

September 27, 2006

New Privatization Pledge a Wolf in Sheep's Clothing
Democrats should say no to putting privatization on the table

Dear Democratic Colleague:

The pro-privatization group "For Our Grandchildren" has announced a new Social Security campaign pledge which it will encourage all Members to sign.

This pledge requires that "all options be on the table." But we know that privatization should not be on the table - private accounts and the guaranteed benefit cuts that go with them are a bad idea that was overwhelmingly rejected by the American public. When President Bush and his allies say "put privatization back on the table," our response is a resounding "No."

Although the pledge avoids mentioning private accounts, For Our Grandchildren's website clearly reveals that its goal is to privatize Social Security. Its principles for Social Security call for diverting payroll taxes into privately-invested accounts, and its Board of Advisors is filled with long-time advocates of privatization, including 10 members of the President's 2001 privatization commission.

Make no mistake - the difference between this pledge and the one many of us have signed is that this one keeps privatization alive, ignoring the overwhelming message we received from the American people when the President and his allies in Congress openly pushed for privatization last year. Members that sign this pledge are making a statement in favor of privatizing Social Security.

The appearance of this pledge, and its carefully-veiled language, shows that the privatizers haven't given up. They've just gone underground. With this pledge, they are laying the groundwork to support the President and Congressional Republicans' oft-stated goal of resuming their fight for privatization in the next Congress.

Privatization is not a solution to the long-term challenges facing Social Security. Privatization worsens, rather than improves, the solvency of Social Security, by diverting Trust Fund dollars to private accounts. Privatization means deep benefit cuts and an explosion in the national debt. Privatization does not strengthen Social Security, it would lead to its destruction.

Democrats must stand firm with the American public against these efforts to promote the privatization of Social Security. We agree that Social Security's long-term challenges must be addressed on a bipartisan basis, but we cannot move forward so long as privatization is on the table.

Sincerely,

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