



Liberals fear betrayal by Obama on Social Security in new political climate

By Erik Wasson - 01/04/11 06:19 AM ET

Liberal groups say they are increasingly worried that President Obama will strike a deal with Republicans on Social Security reforms in exchange for a 'yes' vote on increasing the nation's debt ceiling.

In a strong signal of the fight to come, Sen. Lindsey Graham (R-S.C.) said Sunday that he is prepared to let the U.S. default on its debt obligations if Social Security isn't reformed.

“I will not vote for the debt ceiling increase until I see a plan in place that will deal with our long-term debt obligation starting with Social Security, a real bipartisan effort to make sure that Social Security stays solvent, adjusting the age, looking at means tests for benefits,” Graham said on NBC's “Meet the Press.”

Graham said Congress should look at the recommendations for Social Security from the president's debt commission, which included raising the retirement age to 68 by 2050 and 69 by 2075. The panel also suggested lowering benefits for people in higher income brackets.

The debt commission considered Social Security in its plan even though the program does not contribute to current deficits. Liberals allege the recommendations were included only to entice Republican members of the commission into voting for the plan.

Maria Freese of the National Committee to Preserve Social Security and Medicare said she thinks Social Security is "more at risk than it was in 2005," when President George W. Bush proposed far-reaching changes to the program, including personal accounts. The plan was vigorously opposed by Democrats and liberal groups and never came up for a vote in Congress.

Now, with Social Security coming to the forefront once again, liberal groups are preparing a campaign to oppose any “backroom” deals on retirement benefits.

“What I am really afraid of is another deal behind closed doors,” said Nancy Altman, the co-director of Social Security Works. “At least with President Bush, he went around the country on a tour and presented his plan, and people didn't like it.”

Both Altman and Freese said that it is unlikely there will be changes to Medicare and Medicaid this year, given the lingering polarization from last year's healthcare debate. They said Social Security is easier to tamper with and more likely to be targeted.

Freese and Altman's groups already feel betrayed by Obama for backing a cut to the Social Security payroll tax that was approved during the lame-duck session. They worry that the cut will be extended indefinitely and erode Social Security's solvency.

Advocates said they realize Social Security has long-term problems, but said they want to see Social Security's future debated through congressional hearings that feature expert testimony rather than negotiations as part of a deficit-cutting package.

Some conservatives say the liberal fears of impending Social Security changes are unfounded.

Tad DeHaven of the Cato Institute said Obama won't touch the entitlement unless he is elected to a second term, since the issue is so volatile.

Andrew Moylan of the National Taxpayer Union said that he would not be surprised to see Social Security mentioned in Obama's State of Union, but that action is unlikely in the next two years since the president would be afraid of alienating his liberal base.

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