

basis to determine whether America is moving ahead, because it alone does not determine that. We must, and I think can, do much better.

Mr. President, I notice the Senator from Wyoming is waiting for the floor.

I will yield the floor.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I yield to myself such time as required, under the previous order of morning business.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

AARP AND SOCIAL SECURITY

Mr. SIMPSON. Mr. President, I came to the floor this morning to speak lightly about the AARP, which I will do in a moment. But, as my colleague from North Dakota is here, and I have listened to his comments today, or a portion of them, and also over the past weeks listened to a series of these presentations about the rich versus the poor, and various allusions about what sounds to me almost like class distinction, class warfare, and also discussions of things like Social Security.

My friend, the senior Senator from North Dakota asks: Why does someone not come to the floor and speak on the issue of trade? He relates that not four people will come to the floor to do that. I can tell you, not four people will come to the floor and tell the people honestly what is happening to Social Security either. It is going broke. And people here on this floor who speak a great deal will let it go broke. There is not any question about what will happen to it.

And there is not a single argument rendered in this debate on reconciliation, where we are talking about Republicans taking from Social Security, where the Democrats did not do exactly the same all these decades. There has not been a single budget in my presence here that did not do what was just done here with Social Security. It was done under Carter, it was done under Reagan, it was done under Bush, and it is being done under Clinton. The Senator from North Dakota knows that. I am on the Finance Committee. There is not a single one of us who does not know that the same "masking process," the same chicanery, the same smoke and mirrors has been pulled off by the Democrats and the Republicans in my entire 17 years here. There is not any question about that.

The Senator's colleague from North Dakota is on the Finance Committee, and he would also share that information with the senior Senator from North Dakota. Without any question, if anyone believes that the Republicans are doing something different with Social Security than what the Democrats have done, the same way, the same years—or the Republicans—please be disabused.

I think we should at least remember one—everyone is entitled to their own opinion, but no one is entitled to their

own facts. If Social Security is going to be used in this way, as some horrifying example of being ripped to shreds, then go read the Trustees' Report of Social Security, which was not prepared by the hobgoblins of the right or Ronald Reagan or George Bush. It was prepared by three of the President's Cabinet: Robert Rubin, Robert Reich, Donna Shalala, with the Commissioner Shirley Chater adding her dimension, and one Republican and one Democrat appointed from the general public.

What do they tell us? They tell us that the solvency of Social Security is "unsustainable." We can get another word, we can use "broke." It is unsustainable in 75 years, unsustainable in every way. We know it, the Senator from North Dakota knows it, but more importantly the trustees know it. If anyone wishes to have a copy of that document, I will be very pleased to share it, because it shows that in the year 2013 we will have to be trading in the old IOU's and getting the bonds cashed, which is then a double hit on Social Security.

Meanwhile—and I will get to my full theme a bit later—the AARP, this remarkable group of people, the American Association of Retired People, this extraordinary group of 33 million people bound together by a common love of airline discounts and automobile discounts and pharmacy discounts and every other discount known to man or woman, is a group of organized people who have already settled with the IRS on a claim of back taxes for \$135 million.

They asked their executive director, "How did you pay that?" and he said, "We just wrote a check." They have \$314 million in the bank, in T-bills. They lease a little hut down here in downtown for \$17 million a year; a 20-year lease at \$17 million a year. That is your AARP, speaking for "the little guy."

Where we are is—if anyone cannot understand it yet, is who we are going to hear continually about the little guy, the poor, the downtrodden, the oppressed, the abused in society—and does anyone in America know how Social Security will be restored to solvency? There are only two ways. You reduce the benefits or you increase the payroll tax. And what do you think the senior groups are continually requesting? I can tell you, it is not reducing the benefits; it is increasing the payroll tax.

And who pays the payroll tax? You got it, the little guy pays the payroll tax. The little guy in America is the "stick-ee" of this remarkable process regarding Social Security.

If you will remember, our fine colleague from New York, Senator PAT MOYNIHAN, and a "Blue Ribbon Commission," in the early 1980's, got together and honestly put this program "on the table" and got off the table all the tired babble about Social Security, about the poor and the wretched, the disabled and the infirm and so on—got

that off the table and said, "This program is going broke, absolutely broke." Senator MOYNIHAN and a remarkable group of Democrats and Republicans then came together. That is impossible in this atmosphere. The water in the well is so poisoned now on this issue, we could never address it again. You are not supposed to even touch it. My mail will fill the room and the phone system will bust down later in the day as I choose to address this remarkable issue of Social Security.

So you have the situation where it was going broke and the Commission made some sensible recommendations. The recommendations were made in a very conscientious, bipartisan manner, to reflect that, if these things were carried out—and remember what one of them was; it was increasing of the payroll tax; but we were ready for that then—that the Social Security system would be saved until the year 2069. I hope you will hear that, 2069.

