



Billionaires vs. Our Benefits: Who Really Wins With Social Security Cuts?

“Cutting Social Security benefits is just reaching into people's pockets and stealing their money. This is our money.” - Alex Lawson, Social Security Works

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Welcome to **Code WACK!**, where we shine a light on America's callous healthcare system, how it hurts us and what we can do about it. I'm your host, **Brenda Gazzar**.

(music)

This time on Code WACK! What would cutting off or limiting Social Security benefits – or privatizing Social Security – mean for the roughly 68 million retirees who rely on such benefits? And what could that mean for those who receive disability benefits? To break it down, we spoke with **Alex Lawson**, executive director of **Social Security Works**, an organization fighting to protect and expand Social Security, Medicare, and Medicaid; lower drug prices; and ensure health care as a human right. This is part two of a two-part series.

Welcome back to Code WACK!, Alex.

Q: So you mentioned in a recent Senate hearing that a Republican representative who's a member of the Department of Government Efficiency or a DOGE Caucus told you personally that there will be cuts to both Social Security and Medicare. What do we know for sure about this?

Lawson: That dude was like, 'hell yeah, I'm going to cut Social Security and Medicare.' It's on camera so you can go look it up. He's not an important Republican, which is I think why they didn't give him the memo. What's more important is all of the 'no comments' from the Republicans who did get the memo. I was standing outside of the first meeting of the DOGE Caucus. They were meeting in December and I went and I put a camera outside the hall and I just live streamed...I asked everybody, there are a couple Democrats, but it's primarily Republicans. Will you pledge to follow what candidate Trump said and not to cut Social Security and Medicare? The vast majority of them 'no comment' me. I actually say Social Security, Medicare, Medicaid because in 2016 Trump said he also didn't want to cut Medicaid.

This is about breaking through to the people who believe the lies, who when they received those mailers were confused and are like I actually don't know who's on the cut-my-stuff-side and who's on the protect-my-stuff side. I'm from here so I pay attention every day and no question when you look at it that the republicans are advancing an agenda to cut Social Security, Medicare and Medicaid to give tax handouts to billionaires and the Democrats are fighting against that and that's not partisanship. That's just fact.

Q: So what would cutting off or limiting Social Security benefits mean for the roughly 68 million retirees who rely on them?

Lawson: Cutting Social Security benefits is just reaching into people's pockets and stealing their money. This is our money. No one gives us Social Security. Republicans, Democrats, Independents across the country, there's bipartisan support of Social Security and universal opposition to even a penny of benefit cuts because people are like, 'that's my money!' And they're right. We see it coming out of our paychecks.

No one gives us Social Security. The number one consequence is it's just the politicians in DC stealing our money to give to billionaires. The catastrophic part of what we're talking about is the average benefit on Social Security is \$1,900 a month. It's tiny, and millions of people, that is their only source – it accounts for above 90 percent of their income. Fourteen million people held out of poverty by Social Security. It's the largest anti-poverty program in the country. So what it does is it prevents people from falling into poverty. You talk about just raising the retirement ages [if it's] between 69 is a 14 percent cut and 70 is a 21 percent cut.

Somebody's living on \$1,900 a month. Food, rent, mortgage, prescription drugs and then something left over, right? Like, where? Where's the cuts gonna come from? So you're going to have people who are making a decision, 'I'm not gonna get groceries this week,' or 'I'm only gonna take half my prescription.' And again, what that leads to is hunger, sickness, death.

And that's what happens when you take people's money away from them. When you steal their income, people get hurt. But something about Social Security, that's different than, say, Medicaid. So Medicaid, everyone doesn't qualify for it. It is a means tested program.

Now Social Security is everybody. Everybody in this country. They start working, they pay in. And that was the design by Francis Perkins, FDR, Eleanor Roosevelt. They understood that the universality of Social Security was the greatest strength that it had and the best protection that it had as well against politicians stealing it, which is why it is super hard for them to get their plans across the finish line.

So, I've been doing this for 15 years and I face a lot of people who are like, 'yeah, you say that they're trying to cut it but they've never cut it.' The reason they've never cut it is because we've stopped them from cutting it – all of the times that they've tried to cut it.

We have to win 100 percent of the time to prevent a bad thing from happening. They only have to win once. And then it's done. And then people will be like, 'oh, I didn't think that would happen.'

