

Bush's Push for Tax Cut Slows Attack on Social Security

By Laura Paskin, March 2001

Notably absent from the 2001 annual report of the Social Security trustees is the doom-and-gloom language required to “save” Social Security. The data remains remarkably the same from this year to last, except now the report gives equal weight to both the low and high estimates of anticipated income in the Social Security system. The report also pushes back by one year any problems with benefits if the low-ball estimates prove true. After years of hearing about the need to plug the leaks in Social Security, why are we seeing a softening of the hard line? It’s simple: to make way for Bush’s tax cuts.

President Bush is working nonstop to push through his proposed \$1.6 trillion tax cut plan. If there is no dire need to shore up Social Security, then he looks like a moderate as the very far right calls for even bigger cuts that offer the vast majority of Americans a tiny nugget while the wealthiest bring home the full Happy Meal.

With the recent downturn in the stock market and people very nervous about investing, now is not the time for Bush to promote privatizing Social Security. In fact, the security in Social Security looks better every day. So Bush is turning down the rhetoric about “saving” Social Security and moving ahead on his other agenda—helping the rich get richer and dismantling government.

President Bush grew up among the very privileged, well within the top 1% of the wealthiest families in America. He never had to worry about health care, child care, food on the table, or medicine for his family. He never had to deal with the “what ifs” that keep working families up at night: What if my plant closes? What if my boss stops offering health insurance? What if I can’t find day care for my baby?

But now Bush does need to worry for the other 99% of Americans. That’s his job as president. He should be staying up at night wondering what that tax cut will mean down the road: What if half of American children have no access to a computer at home or at school? What if our highways, roads, and bridges are unsafe? What if our air is filthy and our water contaminated?

When government services are drastically reduced, we all suffer. Sure, we have more than a trillion dollars in surplus, and yes, some of that money should go back to the taxpayers, but let’s take care of our long-term health, of individuals and of our nation.

Here’s the real “what if” President Bush should consider: What if we give every person in American a \$500 tax dividend and use the balance for real improvements for all Americans?

A single parent with two children earning \$21,000 would receive no benefit during the first year of Bush’s plan, but \$1,500 with the tax dividend. A married couple with two children earning \$70,000 would get a \$410 tax savings in the first year under Bush’s plan, and \$2,000 with the dividend. A couple with one child and an annual income of \$216,000 would receive about the same amount under the two plans.

By keeping tax cuts modest, we can use surpluses to invest in our nation's future. We could start with rebuilding schools where the toilets don't flush, the roofs leak, science labs are out-dated, and space is inadequate. How can children learn in that environment, let alone compete in the new economy when they have no access to the information superhighway that the Internet has become?

And let's tackle some of the harder issues that have received a lot of talk but no action. Let's use some of that surplus and ongoing tax revenues to add a prescription drug benefit that will assist all our seniors. Let's enroll all our 4-year-olds in a voluntary, free preschool program built on the Head Start model that has a 30-year history of success. And let's fix our highways to move American goods quickly to markets at home and abroad.

It's time to be fiscally prudent, creative, and far-sighted. It's time to burn the midnight oil, President Bush.