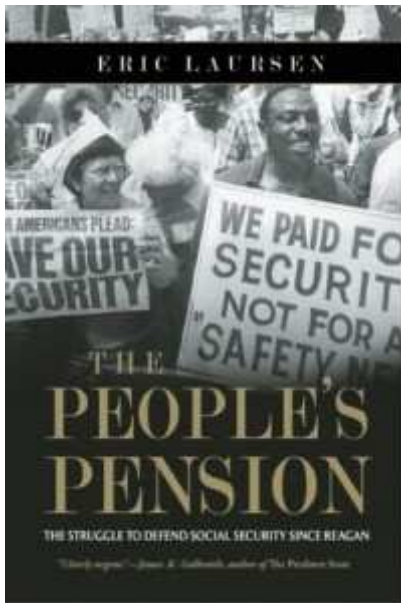


FDL Book Salon Welcomes Eric Laursen, The People's Pension: The Struggle to Defend Social Security Since Reagan

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Welcome [Eric Laursen \(interview\)](#) and Host [Ellen Schultz \(TheRetirementHeist\)](#)

[As a courtesy to our guests, please keep comments to the book and be respectful of dissenting opinions. Please take other conversations to a previous thread. - bev]

The People's Pension: The Struggle to Defend Social Security Since Reagan

Social Security is one of those topics that most people think they know about. Everyone “knows” Social Security is “going bankrupt,” that the government “raided the trust fund,” and that “it won’t be there when we retire.” These folks include both the ideologues determined to dismember the program and the casual consumers of mainstream media, which has been largely content to write he-said, she-said stories giving equal weight to the chief actuary of the Social Security Administration and “experts” wearing tin-foil hats.

But there's a potentially more dangerous cohort than the Fox-educated crowd out there, says Eric Laursen, an independent financial and political journalist. In his timely new book, *The People's Pension*, Laursen makes a strong case that Social Security is also imperiled by the very people who claim they want to save the program. Their prescription—most of which comes down to cutting benefits—would undermine the most successful retirement program and social safety net in the nation's history.

That's just one of the insights in Laursen's meticulously researched book on the history of Social Security. To many, the so-called Social Security crisis may seem like a relatively recent phenomenon, but campaigns to destroy the system have emerged in one form or another since the early 1980s. Laursen, who was co-founder and former managing editor of *Plan Sponsor*, a magazine for pensions professionals, chronicles the unflagging attacks on the Social Security system, from the Reagan Administration to the Obama White House. The architects of these often stealthy efforts include the reclusive Koch brothers, who bankrolled the Cato Institute, and Pete Peterson, the billionaire founder of the Blackstone Group, who also has underwritten campaigns to destroy social safety nets, claiming that they have promoted dependency and fueled the deficit. Laursen lucidly explains the complexity of the accounting, and shows how overly-conservative calculations enabled critics to whip up fear and mislead the public and the media.

In the 1990s, Laursen writes, the ideologues were joined by State Street, Fidelity, and other financial institutions, which recognized that privatization would funnel billions into investment accounts they'd manage, for lucrative fees.

A real eye-opener to me was Laursen's material on how right leaning Democrats in Congress and the Obama Administration are an unrecognized threat, given their willingness to reduce the deficit by taking an axe to Social Security. In the guise of preserving the system, they've called for reducing benefits by raising the retirement age, introducing means testing, and reducing cost-of-living increases. At the same time, many staunchly oppose raising payroll taxes, or raising the cap on income subject to payroll tax, which is currently \$110,000. Raising, or eliminating the cap Laursen writes, would close a lot of the funding gap, and he points out, without pulling the rug out from under those who need it the most.

I'd like to start by asking Eric: What else could improve the system, and whether these moves—as well as raising the income cap—are being seriously considered?