That gave everyone a remarkable sense of a job well done. Except, since the early 1980's, through, now, the projections of the Social Security Administration and the trustees themselves keep moving up the doomsday date.

And guess what the date of insolvency is now for Social Security? It is not the year 2069 or 2063 or 2050 or 2040. It is 2029. So since the early 1980's, Social Security is still long-term unsustainable, and the doomsday date—in just 13 years—has been moved from 2069 to 2029—moved up 40 years. Next year it is very likely the trustees may present to us their report saying that it will not be sustained past the year 2025. What a tragedy. And here we sit—all of us just sitting. We know it. We all know it.

I am going to accept the word of those three fine Democratic Cabinet members, who I respect and know—each of them individually. They are able Americans. I like them personally. We have our differences politically. But these fine people are telling us that in the year 2012—stretch it to 2013, if you want to—that the IOU's will be cashed in. Bonds will be then sold, and the American people will take a hit that will take the Social Security system from the year 2013 completely to bankruptcy in the year 2029. Everybody knows it. There is not a soul that can come into this debate and tell me that is not true. They will not come to this Chamber and tell me that is not true. We all know it.

So we continue our process of these short-term fixes. Senator BOB KERREY and I, in a bipartisan effort, have presented seven bills to restore solvency to the Social Security system. If you really want to get aboard, we are looking for cosponsors. But it is a little difficult to pick up cosponsors when you mention the secret sinister dual phrase "Social Security" and necessity to restore its "solvency" because people do not believe it. But BOB KERREY and I believe it.

So, if we are going to be doing some positive things, why, take a look at the good thoughtful bipartisan approach of Senator BOB KERREY and myself and what we are doing to save the Social Security system—without any gimmickry whatsoever. We are going to phase up the retirement age. We are going to let people put in 2 percent of their payroll tax into a personal investment plan where they can call the shots on that themselves, 4½ percent would then still go to the Social Security system, which will reduce the size of the benefit and will also help to salvage the system.

If the American people understand nothing else—and the fortunate part of all this is that we have a year to tell them what really happened in reconciliation—if we had but just a few months or weeks, we would never be able to get it through the clatter, the flak, and the tinfoil that is being shot out over America to, I guess, divert truth. But we will have that opportunity for an entire year to tell the American people exactly what we are doing—such things as “doing something” with Medicare, which is going to go broke in the year 2002. You have heard that. You are thinking, there he goes again, and they are all nuts. They are just telling us that.

We all know what we did in the reconciliation by allowing Medicare to go up 6.4 percent per year, and so I want everyone to be absolutely cheered to know that Medicare will now not go broke in the year 2002. No, it will go broke in the year 2009. Everybody knows that. I know it. Those on the other side of the aisle know it. The President knows it.

Think of this. This is what is happening. These numbers are correct. No one can come and challenge these figures. Somebody will come in and say, “He is terribly wrong. It will not go broke until the year 2012.” That ought to cheer us all, too. It will not go broke in 2002. It will not go broke in 2009. It will go broke in 2012. That is pretty short rations in any form.

If we are continually trying to frighten “the little guy,” then there is a good way to really frighten the little guy. Tell him or that Medicare will not just be there going up 6.4 percent each and every year; it will be broke, flat busted, out of money. Tell them that. That will get a reaction out of them—probably a little more startling than being told it had been cut. “Cut schmut!” How can you say “cut” when you go up 6.4 percent? That is exactly what we are doing. So if you like to frighten the little guy, let us do it right.

Let us just get down to the political reality because we live in that arena. Let us say that we fail to tell our story in a year. There is not a question in my mind but that we will, and the American people know that finally a responsible political party decided to do something responsible.

Let us say we fail, and they take up a pitchfork on November 6, 1996, and

just pitch us all out in the snow, which they have a way of doing in this country—recalling that “Get out before they throw you out” is a great phrase in our line of work.

Let us say they do that. And I guess the campaign then to that date to have done that would be a simple one. It will be that “We saw what those rascals, the ragamuffin Republicans, did to you, and we are going to get it all back for you. We are not going to let Medicare go up only 6.4 percent, which is the horrible thing they did to you. No, we are going to let it go up 10 percent and 12 percent a year just like it did before. We are not going to let them get away with letting Medicaid go up only 4.8 percent. We are going to let it go up 9 just like it did before. We are not going to let them talk about phasing up the retirement age of Medicare so that it matches that same increment of Social Security, which we have already done.”

If that all happens then any figures that I have given you from the trustees or other sources—just accelerate them up 100 percent, and all of the systems will go broke even faster. Each and every one of them will go broke faster.

Ladies and gentlemen, if we can also get away from the travesty of pretending that there really is a Social Security trust fund and that somehow we politicians on both sides of the aisle dabble in it and mix around in it with our hands as if it were something from the cauldron in the first act of Macbeth, as we draw it out of there and wildly spend it. Remember there is no Social Security trust fund. And we have never “dipped into it.” I take it back. One time we did. But that lasted only about 2 days. We spanked our own hands so vigorously the redness is still there. We never did that again, and cannot, and will not by law.

