Much has been discussed about the effect that the proposed tax-cut compromise between President Obama and Congressional Republicans would have on long-term debt and much has been discussed about how many jobs the proposed agreement would generate and when. Overall, although it would reduce the money withheld from an average American's paycheck in 2011, it ultimately would increase the burden shifted onto that average American's back for funding our government. Probably the greatest damaging effect, though, would result from the 2 percent reduction in payroll tax, an ingredient injected late in the negotiations last week.

The provision puts in jeopardy the long-term survival of Social Security - a centerpiece program that has been popular, efficient, and effective for 75 years. Sixty-four percent of seniors - nearly 22 million Americans - depend on Social Security for most of their livelihood. In 1935 most seniors lived below the poverty line, a fact hard to believe since Social Security has changed that. Also 16 million others - not in their retirement years - surviving spouses and children and people with disabilities depend on Social Security.

Since its inception in 1935, Social Security has provided a guaranteed benefit to hundreds of millions of retired and disabled workers and their families. For seniors, Social Security has provided financial security, independence, and dignity in their retirement years. Millions of Americans have paid into the Social Security system over a lifetime of work. Social Security is a promise between the Federal government and American citizens that has withstood partisan fights on Capitol Hill in recessions and in periods of economic growth. Also, since its inception Social Security has had its enemies who think that individuals, not the federal government, should manage their own funds to provide for their families in their non-wage earning years. The enemies have sought any excuse to undo it - and still do. Franklin Roosevelt, Harry Hopkins, Frances Perkins, and other founders of Social Security succeeded in making the program not just an income redistribution program that puts a financial floor under working people, but also a program of wage insurance accounts for which individual workers feel ownership.

The negotiated tax cut agreement would include a reduction in an employee's contribution to Social Security from 6.2 percent to 4.2 percent of salary. This could have a beneficial stimulative economic effect. However, it also puts Social Security squarely in the middle of the debate over Bush tax rates for higher incomes and middle incomes, business expensing tax deductions, and the Alternative Minimum Tax. The White House says that the long term solvency of Social Security will not be affected because it will replace from the general treasury fund the $112 billion of revenue lost by the 2 percent tax reduction. But that is just the problem. In Social Security's history such a commingling of payroll taxes and money from the Treasury is unprecedented.

Social Security is not just another government program like the Park Service or the National Endowment of the Arts, with money given to it some years and taken from it other years, and it

is not just a mechanism for stimulating the economy some years or balancing the budget other years. If it were, Social Security would not be long for this world.

Here's a way to handle the problem. Keep the mechanism of Social Security intact. Make any changes within the system of Social Security. If the President wants to reduce revenue to Social Security, even a 2 percent reduction for a year or two, then he can make up the lost revenue for those years by raising the cap on wages taxed for Social Security.

Right now, Social Security payroll taxes are capped at the first $107,000 of income, so that a high school principal making just over six figures and a Fortune 500 CEO making more than $1 million pay the same amount of money into Social Security each year: $6,622. By lifting this cap to the appropriate level in concert with this payroll tax holiday, Congress can preserve and protect Social Security.

Social Security should not be used as a rainy-day fund because some in Washington cling to a series of failed polices that will not create jobs. Congress must ensure that Americans' Social Security benefits are protected. It is much too important to lose.