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January 7, 2009

Dear Member of Congress:

The millions of members and supporters of the National Committee to Preserve Social Security and Medicare urge you to oppose any effort to link the cost of the current economic stimulus package to future cuts in Social Security benefits or other harmful budgetary processes that will weaken Social Security and Medicare. There is no logic to the argument being made by some that we should provide immediate economic relief to millions of Americans of all ages to help them with jobs, mortgages, and retirement savings, while at the same time urging cuts in Social Security and Medicare – the foundation of retirement security for current and future generations. Locking ourselves into a specific budget process or a fast-tracked Commission, as some have suggested, based on this faulty logic would be an enormous disservice to the elderly.

The 111th Congress and President-elect Barack Obama are moving aggressively to forge a comprehensive stimulus package aimed at reviving the economy and restoring the economic security of millions of Americans. In late 2008, as the financial and mortgage crises bled into the rest of the economy, many middle-class and low-income Americans lost their jobs, their homes, and their retirement savings. Now, a responsive new Congress and President are contemplating swift action on legislation aimed at job creation, including rebuilding crumbling infrastructure and advancing energy-saving technologies, coupled with middle-class tax relief. Other measures on the table include additional unemployment benefits for jobless workers and aid to hard-hit States through the Medicaid program.

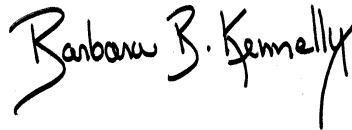
Given the urgent need for financial stimulus and economic security measures, a consensus has developed around increasing federal expenditures in the short term without offsetting the cost of those expenditures elsewhere in the budget. Some leading budget hawks have argued that such spending is “reasonable and understandable” as long as the plan helps spur economic activity. Unfortunately, they go further and link aggressive spending in the short term with their desire to reduce Social Security and Medicare benefits in the longer term through so-called entitlement reform.

The National Committee to Preserve Social Security and Medicare strongly opposes reducing Social Security benefits or cutting Medicare in order to balance the federal budget. Social Security, funded by a dedicated payroll tax, represents the bedrock retirement income of nearly every American. Social Security provides a modest benefit of only \$12,000 a year for the average retiree. It is the only source of retirement income for nearly 20 percent of retirees and represents over half the income of nearly two-thirds of beneficiaries.

To urge cuts in Social Security as a trade off against current stimulus expenditures would do unnecessary harm to generations of retirees. Social Security and Medicare need to be adjusted modestly to reach solvency, but that is a manageable task. We don’t have to enter into a grand bargain that pits the current recovery package against the income security of tomorrow’s elderly.

The speed and depth of the current economic meltdown have reinforced the importance of Social Security as the basic foundation for retirement. The collapse of investment savings and the sharp decline in housing values have significantly reduced the retirement security of millions of Americans. Social Security was created in times much like today to provide Americans with a foundation of security they could count on in old age. Surely, the lesson of the current financial crisis is not that we should reduce the protections of America's most successful retirement security program. Nor is the lesson that we should cut health benefits for those over 65 when health coverage for all Americans has emerged as an achievable goal in the very near future.

Cordially,

A handwritten signature in black ink that reads "Barbara B. Kennelly". The signature is written in a cursive, flowing style with a large initial 'B'.

Barbara B. Kennelly
President and CEO