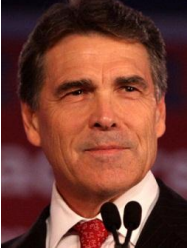




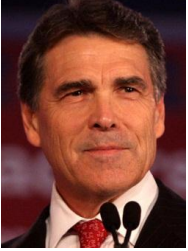
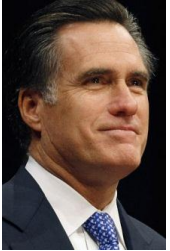


# STRENGTHEN SOCIAL SECURITY

**...don't cut it.**

GOP Claim:	SOCIAL SECURITY IS A PONZI SCHEME AND A FRAUD
 <p>Rick Perry</p>	<p>Social Security “is a Ponzi scheme for these young people. ... The idea that [young people] are working and paying into Social Security today, that the current program is going to be there for them...is a monstrous lie on this generation, and we can’t do that to them.”            – <a href="#">Iowa Caucus Event at the Vine Coffeehouse</a>, 8/27/11</p>
 <p>Mitt Romney</p>	<p>While Romney has not used the term “Ponzi scheme,” he has called it a fraud.</p> <p>“There simply is no [trust] ‘fund’ safely invested somewhere... To put it in a nutshell, the American people have been effectively defrauded out of their Social Security. ... Let’s look at what would happen if someone in the private sector did a similar thing... They would go to jail. But what has happened to the people responsible for the looming bankruptcy of Social Security? They keep returning to congress every two years.”            – <i>No Apology</i>, 2010, pp. 172-3</p>
 <p>Michele Bachmann</p>	<p>[Social Security] “is a tremendous fraud. No company could get away with this, they'd be thrown in jail if they ever tried to do what the federal government did with people's Social Security money.”            – <a href="#">Fox News</a>, February 17, 2010</p> <p>“[Social Security is] full of these empty IOUs that politicians have put into it, and they've taken the money out and used it for other things.”            – <a href="#">Fox News</a>, February 17, 2010</p>
 <p>Herman Cain</p>	<p>Wrote an article titled, “Social Security Scam Keeps On Ticking.” – <a href="#">May 17, 2006</a></p> <p>“The rhetoric that spews from liberals of both parties... is as worthless as the IOUs in the “Trust Fund.” – <a href="#">May 17, 2006</a></p>
<p><b>THE FACTS</b></p>	<ul style="list-style-type: none"> <li>• <b>Social Security has existed for 76 years and it has never failed to pay out benefits on schedule.</b></li> <li>• <b>Social Security has a \$2.7 trillion surplus today; it is able to pay out full benefits for the next 25 years. After that it can pay out more than three-quarters of promised benefits.</b></li> <li>• <b>Social Security’s surplus is invested in U.S. Treasury securities, which are considered the safest investment in the world, and held in trust for American workers and their families.</b></li> <li>• <b>A Ponzi scheme is a deliberate illegal attempt to defraud investors. Fraud is a criminal act involving intentional misrepresentation for personal gain. Not only is it wrong, it undermines the nation’s institutions to suggest that any of the presidents or congresses since 1935 have used Social Security to cheat the American people.</b></li> </ul>

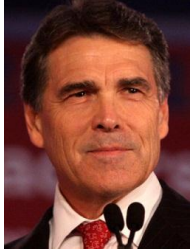
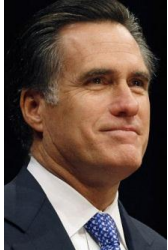


# STRENGTHEN SOCIAL SECURITY

**...don't cut it.**

<b>GOP Claim:</b>	<b>SOCIAL SECURITY SHOULD BE PARTIALLY PRIVATIZED WITH PRIVATE ACCOUNTS</b>
 Rick Perry	<p>“If only the New Dealers had been kind enough to allow workers to make their own choice about whether to participate [in Social Security]. As we know from experience, individuals would have done better on their own [with private accounts].” – <i>Fed Up</i>, 2010, page 61</p>
 Mitt Romney	<p>“...I believe [personal accounts] could be effective, while at the same time giving taxpayers personal choice.” – <i>No Apology</i>, 2010, p. 176</p> <p>“One thing that [President Bush] proposed, and it’s a good idea, is to <b>take some of that money, or all of that surplus [Social Security] money and allow people to have a personal account.</b>” – <a href="#">Town Hall, 6/5/2007</a></p>
 Michele Bachmann	<p>“But people that are younger than [10 years away from retirement], they need to have some options in their lives, so that going forward they can have an ownership of their own Social Security, their own retirement.” – <a href="#">Fox News</a>, February 17, 2010</p>
 Herman Cain	<p>“I support a personal retirement account option [i.e. the Galveston plan] in order to <b>phase out the current system.</b>” – <a href="#">Republican Debate, June 13, 2011</a></p>
<b>THE FACTS</b>	<ul style="list-style-type: none"><li>• <b>Allowing workers to divert some portion of their contributions to private accounts equals privatization – a proposal put forward by Pres. Bush and rejected by the American people.</b></li><li>• <b>Social Security provides a guaranteed benefit. Instead of that guarantee, people’s retirement savings would depend on how well they could do in the casinos of Wall Street. Individuals would bear all the investment risk.</b></li><li>• <b>Diverting contributions to private accounts costs trillions of dollars in transition costs paid for by deep cuts to Social Security and/or by large increases in federal borrowing.</b></li></ul>

