

WHAT PRIVATIZING SOCIAL SECURITY WOULD MEAN FOR Asian Americans and Pacific Islanders

Social Security privatization means less retirement income for Asian Americans and Pacific Islanders, about 30 percent of whom count on Social Security as their only source of income.¹

Asian American Pacific Islanders are less likely to have job-based pensions or savings incomes.

- About 30 percent of Asian American and Pacific Islander seniors getting Social Security have no other source of income. That contrasts with 17 percent for all seniors. In 2001, the average monthly Social Security benefit for Asian Americans and Pacific Islanders was \$716.

Privatizing Social Security would cut guaranteed benefits as much as \$9,000 per year.

- Even for workers who don't choose private Social Security accounts, privatizing Social Security would cut guaranteed benefits for young workers by \$4,500 per year for average workers making \$37,000 in 2005 and \$9,000 per year for so-called "high earners" making \$59,000 in 2005, even for recipients who did not choose private accounts—especially devastating for Asian American and Pacific Islander retirees who depend on Social Security for their retirement incomes.²

The government will wipe out most of the value of the private account.

- For people who choose private accounts, the government would take back from retirement benefits at least 70 cents for every \$1 in the account. That's on top of the 40 percent benefit cut.

Privatizing Social Security would harm elderly Asian American Pacific Islanders, who have long life expectancies.

- At age 65, Asian American and Pacific Islander women can expect to live to age 88 and men until 84, longer than the majority of Americans.³ They count on Social Security's promise of inflation-adjusted benefits that cannot be outlived. Privatization would unravel that promise.

¹Social Security Administration

²Center for Economic Policy Research

³Social Security Administration

Privatizing Social Security would break a generational promise to honor our parents.

- Social Security safeguards the retirement of some 785,000 Asian Americans and Pacific Islanders. Tradition and faith teachings require us to honor our parents, and for 70 years Social Security has improved the lives of millions of seniors.

Contrary to claims by privatizers, most private Social Security investments cannot be passed on to heirs.

- For most retirees, there will be little or nothing left to pass on because most Social Security investments cannot be passed on to heirs.

Privatization would open Social Security up to corruption, waste and Enron-ization.

- Politicians will decide which Wall Street firms are handpicked to make billions in inflated fees from our investments.

Social Security privatization would explode the U.S. budget deficit.

- Privatizing Social Security would saddle our children with \$4.9 trillion in debt in the first 20 years alone. A growing deficit increases calls for reducing many federal programs that protect minorities.

We must strengthen Social Security, but we must take the time to get it right.

- We can strengthen Social Security without slashing benefits. First, we must require Congress to pay back the money borrowed from the trust fund. We could end the "wealthy wage exemption" so CEOs pay the same Social Security taxes on their salaries as we pay on ours. We could repeal the Bush tax cuts for the top 1 percent of taxpayers. And we could help working families build private pensions and savings on top of Social Security.