They wrote it down super straightforwardly in Project 2025. So if you haven't read Project 2025, the author of Project 2025 [Russell] Vought is up to run the Office of Management and Budget, OMB, which sets the spending agenda of the White House. So the guy who wrote it is going to be the guy who decides money and now you have Elon Musk actually taking over the Treasury. So like, how can you not see it? That's the whole idea of, you don't know what's gonna happen, or this is an overreaction. 'Come on! How much more do you have to see before you can actually envision, yes. They will cut our Social Security benefits, because it's where the money is.'

Q: We know privatizing health care means that health insurance companies take over our care, telling us which doctors we can consult and which treatments we can get. What would privatizing Social Security look like?

Lawson: Privatizing Social Security would look like what has happened in any country that's tried to do it. So you can look at Chile, one of the authors, Cato, a think tank in DC, it's his family member in Chile who led it. And you can see, he's the guy who pushes it here, you can see what happened there. What happens is, immediately a very small group of people become inordinately wealthy – so much wealthier than people can even comprehend. So it prints billionaires, a small number of them. Everyone else loses enormously, and then in the end, they have to switch back to a pay as you go system. Every time that they've tried to privatize, what happens is, it does not work. Because, just look at Social Security. If you were to find something like Social Security in the private market, you would want to short the company that sold it.

It's not profitable. It can't be done in a private market, right? It's an inflation protected annuity, and it's over a million dollars in disability insurance and life insurance. That is not a product that actually can be sold. So you can't provide it except through social insurance. The biggest other problem with privatization is time.

So if you knew where the stock market was going to be tomorrow, you could make an unlimited amount of money as long as you had a lot. The problem is, no one knows that, right? So you never know, am I going to retire and need my Social Security when the market is at the top? Or is it going to be right after a collapse?

And that's the problem. You can't actually have a system. That's based on the private markets. that actually delivers a defined benefit, right? So what you're going to get is defined. You know how much money you're gonna have in your check, and you know what the cost of living increases will be. So privatized Social Security is a con.

President George W. Bush ran. He won the midterms, and then he ran on privatizing Social Security. And every time he opened his mouth about it, he got less and less popular. So then the first losses in 2006, direct result of privatization. So generally what they try to do now is just destroy Social Security. They just try to make it so small that it doesn't provide that stability anymore. And then people have no alternative but to go to the already existing, inferior products that are offered by Wall Street.

Q: Are there specific bills or budget proposals currently in Congress that we should be watching as direct threats to Social Security, Medicare, or Medicaid?

Lawson: It's the reconciliation package, so there's not going to be as much of a, 'what's the bill number?' There will be bill numbers, but you're going to want to pay attention before that information and you don't have to know too much more than, 'it's the budget reconciliation package.' So if you're contacting your members of Congress, you can say, 'absolutely no Social Security, Medicare, Medicaid cuts in the budget reconciliation package.'

And then they'll say something like, 'Social Security is excluded from reconciliation,' which it is. That's one of the protections of Social Security, is there's no way to cut it with less than 60 votes, unless you create a commission that actually cuts it and defines that it needs only a simple majority.

And so, that's the threat to Social Security benefits and there's a third threat, which is the destruction of the Social Security Administration through budget cuts. So that closes offices, wait times on the 1-800 number. So they sell it as, 'oh yeah, there's all these bureaucrats.' What you should hear there is, 'my Social Security office is going to be closed.' So they want to fire the workers who deliver your mail on time and who keep the Social Security offices open. And in the case of Social Security, it's cut to the bone, where they're operating on fumes as is. Those three threats, they all

happen together, and you can also see them under the umbrella of the DOGE effort.

So you literally have the richest man in the world driving forward this agenda that includes all of these threats – cuts to Social Security, Medicare, Medicaid, it also raises prescription drug prices but in service of giving a tax handout to billionaires. So people's lives get worse, people get hungry, people get sicker, people die, so that the ultra wealthy billionaires can get more money.

Q: So what tactics are Republicans using to justify these cuts?

Lawson: So, on Medicaid, they try to say, 'oh, we want more people to go to work.' The hearing that I was testifying in was supposedly about addressing inflation and making things work for seniors. And you had all these paid liars up there. So, here's the facts.

If you take someone's health care away from them, you take their Medicaid away from them, that won't do anything for costs, right? There's no way that does anything for the rising costs. Which are crushing seniors. Seniors are crushed by high costs and rising costs. Inflation hurts seniors. We need to get inflation under control.

