

# Trump and Musk move towards privatization of Social Security with 7,000 job cuts

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On Friday, the Social Security Administration (SSA) announced the elimination of 7,000 jobs—more than 12 percent of the agency’s staff—as part of the Trump administration’s assault on the federal government workforce.

In a news blog post, the SSA wrote: “The agency plans to reduce the size of its bloated workforce and organizational structure, with a significant focus on functions and employees who do not directly provide mission critical services.”

The SSA announcement also said that “much of the staff reductions needed to reach the target of 50,000 will come from retirement, VSIP [voluntary separation incentive payment] and resignation.”

However, SSA said the cuts will require, “reduction-in-force actions that could include abolishment of organizations and positions.” The announcement said the agency will close six of its 10 regional offices, adding, “SSA has operated with a regional structure consisting of 10 offices, which is no longer sustainable.”

The regional offices provide support to SSA workers on the front lines who directly serve the 72.5 million Americans who are receiving benefits. There will also be an organizational restructuring of the SSA headquarters in Baltimore, Maryland, which the announcement called “outdated and inefficient.” This will include a reduction of the number of Deputy Commissioner-level organizations.

Numerous experts have issued statements saying the job cuts threaten the agency’s fundamental operations and will be catastrophic for the public. Speaking to CNBC, former SSA Commissioner Martin O’Malley said that the actions, which are being implemented by Elon Musk’s Department of Government Efficiency (DOGE), are putting monthly benefit checks at risk.

“Ultimately, you’re going to see the system collapse and an interruption of benefits,” O’Malley said in an article published Saturday. “I believe you will see that within the next 30 to 90 days.” Other reports have shown that the agency is already at a 50-year low in staffing while the number of beneficiaries grows by 10,000 people daily.

Appearing on Friday on the Joe Rogan podcast, Elon Musk repeated the falsehood that a search of the Social Security database showed, “there were 20 million dead people marked

as alive.” He also claimed, “Social Security is the biggest Ponzi scheme of all time.” Coming from someone whose \$400 billion fortune was amassed through cryptocurrency and stock market speculation, this is staggering hypocrisy.

## The history of Social Security

It is also completely false. The SSA was created through the Social Security Act of 1935, signed into law by President Franklin D. Roosevelt as part of his New Deal initiatives. The act introduced a system of retirement benefits for workers aged 65 and older, funded through taxes on their income. Initially, it did not cover all workers, and benefits were modest.

The Social Security system was part of the response by the American capitalist class to the explosion of working class struggles in the 1930s. The eruption of a mass strike wave across the country, including sit-down strikes in auto and other industries in the Midwest, forced the ruling class to implement the New Deal reforms as an alternative to a revolutionary confrontation with the working class.

Over the decades, the Social Security program was expanded significantly. In 1939, benefits were extended to dependents and survivors of workers, making it more of a family-based insurance program. In 1956, the Disability Insurance (DI) program was added, providing benefits to workers unable to continue employment due to disabilities.

Further expansions came with Medicare in 1965, under President Lyndon B. Johnson, providing health insurance for individuals aged 65 and older, and Supplemental Security Income (SSI) in 1972, offering aid to low-income individuals who are elderly, blind, or disabled.

In 1995, during the administration of Democrat Bill Clinton, SSA was made an independent agency and borrowing from the Social Security Trust Fund to offset mounting budget deficits was increased. Calls for the overhauling and privatization of the Social Security system have increased, as the aging population and increasing benefit payouts have been used to raise doubts about its financial stability.

Now, the financial oligarchy is seizing on the Trump administration's claims of eliminating "waste, fraud and abuse" in the federal government to get its hands on the estimated \$2.7 trillion in assets maintained by the Social Security Trust Fund.

### **Democrats posture, while preparing to work with Trump on cuts**

Sensing that Musk's "Ponzi scheme" statement might trigger widespread opposition to the job cuts, leading congressional Democrats held a press conference on Monday afternoon. Senators Charles Schumer (New York), Ron Wyden (Oregon), Patty Murray (Washington) and Amy Klobuchar (Minnesota) gave comments and attempted to conceal the role of Democrats in paving the way for Trump's moves against Social Security.

While the senators said they opposed the job cuts—Wyden even said that DOGE's attack on Social Security was the first step on the path to privatization—they agreed with the premise of the Trump White House that efficiency and cost cutting was important.

When asked by the press if the Democrats would insist on preventing the Social Security cuts as part of a deal to bring a funding bill up for a vote and avoid a government shutdown, Senator Murray said, "We are looking at a number of different things." In other words, the Democrats are fully committed to working with Trump to eliminate every social program and gain by the working class in a century of struggle.

Their sole red line is over the priorities of American imperialism, in particular their opposition to Trump's threats to end US involvement in the proxy war against Russia in Ukraine.

Meanwhile, the only action that the Democrats offered was spelled out by Senator Schumer who said, "We're getting together, House and Senate Democrats we're going to fight it. And guess what, we're gonna prevent the cuts." Schumer, who clearly did not believe a word of what he was saying, continued, "We need every person who is a recipient ... to call their Republican congressmen and senators and give them one sentence. Hands off my Social Security."

The man behind the SSA announcement, the agency's interim director, Leland Dudek, was appointed by Donald Trump following the resignation of Michelle King, who stepped down over a dispute with DOGE officials' demands to have access to sensitive records, according to people who spoke to the media anonymously.

A February 20 report in the *Wall Street Journal* said, "King was informed in an email Sunday morning that Dudek had been elevated to acting commissioner and she decided to retire from the agency after three decades, some of the people said."

Dudek was a largely unknown middle level staffer who was appointed by Trump after he had been placed on administrative leave for becoming a stooge for Musk and DOGE within the agency.

In a since-deleted post on LinkedIn that was obtained by the *Journal*, Dudek wrote, "I confess. I bullied agency executives, shared executive contact information, and circumvented the chain of command to connect DOGE with the people who get stuff done."

Dudek is expected to serve until the Trump nominee for SSA Commissioner, Frank Bisignano, the chief executive of the financial service technology company Fiserv, is confirmed by the Senate. As of now, there is no date for Bisignano's confirmation hearing.

### **Opposition grows among National Park Service workers**

Over the weekend, demonstrations were held at all 433 national parks across the US against the slashing of 2,000 jobs at the US Forest Service and 1,000 jobs at the National Park Service. A protest of hundreds took place at Yosemite National Park in California.

The demonstrators recognize that behind the attacks on the National Park Service is a drive by the financial oligarchy to convert public lands into private property for the purposes of drilling and mining natural resources and for real estate development.

At Yellowstone Park in Montana, protesters created their own banners and placards. One sign said, "More Old Faithful! Less Old Fascists," and another said, "Support Federal Employees, Not Billionaires." A banner in front of a crowd of demonstrators said, "Yellowstone is Not for Sale."



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