

HEY YOUNG AMERICANS: THE REPUBLICAN PROPOSAL TO PRIVATIZE SOCIAL SECURITY WILL HURT YOU THE MOST

President Bush and Congressional Republicans are trying to sell their proposal to privatize Social Security by saying that it would “benefit” younger workers. Here is a little more information about what privatizing Social Security would do to your retirement so that you can decide for yourself.

THE REPUBLICAN PRIVATIZATION PROPOSAL OFFERS YOU...



A 40% CUT IN BENEFITS WHEN YOU RETIRE

The average 20 year old who starts working this year would **lose \$152,000 in Social Security benefits under Republican privatization proposals**. A private account is unlikely to make up for this benefit cut because the government would put a 70% tax on your account proceeds to make up for the money diverted from traditional Social Security to set up the accounts.



MASSIVE BORROWING MEANS HIGHER TAXES IN FUTURE

Private accounts require borrowing almost \$5 trillion in the next twenty years, much of it from foreign countries, which will further increase our already record debt. Republicans have already increased the national debt to the point that a family of four's share of annual interest costs is thousands of dollars a year. This will only increase under the Republican proposals.



LITTLE CONTROL, BENEFIT CUTS FOR EVERYONE

Politicians will pick which investment firms invest your hard earned Social Security funds, not you. And, **your benefits will be cut even if you don't open a private account**.



NO SAFETY NET FOR YOUNGER DISABLED WORKERS, OR FOR CHILDREN IF A PARENT DIES SUDDENLY

Very few of us could afford an insurance plan comparable to Social Security, which protects against disability and death, and provides for retirement. For a worker in her mid-20s with a spouse and two children, Social Security provides the equivalent of a \$350,000 disability insurance policy. Social Security survivors' benefits will replace as much as 80 percent of the earnings of a 25-year-old, average-wage worker who dies leaving two young children and a spouse. For this worker, Social Security survivors' benefits are equivalent to a \$403,000 life insurance policy.