Ignore the Fear-Mongering on Social Security

Peter Dreier
Occidental College, dreier@oxy.edu

Donald Cohen

Follow this and additional works at: http://scholar.oxy.edu/uep_faculty

Part of the Civic and Community Engagement Commons, Inequality and Stratification Commons, Other Public Affairs, Public Policy and Public Administration Commons, Place and Environment Commons, Politics and Social Change Commons, Public Policy Commons, Service Learning Commons, Social Policy Commons, Urban Studies Commons, and the Urban Studies and Planning Commons

Recommended Citation
Ignore the fear-mongering on Social Security

*Today's Social Security critics use many of the same false arguments of those who tried to stop adjustments, the popular program will easily remain solvent.*

August 14, 2010 | By Peter Dreier and Donald Cohen

Alf Landon, the Kansas governor running as the Republican Party's 1936 presidential candidate, called it a "fraud on the working man." Silas Strawn, a former president of both the American Bar Assn. and the U.S. Chamber of Commerce, said it was part of President FDR country." The American Medical Assn. denounced it as a "compulsory socialistic tax."

What was this threat to American prosperity, freedom and democracy they were all decrying? It was Social Security, which Roosevelt signed into law on Aug. 14, 1935 — 75 years ago Saturday.

The opponents of Social Security were not right-wing extremists (the counterparts of today's "tea party") but the business Party mainstream.

In the early Depression years, more than half of America's elderly lived in poverty. But most business leaders and conservatives considered the very idea that government had a moral responsibility to help senior citizens retire with dignity to be outrageously radical, a predicted that the Social Security tax would bankrupt the country.

As New York's former governor, Roosevelt knew that business groups had opposed the most important pieces including the factory inspection law (passed as a result of the 1911 Triangle Shirt Waist factory fire that killed to 54 hours, unemployment insurance, pensions for the elderly and public works projects to put people back to work.

Once elected president, FDR viewed Social Security as part of his broader New Deal effort to humanize capita wealthy people considered him a traitor to his class. They were, he thought, greedy, unenlightened and on the FDR outmaneuvered Social Security's opponents, using his bully pulpit to explain why they were misguided.

"A few timid people, who fear progress, will try to give you new and strange names for what we are doing," he "Sometimes they will call it fascism, sometimes communism, sometimes regimentation, sometimes socialism complex and theoretical something that is really very simple and very practical.... I believe that what we are doing Americans have always been doing — a fulfillment of old and tested American ideals."

Most Americans agreed. Running for reelection the next year, FDR beat Landon in a 60.8% to 36.6% landslid

Today, Social Security insures families against the loss of income caused by retirement, disability or death. It million people. It lifts more than 35 million older Americans out of poverty. One-third of Social Security's ben keeping millions of families with a disabled or deceased breadwinner from destitution.

Americans view Social Security as a central component of the nation's social contract. It is probably the most surprisingly, when President George W. Bush tried to privatize Social Security — essentially asking American:
market — the people considered it a preposterous idea, especially after they had watched thousands of Enron
market lose 38% of its value between January 2000 and October 2002.

Today, 77% of Americans — even 68% of Republicans — believe that policymakers in Washington should "le
reduce the deficit, according to a national poll in June by the University of New Hampshire. In fact, 75% of te:
Medicare, a New York Times/CBS News poll found in April.

There are still a handful of Americans who bash Social Security. They dress up their arguments in different cl
from those of their counterparts 75 years ago. We can't afford Social Security, they say. It's going bankrupt. It

America, one of the world's wealthiest nations, can afford to provide an economic cushion for the elderly and
adjustments, Social Security will remain vital and solvent for this and future generations. Economists say that
applying the Social Security tax to nonwage income or adding a modest increase to the payroll tax could add c
fund.

In retrospect, it is obvious that Social Security's Depression-era opponents engaged in fear-mongering, not ec
free-market fundamentalist ideology that abhorred any attempt to use government to improve Americans' liv

Just as the early battle over Social Security wasn't really about old-age insurance, current fights over public pr
They are about what kind of country we want to be and what values we consider most important. Today, busi
healthcare reform, tougher financial regulations, stronger workplace safety laws, policies to limit climate char
unemployment insurance to the long-term jobless. The issues vary, but the mantra is the same: This policy wi
and destroy freedom.

The White House and progressive activists should aggressively challenge assertions about the disasters that w
workers, seniors, children, the disabled and the environment. Throughout our history, progress has been mac
ideas and then won a series of steppingstone reforms that redefined the social contract.

Peter Dreier teaches politics and chairs the Urban & Environmental Policy program at Occidental College. Do
Center on Policy Initiatives, a San Diego-based think tank.