



**SPECIAL REPORT W/BRIT HUME**

## **AFL-CIO Stage Nationwide Protests Against Private Accounts in Social Security**

Fox News Channel: Special Report w/ Brit Hume

31 March 2004

---

HUME: Groups fighting the president's idea for Social Security reform have launched one of their biggest offensive yet in protests across the country today. The AFL-CIO and its allies accused the president of breaking America's backbone. However, they aim some of their harshest attacks not at the president, but at companies that support his proposals.

Fox News chief Washington correspondent, Jim Angle, reports.

(BEGIN VIDEOTAPE)

UNIDENTIFIED MALE: There's a scandal at Charles Schwab!

JIM ANGLE, FOX NEWS WASHINGTON CORRESPONDENT (voice-over): The AFL-CIO stepped up its attacks on financial companies it believes support the idea of personal accounts and Social Security. Protesters surrounded the offices of Charles Schwab and Wachovia in several places around the country, including San Francisco and Washington, D.C.

JOS WILLIAMS WASHINGTON AFL-CIO OFFICIAL: I know the message is a simple one. Keep your hands off Social Security!

(CHEERING)

ANGLE: AFL-CIO President John Sweeney, charged if financial firms support the option because they stand to profit handsomely from them.

JOHN SWEENEY, PRESIDENT, AFL-CIO: They stand to rip off more than \$1 trillion in management fees. That's not just an ordinary conflict of interest. It ranks right up there with the greediest Wall Street scandals of all time.

ANGLE: But several experts dismissed that figure as false, noting those figures are 500 times greater than what Wall Street makes from the Thrift Savings plan that Congress has, which is the closest thing to the president's proposal. In any case, proponents of personal accounts say they have polls showing two of every three union members think personal accounts are a good idea.

JOHN CASTELLANI, PRESIDENT, BUSINESS ROUNDTABLE: I think it's the ultimate hypocrisy that union leaders who invest their pension funds in bonds and stocks won't let their own members, and the American public have the benefit of the same kinds of investments to build a nest egg for retirement security.

ANGLE: And Castellani argues that labor unions are using their pension fund business to pressure financial firms to back away from support for personal accounts.

CASTELLANI: They are asking firms to come out and oppose Social Security reform, including personal savings accounts, with the suggestion if they don't they will take their business elsewhere.

ANGLE: Sweeney denies it.

SWEENEY: I'm not threatening anybody with anything. All I am is speaking out on behalf of working people.

ANGLE (on camera): But there also seems to be a broader aim in this effort. Jerry McEntee, head of the union for government employees recently told a group that if George W. Bush can be defeated on personal accounts, that's the day he becomes a lame duck president. Hard to tell whether personal accounts or the president is the bigger target.

In Washington, Jim Angle, Fox News.