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Newsletter for September 2020

I have always had faith that Social Security would be around as long as there is a United States. 56 million Americans receive benefits that they earned. It is not a welfare program. I have been involved in both types of programs. They are very different.

The president wants to, temporarily at least, suspend the Social Security tax. He stated that he would abolish the tax if he is reelected. If this took place, Social Security would go broke in 2023. The grand scheme is to have everybody in the stock market. The return for low income people and their families would be disastrous. In Chile, they tried this type of program. It was running well until the stock market collapsed. Even before that happened there were problems that were unsolvable. What happened when wage earners died young or became disabled? People were out in the street. There was no welfare program.

In the US, there is a welfare program that is very expensive to administer. The overhead of the Social Security program is 1.2%. This includes salaries, equipment and space. No government or private company comes close.

Another great program is Medicare. It started in July 1966. I started working for Social Security in July 1967. In the Social Security Administration employees hired then were known as Medicare babies. We were there from its infancy. It had many problems back then. Over the years, politicians from both parties made it into a fantastic

program. Doctors aren't begged by senior citizens and the disabled for assistance.

I now see both programs headed to destruction with the assistance of fringe politicians of both parties. This destruction is aided and abetted by the President of the United States. I won't say more about this until after the election.

For Federal employees, the news is catastrophic. The president has proposed limiting your COLAs in the future. It wouldn't be determined by the economy but by a fixed low amount or nothing at all.

He has proposed raising your contribution to the retirement system by 6%. He is proposing cutting the match in the TSP to 3%. He wants the high 5 rather than the current high 3.

Basically, the retirement system would be destroyed.

For retired Federal employees, he would cut the cost of living increase by half.

In the last 26 years, I have traveled from the eastern US to Guam. I have met many dedicated people. I know there are no better employees than Feds. They have a fair retirement system. Proportionally Feds are better educated. They keep the cost of government low.

I regret having to write this.