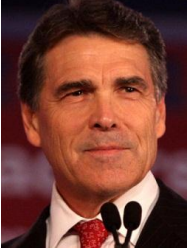
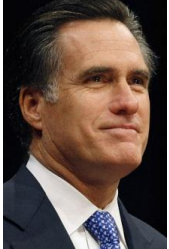


# STRENGTHEN SOCIAL SECURITY

**...don't cut it.**

<p><b>GOP Claim:</b></p>	<p><b>SOCIAL SECURITY'S RETIREMENT AGE SHOULD BE RAISED</b></p>
 <p><b>Rick Perry</b></p>	<p>“If you’re a forty-five year-old or less, we’re going to move that retirement age up to sixty-nine or seventy.”  <a href="#">-Town Hall, 9/5/11</a></p>
 <p><b>Mitt Romney</b></p>	<p>“Alternatively, we could gradually raise the retirement age. This does have a certain logic to it...”  <i>No Apology</i>, 2010, p. 173</p>
 <p><b>Michele Bachmann</b></p>	<p>Voted to raise the Social Security retirement age to 70, which would cut benefits by up to 20 percent for new beneficiaries when fully phased in. – Voted YES on Republican Study Committee Budget, <a href="#">Roll Call Vote 275</a>, April 15, 2011</p>
 <p><b>Herman Cain</b></p>	<p><b>Cain sees the issue as irrelevant, because his real solution is privatization.</b></p> <p>“I don't have to raise the retirement age, because that by itself isn't going to solve the problem... We've got to restructure the program using a personal retirement account option...”–  <a href="#">Republican Debate, June 13, 2011</a></p>
<p><b>THE FACTS</b></p>	<ul style="list-style-type: none"> <li>• <b>Raising the full Social Security retirement age to 69 would be a 13% benefit cut no matter what age someone retires once it is fully phased in.</b></li> <li>• <b>This would be unfair to millions of older workers with health problems and physically demanding jobs, and to the growing number of older unemployed workers who have a much harder time finding new work after being laid off.</b></li> </ul>

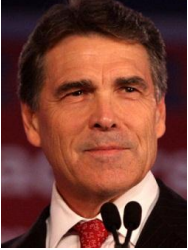
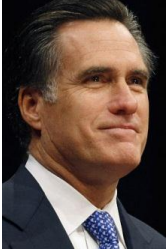


# STRENGTHEN SOCIAL SECURITY

**...don't cut it.**

<p><b>GOP Claim:</b></p>	<p><b>SOCIAL SECURITY SHOULD BE MEANS TESTED</b></p>
 <p><b>Rick Perry</b></p>	<p>“Means testing is one of those things that we oughta have a conversation about. Or you know, does Warren Buffet need to get Social Security? Maybe not.” – <a href="#">Iowa Caucus Event at the Vine Coffeehouse</a>, 8/27/11</p>
 <p><b>Mitt Romney</b></p>	<p>“Another option is to means test the benefits to some degree. And again, they did a similar thing like that in Great Britain... and that lowered the cost somewhat.” <a href="#">New Hampshire Town Hall</a>, 8/9/11</p>
 <p><b>Michele Bachmann</b></p>	<p>“And so we pare back welfare [i.e. Social Security] to the truly needy and the truly disabled.” – <a href="#">Speech at Right Online Conference</a>, July 23, 2010</p> <p>“But basically what we have to do is wean everybody else off [Social Security]” – <a href="#">Speech at Constitutional Coalition Conference</a>, February 2010</p>
 <p><b>Herman Cain</b></p>	<p><b>Cain’s position is ambiguous – he has opposed eliminating benefits for the wealthy, but he favors scaling them down:</b></p> <p>“I’m willing to make some sacrifice become of my income and what I’ve done to save for my own retirement.” – <a href="#">WTN Radio, July 14, 2011</a></p>
<p><b>THE FACTS</b></p>	<ul style="list-style-type: none"> <li>• <b>Means testing benefits saves virtually no money unless it is applied to large parts of the middle class (those making \$50,000 or more).</b></li> <li>• <b>Means testing would raise administrative costs and undermine broad public support for Social Security by converting it into a welfare program.</b></li> </ul>

# STRENGTHEN SOCIAL SECURITY

**...don't cut it.**

GOP Claim:	SOCIAL SECURITY'S PAYROLL TAX CAP SHOULD NOT BE INCREASED
 <p>Rick Perry</p>	Has not stated a position
 <p>Mitt Romney</p>	“One option that should not be on the table is raising the payroll tax or expanding the base of income to which the tax is applied.” <a href="#">Believe in America: Mitt Romney's Plan for Jobs and Economic Growth</a> , 2011, p. 142
 <p>Michele Bachmann</p>	Though has taken no specific position on this, she has signed the Grover Norquist pledge not to raise taxes on anyone at any time.
 <p>Herman Cain</p>	Not only would Cain not raise the payroll tax, his 9-9-9 plan would completely “remove all payroll taxes” that finance Social Security! <a href="#">9-9-9 Tax Plan</a>
<h2>THE FACTS</h2>	<ul style="list-style-type: none"><li>• <b>Social Security payroll tax contributions are paid on wages up to \$106,800 in 2011 – 6% of the population has wages above that cap. Eliminating the cap so that all earnings are subject to the payroll tax would close Social Security's projected 75-year funding gap.</b></li></ul>