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## **Bush Urges End to Partisan Divide on Social Security (Update1)**

March 11 (Bloomberg) -- President George W. Bush urged Republicans and Democrats to stop criticizing each other over proposals to overhaul Social Security and instead offer solutions that will ensure the program's solvency.

`` There's still partisan talk," Bush told a crowd in Memphis today. `` There's still people saying, ` I'm not so sure I want to get involved,'" he said. `` Now is the time to put aside our political differences and focus on solving this problem for generations to come."

Today's stops in Tennessee and Louisiana brought to 15 the number of states Bush has visited since promising in his Feb. 2 State of the Union speech to push for Social Security private accounts. Polls show a majority of Americans oppose Bush's plan to let workers under age 55 invest as much as a third of their Social Security tax in stocks and bonds in exchange for lower guaranteed benefits.

`` President Bush is having a hard time selling his plan on Social Security because there is no elite consensus that the problem is as serious as he paints it," said John Geer, director of political science graduate studies at Vanderbilt University in Nashville. `` It's going to be a tough sell."

### Support for McCrery

The Shreveport event was partly a show of support for James McCrery, a Louisiana Republican who's chairman of the House Social Security subcommittee. `` I'm real proud of the job Jim McCrery is doing," Bush said after McCrery introduced him.

The Campaign for America's Future, a group opposed to personal accounts, targeted McCrery in ads accusing him of wanting to cut benefits and `` privatize" Social Security.

Bush told seniors in Shreveport that `` you will get your check." At the same time, he said, `` I'm not interested in Band- Aids, 75-year fixes" for the system.

After saying the president's plan would be hard to pass, McCrery met last month with administration officials who convinced him to back Bush's

private accounts. ``There's a sound rationale for using a carve-out," McCrery said in an interview last week. ``Will we win that debate? I don't know."

Appearing alongside the president in both cities in support of private accounts was former Representative Tim Penny, a Minnesota Democrat. ``Nothing is going to happen unless people from both political parties make the decision to join together and come up with a serious solution," Bush said.

### Declining Support

Bush is trying to counter a decline in public support. Fifty- nine percent of voters polled by Quinnipiac University disapproved of Bush's handling of Social Security, compared with 28 percent who approved. By 72 percent to 23 percent, voters preferred raising the \$90,000 cap on income subject to Social Security taxes as a way to pump money into the system. Support for private accounts was 49 percent, to 44 percent opposed.

The survey of 1,534 registered voters March 2-7 had an error margin of 2.5 percent.

Representative Charles Rangel, a New York Democrat, accused Bush of trying to split the country along social and economic lines. ``The Republicans figure if they can divide the nation, they can conquer Social Security," Rangel said in a statement.

In Shreveport, Bush said he wasn't seeking division and was instead seeking to expand the investor class.

``There's this kind of sense about, well, this may not work because some people aren't capable of investing," Bush said, referring to choices for stock or bond investments in private accounts. ``Everybody's plenty capable" of investing, he said.

### Skepticism

Representative Harold Ford Jr., a Tennessee Democrat who opposes Bush's brand of private accounts, attended the Memphis event to learn more about the program, his spokesman Zac Wright said. Ford supports savings accounts generally though ``he's against diverting Social Security payroll taxes into private accounts," Wright said.

Bush acknowledged Ford's attendance, saying at the start of his speech, ``I'm honored you're here, congressman."

Moments later, a woman in the audience shouted ``No!" to Bush's

assurances of uninterrupted Social Security checks and was removed from the audience.

Critics of Bush's plan say retirees would risk losses because of volatile markets, and private accounts won't make the program solvent.

#### Red Ink Concerns

“These private accounts will add to the national debt, force large cuts in benefits, and shift risk to individuals,” said Mary Liz Knish, a spokeswoman for the Tennessee AARP. The group was sending speakers to senior citizen homes in Memphis and blanketing the state with opposition press releases.

“His proposals will end up in massive benefit cuts to Social Security,” said Megan Macaraeg, executive director of Tennessee Citizen Action, which planned protests by state workers, labor and community groups in Memphis and Nashville.

Bush says he'd consider all Social Security ideas except raising the 12.4 percent payroll tax rate. “I have an obligation to say to people from both parties, ‘Let's fix it permanently,’” he said in Memphis. “There'll be no political retribution when you put an idea on the table.”

Republicans this week offered plans in an effort to lure Democrats and Bush into detailed negotiations.

Senator Chuck Hagel, a Nebraska Republican, said he'd increase the age to 68 from 67 before retirees could receive full benefits, beginning in 2023. He would borrow money to create personal accounts for people younger than 45.

‘Not a Crisis’

“I don't think it's critical that a vote come this year; if we can do it this year, that's fine,” said in a March 8 interview. “This is not a crisis.”

Senator Lindsey Graham, a South Carolina Republican, said he'd consider solvency talks with congressional Democrats, including separate negotiations on private accounts. “Accounts are being overly sold and tremendously demagogued,” Graham told reporters in Washington. “If they want solvency without accounts, I'm willing to sit down and talk.”

Democrats such as Senator Charles Schumer of New York said increased borrowing of up to \$2 trillion to pay for a transition to private accounts would only add more federal debt. “We're saying take privatization off the table for two reasons: one the debt, and two, it'll ultimately mean the end of Social Security as we know it,” Schumer told reporters March 8.

Senator Mary Landrieu, a Louisiana Democrat who opposes private accounts because of stock risks, planned to speak at a forum in Baton Rouge today, her spokesman Adam Sharp said.

AARP, the largest U.S. seniors group with 35 million members, was sending a representative to the forum to argue against personal accounts, spokesman John Hightower said. AARP wants the income cap subject to payroll taxes increased to \$140,000, he said.

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