social Security, rather than fully embracing Bush's proposal to recalculate benefits using progressive indexing, which would reduce the growth in benefits for most Americans. 'I applaud President Bush for clearly tackling this tough issue, and look forward to working with my colleagues to enact legislation that is responsible, fair and guarantees that Social Security is here today and secure for generations of tomorrow,' said Senate Majority Leader Bill Frist, R-Tenn." [Chicago Tribune, 4/29/05]

Stephen K. Moore, Free Enterprise Fund: "A lot of us thought the stars were perfectly aligned to get this done this year. That's probably not the case." [St. Petersburg Times, 4/29/05]

Newspapers Around the Country Slam Plan for Middle-Class Social Security Benefit Cuts

St. Petersburg Times: "Progressive indexing may be one piece of the funding puzzle, but by relying on it exclusively, Bush would destroy the program's egalitarian roots. Social Security is supported by all workers and benefits all. If it becomes little more than a retirement plan for the poor, it could quickly lose popular support." [5/7/05]

Des Moines Register: "Now it's clear why President Bush waited so long to unveil specifics about his plans for changing Social Security: He was saving the bad news for last. A plan he's now touting would reduce benefits for Americans earning $25,000 or more. That makes it a hard sell. Under one proposal he's endorsed, a worker earning $36,507 this year would see his or her monthly benefit check fall from $1,653 to $1,382 in 2045. In Iowa, where median earnings for a working male in 2003 were about $36,000 and for a female $27,000, that means a substantial loss. This 'progressive indexing' probably doesn't sound too progressive to most workers." [5/5/05]

Philadelphia Inquirer: "In his press conference last week, President Bush tried to spin his latest proposal for killing Social Security (he calls it reform) as taking from the rich to give to the poor. What he really meant was that retirees who earned middle-class wages when they were employed would see their benefits cut - just not quite as much as the rich." [5/5/05]

Winston-Salem Journal: "President Bush finally articulated the bottom line of his Social Security proposal: benefit cuts for many Americans…Those proposals are unfair and dangerous to the nation's broad middle class…Bush refuses to consider coming up with new revenues to shore up Social Security, because doing so would hurt the rich. He prefers to hurt the middle class by pulling their retirement rug out from underneath them." [5/1/05]

Christian Science Monitor: "This 'progressive indexing,' as it's called, appears to be a political tactic." [5/2/05]

Boston Globe: "[Bush] did not discuss the hidden effect of his proposal: limiting the stake the middle class now holds in the system. Democrats should oppose any compromise based on the erosion of the key principle of social insurance… Instead of maintaining tax rates at 1990s levels in anticipation of paying off the bonds, Bush has delivered tax cuts that have increased the national debt. As part of negotiations on Social Security, Democrats should insist on a reexamination of all federal revenues. Future generations of retirees should not be victimized by the reckless fiscal policies of the Bush administration." [4/30/05]

Kansas City Star: "President Bush's performance on the subject this week helps explain why public interest is flagging: there's still no clear and complete White House plan to discuss. Even as the president demands prompt congressional action, he remains coy about the specifics. Each statement he makes on the subject is followed by days of speculation about his true objectives." [4/30/05]

News & Observer (Raleigh, NC): "The president was, and still is, short on specifics, and the very notion of Social Security 'reform' in his hands does not seem to be growing on the American public." [4/30/05]

Roanoke Times & World News: "Bush presented a vague idea Thursday evening of a two-tiered system that would preserve future benefits for 'those who depend on Social Security the most' while cutting benefits 'for those who are better off.' The devil, of course, is in the details. Bush did not define who depends on Social

Security the most or who he considers better off. But we are wary of moving Social Security from a broad benefit for all seniors toward a program mostly for the poor. The fact that all senior citizens can depend on Social Security for at least a portion of their retirement income gives the program broad support. If it ever comes to be seen as just another form of welfare for the poor, Social Security would be far more vulnerable to political whims." [4/30/05]

New York Times: "Mr. Bush endorsed a proposal that would take a huge bite out of the Social Security retirement benefits for the middle class, claiming that would close some 70 percent of the system's financing gap…The Bush plan gives the false impression that the wealthiest beneficiaries would bear the most pain. That's not the case. The wealthier one is, the lower the percentage of retirement income coming from Social Security, so even a big cut has little impact. By 2075, an average worker's benefit cut would equal 10 percent of pre-retirement income; a millionaire's reduction would be only 1 percent." [5/3/05]

San Jose Mercury News (California): "Two months of presidential salesmanship have accomplished little with the American people except to make them more nervous about messing with Social Security…If benefits are to be cut, the top is the place to start, and the bottom is the place to protect. The Bush plan does that, but plenty of people who would get cuts can be forgiven for wondering how they got lumped in with the 'haves.' Forty years from now, workers making $36,000 a year (in today's dollars) would receive benefits 16 percent lower than those currently planned. Democrats rightly denounce this as too deep of a cut." [5/3/05]

E.J. Dionne, Columnist: "The real costs of progressive indexing as currently conceived would be paid by middle-income earners -- those with incomes in the range of $35,000 to $60,000 a year. Eventually, such earners would face benefit cuts of 20 to 30 percent from what they are promised under the current program. And it gets worse: Rising Medicare premiums are eating up an increasing share of middle-class Social Security checks. Even without the cuts, Social Security payments will, over time, barely cover an individual's Medicare costs." [Washington Post, 5/3/05]

Richard Cohen, Columnist: "Whatever the merits of personal investment accounts, they would do nothing to alter the dismal math of Social Security projections." [Washington Post, 5/3/05]

Paul Krugman, Columnist: "Sure enough, a close look at President Bush's proposal for 'progressive price indexing' of Social Security puts the lie to claims that it's a plan to increase benefits for the poor and cut them for the wealthy. In fact, it's a plan to slash middle-class benefits; the wealthy would barely feel a thing." [New York Times, 5/2/05]

"For workers now making about $55,000 or above, benefits would be cut more deeply than if nothing were done to restore Social Security solvency and the program could pay benefits after 2041 no greater than the benefits that revenues at that time could support."
-Center for Budget and Policy Priorities, 4/29/05