

washingtonpost.com

At Home, a Hard Sell On Social Security

Wisconsin Republican Touts Bush's Plan

By Mike Allen

Washington Post Staff Writer

Tuesday, February 22, 2005; Page A01

STURTEVANT, Wis., Feb. 21 -- Rep. Paul Ryan (R-Wis.) spent his holiday discovering that President Bush's idea of adding personal accounts to Social Security can be as hard to sell back home as it is in Washington.

Ryan, who will help write the legislation as a member of the Ways and Means subcommittee on Social Security and is a longtime proponent of changing the popular government retirement program, is pushing the White House idea to farmers and factory workers throughout his district in the southeastern corner of the dairy state, with 35 "listening sessions" in 12 days.

Beginning his seven-stop day in the corn-growing town of Darien at breakfast time Monday, Ryan drew five people -- with an average age of 69 -- for a PowerPoint presentation in which he outlined what he called the "ugly options" of tax increases and benefit cuts if Social Security is not changed. He touted individual stock and bond accounts as a way younger workers can more than double their future benefits and put up a photograph of Albert Einstein along with his quote about the powerful force of compound interest.

But Jim Kieselburg, 66, a retired printing manager who now sells appliances part time, said he is worried about a market crash. "Worst-case scenario -- if everything goes flop?" Kieselburg asked.

"Even if the markets do half as good as they have historically, you'll still be doing a lot better than you are now," Ryan said. "But it's a good question."

The lawmaker won some converts as he was driven on icy two-lane roads in a green Chevrolet Tahoe. But, as Republican officials have predicted, the process takes patience.

Ryan, who at 35 is one of the 10 youngest members of Congress, is taking the most aggressive approach to a chore that faces all rank-and-file Republican lawmakers: gauging reaction to Bush's idea in their states and districts, and then advising the leadership about the political risk of plunging ahead.

Strategists in the House and Senate said that what lawmakers hear during the Presidents' Day recess could determine whether leaders pursue passage of the centerpiece of Bush's second-term domestic agenda or conclude that voters don't have the appetite for rewriting the Social Security Act, signed by President Franklin D. Roosevelt 70 years ago this August.

Administration officials and Republican congressional leaders acknowledge that Bush's plan has yet to gain traction. Although they say they are at the beginning of a long education process, there are reasons for them to worry.

Advertisement



DODGE
GRAB LIFE BY THE HORNS

**PRESIDENTS' DAY
CELEBRATION SALE**

**CLICK HERE FOR A
DEALER NEAR YOU**

DODGE
GRAB LIFE BY THE HORNS

One is that not all of Ryan's colleagues are following his lead. Administration and congressional officials said many Republican members remain afraid of taking on Social Security, and many fewer than the party had hoped are holding Social Security events this week.

Republican officials said at least 70 of the party's House members are holding town hall meetings this week, not all of them devoted specifically to Social Security, while House Democrats said they will hold more than 90 Social Security events this week.

Under plans being discussed by the White House, workers younger than 55 could divert as much as 4 percent of income subject to Social Security taxation into individual investment accounts beginning in 2009. They could invest the money in stocks and bonds and draw on it only after retiring. Workers currently pay 6.2 percent of their taxable wages to finance the retirement system, an amount matched by their employers.

Democrats contend that the GOP skittishness is a sign that Bush's idea is taking on water. Rep. Chris Van Hollen (D-Md.) said that Bush wants to "take the 'security' out of Social Security" and that Republican lawmakers "seem to be running for cover."

Ryan, a father of three, was the keynote speaker at the weekend Conservative Political Action Conference, a key venue for up-and-coming Republicans. Last year, Ryan introduced a Social Security plan with Sen. John E. Sununu (R-N.H.) that would allow workers to divert an average of half their payroll taxes to private accounts, a larger amount than the White House is considering.

Several audience members indicated that they thought Ryan's plan made sense, although he acknowledged that his idea of paying for it largely by cutting government spending is probably not realistic and probably would need to be accompanied by changes in benefits.

At the Veterans Memorial Building in Burlington, Bill Kretschmer, 76, said he thought personal accounts would give people "a chance to get a lot more out of Social Security."

"For me, it won't do any good," he said. "But I have 17 grandchildren, and there's nothing for them to be nervous about."

But at every stop, Ryan faced skeptics. Nancy McDonald, 66, who sells securities and insurance, complained in Darien that health care for the uninsured needs to be addressed before Social Security. "Slow down! Slow down!" she scolded the lawmaker at one point.

"Bush is a salesman, and everything he has sold us has got us financially deeper in debt -- the war, Medicare -- and they haven't explained to us where they're going to get the money," said McDonald, a Democrat. "I don't see that private accounts are going to benefit lower-income people, who will depend solely on Social Security, because I don't know if they'll participate and I don't think we can depend on the federal government to educate them."

As Ryan made his case to four people in the nearby village of Sharon, population 1,591, Berthal Holmes Long, 90, blurted, "So what?" Long said she worries about promises of substantial returns, when Social Security now seems sure. "Words are rosy, but really what will it turn into?" she asked. "Times change. Everything changes. You don't know what might happen in five years or 10 years."

Pausing to munch a Filet-o-Fish meal at McDonald's between his third and fourth stops, Ryan said he believes Republicans will succeed "if we go out and communicate."

"As long as they think you're reasonable and have thought it out, they'll give you the benefit of the doubt," he said. He said young people generally like the idea, those ages 40 to 55 are concerned and want more information, and older voters are worried because there is "so much rhetoric out there."

Ryan gave Bush a 60 percent chance of getting Congress to send him a bill establishing individual accounts by the end of the year. "I think the feeling in the Republican conference is to either hit the brakes and stop now, or hit the gas pedal and get it done," he said. "I'm obviously a gas-pedal guy."

© 2005 The Washington Post Company

Advertising Links	What's this?
Compare Mortgage Offers Up to four free mortgage, refinance or home equity offers - one easy form. www.nextag.com	
MyCashNow - \$100 - \$1,000 Overnight Payday Loan Cash goes in your account overnight. Very low fees. Fast decisions. Direct deposit is not required. No credit check. Confidential - secure. www.mycashnow.com	
Mortgage Rates Hit Record Lows Get \$150,000 loan for \$690 per month. Refinance while rates are low. www.lowermybills.com	