

Trump Regime Wants Social Security and Medicare Weakened

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On Monday, debate began in Washington on extending aid to unemployed workers and other Americans in need at a time of economic crisis conditions.

Trump wants an unacceptable payroll tax cut, opposed by Dems and many Republicans — for political reasons ahead of November elections.

Employed Americans and their companies pay FICA (Federal Insurance Contributions Act) and MEDFICA payroll taxes that fund Social Security and Medicare — core US social programs that are essential for millions of eligible recipients.

Combined, these taxes amount to 7.65% of pay up to a maximum of \$137,700.

Employers and workers pay an equal amount for a combined rate of 15.3%.

According to the Tax Foundation (TF), these taxes “make up 23.05 percent of combined federal, state, and local government revenue - the second largest source of government revenue in the United States.”

Time and again, things aren't as they seem, TF adding:

“(R)ather than workers and employers each paying 7.65 percent in payroll taxes, employers send their portion of the tax to the government and then decrease workers' wages by almost” the same amount.

“(A)lmost the entire burden of the payroll tax is passed on to employees in the form of lower wages.”

What politicians don't mention and establishment media don't explain is that Social Security and Medicare are insurance plans — funded by worker/employer payroll tax deductions.

When individuals buy health, auto, life, homeowners, and other insurance from private companies, plans pay according to provisions of purchased policies.

That's how Social Security and Medicare should work.

Pay premiums and receive benefits when eligible as originally promised when both programs became the law of the land — in 1935 and 1965 respectively.

Social Security provides retirement, disability, survivorship, and death benefits — what's essential for most recipients who'd be greatly harmed without it.

Despite fear-mongering claims otherwise, the program is not in danger of going bankrupt.

When properly administered, it's sound and secure, needing only modest adjustments at times to assure it.

Medicare is the nation's largest health insurance program," covering about 68 million Americans.

It's for individuals aged-65 or older, some disabled people under age 65, and people of all ages with end-stage renal disease (permanent kidney failure treated with dialysis or a transplant).

So-called "entitlement reform" pushed by the US ruling class wants neoliberal harshness replacing social justice entirely that includes weakening Social Security and Medicare as prelude to eliminating both essential programs.

Also on the chopping block for eroding and elimination are food and housing assistance, collective bargaining, Medicaid, education and childcare assistance, along with other aid to the needy — wanting the US transformed into a dystopian ruler-serf society more repressive than already, militarized for control.

Both right wings of the one-party state want privileged interests controlling the national wealth, used for greater self-enrichment, militarism and endless wars, nonbelievers confined to gulag imprisonment or otherwise eliminated.

According to Politico, Senate Majority Leader **Mitch McConnell** hasn't said publicly or privately if he'll include a payroll tax cut in the GOP-controlled Senate bill to help the unemployed and other Americans in need.

At this stage Dems and Republicans are far from agreement on further aid — Dems calling a payroll tax cut a nonstarter.

The amount of unemployment benefits is another major sticking point. Dems want continuation of current benefits. Republicans want a much lower figure — from one-third to two-thirds of the current \$600 a week.

At a time of likely protracted economic crisis conditions, especially harming small businesses and ordinary Americans, employers are cutting hours and pay for millions of workers.

According to an analysis for the University of Chicago's Becker Friedman Institute, based on data from payroll processor ADP, US workers are twice as likely to get pay cuts now than during the 2008-09 financial crisis.

Millions are also working shorter hours. During hard times like now when workers need as much income as possible for essentials to life, the BF Institute found that their pay is being cut from 5 to 50%, a median cut of 10%, along with shorter hours worked.

According to payroll processor Gusto, wages and hours are being cut in nearly all sectors of the US economy.

When households have less disposable income, they spend less. About 70% of the US economy depends on consumer spending.

Less of it means making dire conditions worse. Workers fearful of being laid off are saving more and spending less.

My own observation of retail traffic along Chicago's upscale Magnificent Mile during business hours when walking along the avenue for daily exercise is that way below normal numbers of people are out shopping compared to what I saw before current economic crisis conditions began.

According to the Wall Street Journal, Republicans prioritize "legal protections for businesses and money to reopen schools but no new funding for states and cities sought by Dem(s)."

It's unclear what'll be agreed on before end of July when current federal benefits expire.

Most likely it'll be much less than what unemployed Americans need for food, shelter, clothing, medical care, and other essentials to life.

For them, things are likely to worsen ahead and remain this way.

Under one-party rule with two rights wings, lost wages and benefits are unlikely to be regained any time soon, not even when economic conditions improve — which may not be for years.

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