P.S. to the NEWS
by PHYLLIS SCHLAFLY

Box 618, Alton, Illinois 62002
Phone: 618-462-5415

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COST OF SOCIAL SECURITY

Of all Government programs, the most immune from Congressional criticism is Social Security. When a Congressman is tempted to suggest improvements, he is stopped in his tracks by the memory of what happened to Barry Goldwater in 1964. For suggesting that it might be made voluntary, he was made the target of vicious television spots showing a Social Security card being torn up.

Our democratic government, however, can function only if all government programs are subjected to the scrutiny of a prying press and an alert public. It does no good for anyone if any program is put off limits to such critical examination. It is a good sign, therefore, that a series of articles has appeared in newspapers in the middle west which exposes many of the injustices in Social Security.

Despite a few minor errors, these articles prove that, by the time today's younger worker is ready to retire, he will have lost a fortune to the Social Security system. It takes from the younger worker for retirement three times as much as a private insurance company would charge for the same kind of insurance and disability protection. Dozens of actual typical cases are provided which show how much more you would get if you put the same money in private insurance.

University of Chicago economist Milton Friedman has confirmed this and stated that Social Security is "a crushing defeat for the

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average wage earner" who could buy the same retirement plan from a private insurance company "for one-third the price."

A spokesman for the Illinois Department of Insurance said that if a private company tried to sell a plan like Social Security, which costs the young worker so much and pays him back so little, it would quickly be put out of business as a fraud on the public.

During the last 20 years, Social Security taxes have gone up more than ten times the cost of living. But benefits have risen less than one-third the tax rise. What happens to the difference? Obviously, that is the cost of the bureaucracy, and the inherent inefficiency of a governmental monopoly.

This new exposé of Social Security received some unexpected corroboration directly from the advisers of the Social Security system itself. They filed a report stating that, beginning with the 1980s, the system could be paying out more in benefits than it will be taking in. Social Security does not have a required reserve and, when it pays out more than it takes in, it will go broke.

A critical look at Social Security is long overdue, and I hope the subject can be rationally debated without accusations that anyone is trying to abolish the system. Only if we face up to the statistical facts about Social Security can we make the system fair to those who are paying the high Social Security taxes.

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