I also point out that medical inflation, which has been running rampant for decades, is way higher than general inflation, even when general inflation is very high – something that Joe Biden and the Democrats did was lower the price of prescription drugs through Medicare negotiation, put in place a \$2,000 out-of-pocket cap for everyone on Medicare on their prescription drugs.

The Republicans plan is to get rid of both of those. So you're like, that's the opposite of lowering prices. You're raising prices. And then, 'well, we'll take their SNaP away.' You're like, 'how is taking someone's food away going to lower the prices of groceries?' And the answer is, 'it won't' but they'll get out there, and they'll go on TV, and they'll squint into the camera, and they'll just assert, 'this is about efficiency. This is about the government working in a way that doesn't have people just relying on the system and they should go and take care of themselves.'

That's oftentimes how this is all framed. But in the case of Social Security, which is one that I hope people will really look at after listening to this, they know that they can't even sell it that way. So watch what they do. They're just [say], 'No, we're not going to touch Social Security. We're not going to do it.'

They know just how powerful Social Security is. That when it comes out, they are absolutely trying to cut your Social Security benefits. People just react enormously and it doesn't matter. It's not, 'Oh, in California and New York, people are pissed.' You're like, 'no. In every corner, in every town in this country, people are pissed when you say we're going to steal your Social Security,' as they rightly should be.

Q: Got it. And how are Democrats responding to all this?

Lawson: I also think that politicians are a lagging indicator. So waiting for any sort of cavalry, you're going to get steamrolled. So the people have to lead and we're trying to play our part in that and then politicians will follow. Bravery does not come from elected officials.

It comes from everyday people standing up together, standing shoulder to shoulder and saying, 'no, you're not going to do this.' If you want a current example, I think of the philosophical truth that all power is in the hands of the people just Google. South Korea coup and read about that a president tried to seize control of a democratic country – a close ally of ours I should say, a country that there's no huge reason to think was just gonna flip to autocracy, but a president tried to do it, declare martial law and the people just said no and that stopped it from happening So waiting for politicians is a sucker's gambit. Get out into the streets now, and that gives some bravery to our elected officials.

Q: I totally agree. Now are Social Security Disability Insurance and Survivor Benefits at risk?

Lawson: Yes, it's all one system, so they're all equally at risk. But Disability Benefits are even more at risk, because Disability Benefits rely on more state-based stuff than either of the Old Age and Survivors Benefits. So there's this layer of adjudication where there's administrative law judges.

And so there's another layer where the federal government can make it harder for people to get their benefits. Plus, it's not as universal as the old age portion and so they try to do it without people figuring out that's what they're going to do. And they try to pretend like there's two systems.

There's Social Security and then there's disability and disability is for those people, that's not true at all. There's just one system. An enormous number of people become disabled in their working life, far higher than people actually believe. So the possibility that a person faces a life changing injury or illness and then can no longer work is actually much higher.

This is an insurance product. What Social Security is, at its root, is wage insurance. So it protects a system that requires people to live on wages. And wages can go away for a few reasons. So you insure against the loss of wages, which you can do in a social insurance program, which is what Social Security is.

That's the actual policy at the core of this beautiful system. But what it's done is it's kept hundreds of millions of people living with a decent standard of living after a lifetime of hard work. It's kept tens of millions of people out of poverty. It reduced the senior poverty rate from 50% before Social Security to, along with the general population today.

Still too high, but it used to be one in two seniors lived in poverty. There used to be a poorhouse, which is a prison for people who ran out of money, primarily older women in every state in the Union, except New Mexico, and Social Security eliminated the concept of the poorhouse from our collective memories. That's how successful it is as a policy.

Q: Thank you, Alex. Was there anything else you wanted to say before we sign off?

Lawson: I hope your listeners want to engage. We're at [SocialSecurityWorks.org](https://www.SocialSecurityWorks.org). We're on BlueSky at [SocialSecurityWorks.org](https://www.SocialSecurityWorks.org). I'm ALaw202. Join the fight. The key is to get organized.

Don't try to do this alone. When you're with your neighbors and your community and you feel the power of the people, you'll remember that even though Elon Musk

is the richest person in the world, he's one person, and there's millions of us. They've got money, but we've got people.

Thank you, Alex Lawson of Social Security Works.

Do you have a personal story you'd like to share about our 'wack' healthcare system? Contact us through our website at heal-ca.org.

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Code WACK!'s powered by HEAL California, uplifting the voices of those fighting for healthcare reform around the country. I'm Brenda Gazzar.