

On Social Security, Biden Could Learn Something From France's Macron

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President Joe Biden should learn a lesson in leadership from Emmanuel Macron, his counterpart across the pond.

The French president has followed through on campaign promises to address pension shortfalls by raising the retirement age to 64 from 62.

Guess what? A lot of people don't like it, and the French have taken to the streets. Yet, Macron isn't deterred by the potential political fallout. He knows it must be done.

"One cannot play with the future of the country," Macron said recently to government ministers.

Where's Biden's leadership?

Rather than talk straight with Americans about what must be done to ensure that U.S. entitlement programs such as Social Security and Medicare remain solvent, Biden prefers to play politics.

In the next 30 years, these programs face a \$116 *trillion* shortfall, says Brian Riedl, senior fellow in budget, tax and economics at the Manhattan Institute. If reforms aren't put in place now, we will hurdle toward a fiscal crisis that will spark significant tax increases (think European-style value-added taxes) for the middle class and high inflation and interest rates, among other ills.

"This is going to end badly for us," Riedl told me. "I think ultimately it's going to take a debt crisis for anything to happen because the public is completely unprepared for the situation we face and somewhat in denial."

It's not a pretty reality. And it's not fun to talk about, which is why our politicians avoid it like the plague.

Doing nothing is Social Security's biggest threat

Biden's approach is to point fingers at Republicans who have dared raise these concerns and bring up the possibility that adjustments (i.e., cuts) must be made now – or we risk much greater pain down the road.

“The biggest threat to Social Security are Republicans,” White House spokesperson Karine Jean-Pierre said this month.

That's false. The biggest threat to the program is what Biden is proposing: doing nothing.

His new big-spending, high-tax budget directs no funding to shore up Social Security and only passingly addresses Medicare shortfalls. That's not leadership.

The president flat-out lied in the State of the Union address in February when he accused GOP leaders of wanting to make cuts to entitlements in exchange for raising the debt ceiling. They have said such benefit programs won't be part of immediate discussions around ensuring that the United States can cover its financial obligations.

Biden piles up massive US debt: If Democrats fail to negotiate with GOP on debt, it's America's future that's held hostage

When Republicans come out with their budget proposal, they should offer concrete reforms to Social Security and Medicare.

It's doubtful that will happen, however. In this political climate, Biden would use any proposed benefit cuts as a bludgeon leading into the 2024 presidential election. He and Democrats are gleeful about the prospect.

Trump's to blame, too

It's not just Democrats who are playing games with entitlements. So is former President Donald Trump, who is running for a third time. He has called out other GOP contenders (and likely contenders) such as former South Carolina Gov. Nikki Haley, former Vice President Mike Pence and Florida Gov. Ron DeSantis, who have – smartly – backed reforms in the past.

Nikki Haley: Spending is out of control. And Democrats and Republicans share the blame.

Trump should know better. But he'd rather play to populism, regardless of the dangers.

The Congressional Budget Office released a report in February that showed Social Security will run a shortfall in 2032 – sooner than it had formerly projected. Under current laws, that will set off an automatic 20% reduction in benefits.

And that would be just the beginning.

Time to act is now

The United States blew past \$31 trillion in debt last fall, and it's on pace to keep piling on the debt at an ever faster clip, with entitlement spending driving much of the deficit.

Since 2021, the Biden administration has already added \$5 trillion in new deficits over 10 years.

“Lawmakers should not wait until a fiscal crisis forces austerity upon the government,” observed Romina Boccia, director of budget and entitlement policy at the Cato Institute, in a policy brief. “The longer lawmakers wait to reform spending, the more dramatic and sudden the eventual impact of reforms and adjustments will be.”

The country is not on a sustainable path. Politicians like Biden who aren't straight about that care only for their own ambitions – not your future.