So, these funds are all in IOU’s because the law on Social Security says whenever there are surpluses in Social Security—and there are huge surpluses right now, and they will become ever more magnificent. They could reach \$2 trillion before 2012 when the big decline, the final fall off, the ultimate drawdown, begins to take place.

So here we are knowing these things—all of us. All of us know it, and we all know, too, that the surplus cannot be used except to be placed in securities of the United States of America, secured by the full faith and credit of the United States. So every single penny of reserves of Social Security is, by law, used to purchase T-bills, savings bonds, whatever, backed by the full faith and credit of the United States and purchased by your bank, and purchased by individuals and other nations’ too. The interest on those securities is not paid from any Social Security trust fund or funds. It is paid from the general Treasury of the United States of America. No one can come to the floor and say that is not the case.

So, when the time comes—and it is coming soon—for when I was a fresh-

man at the University of Wyoming, there were 16 people paying into the Social Security system and one person taking benefits out. Today, there are three people paying into the Social Security system and one person taking out, and in 20 years there will be two people paying into the Social Security system and one taking out. How long do you think that the younger generation then is going to sit and put up \$10,500 each, two people, to sustain a person at \$21,000 a year or \$20,000 or similar amount on Social Security?

The saddest part of the debate in the last 3 years was that this President, President Clinton, put in his first budget—and I commend him sincerely and heartily for it—an entire section called “intergenerational accounting.” It was powerful stuff. It was real. It was true. It talked about what is going to happen—the program is unsustainable, what will occur to the young people, and how it has to be adjusted. Yet this time in his budget presentation there was not one single word about “intergenerational accounting,” not a word.

I find through my less-than-positive sources, since I labor in minority status there on Pennsylvania Avenue, that the good, thoughtful people on the President’s cabinet and staff wanted to include that statement again, Secretary Reich, Dr. Alice Rivlin, several there—but that the “political types” in the White House said: Do not touch that one again. You touched it the first time and it was so true it even leaked down and people could understand what was going to happen to those systems. But do not touch it this time.

So we did not touch it. He did not touch it. And then he appointed this fine commission to look into these entitlements, with BOB KERREY and JACK DANFORTH as chair and co-chair. They did a beautiful job. Read their report. I commend that to anyone. Then soon after that appointment we did another little statute that said we owe it to ourselves to examine into these various programs, and somehow we left off the word and the entire program of “Medicare.” We will not address the word “Medicare.” The word “Medicare” is left out, and that is the one that is really eating our lunch. That is the one that is going to go broke, and that is the one we all know will go broke.

Now, if we can wade through this type of garbled activity in these next days and weeks, we may be able to get there. If we can wade through it in the next year, we may be able to get there.

And who did this? Who visited this sinful pile of debt upon us? Well, let me tell you. I hope the American people understand who did this. We did this. This was not done by Ronald Reagan or Jimmy Carter or George Bush or President Clinton. We in the Congress did this. The Presidents of the United

States get not a single vote on this. They can veto it, yes. But no votes. I have watched this game for 17 years. Wire up a budget, ship it to the President, see if it will blow up under their chair. It is a great trick. Democrats are highly skilled at it. Republicans, it will take us a little longer to learn. Put it together, roll it back and forth up and down Pennsylvania Avenue, and see if it will detonate under whose chair. And that will not solve much for the people of America.

But we did this. There is not a one of us in this Chamber, including your loyal scrivener and correspondent of the moment, who did not "hire on" in some way to bring home the bacon. Bring home the bacon: Go get the HUD program; go get this center; this building; go get the farm money; go get this; go get the dam; go get that; all accompanied with a press release.

Who do you think did it? Nobody but us. I do not have the courage I used to, to do the press release anymore saying, "Senator SIMPSON announced today more bucks for his State." It is a good way to get reelected forever, I guess. People I know who have been here have done just that. Bring home the bacon.

I would love to share with you the outlay of Federal expenditures per capita to the various States of the Union, and then you might know who represents those people in this Chamber of the Senate. You would be very intrigued to see who brings home the most bacon, who burdens the taxpayers—burdens the taxpayers most.

Mr. President, \$3.6 billion goes to one State with only 0.2 percent of the population of the United States. How about that, \$3.6 billion in Federal outlays to a State with a population of 638,800. That is a per capita spending of almost \$6,000 of taxpayers' money per person. It is No. 6 in the country per capita.

Those things need to be known, and they are not known. It is time they were known if we have to get into this kind of a continual ritual that somehow this is abject trickery or somehow it is "the rich versus the poor."

Ladies and gentlemen, I know this is shocking, but I have a theory about what we might do with the rich. Oh yes. Instead of taxing them more, we might well confiscate everything they have. Just take it all. Take every stock certificate, every yacht, every ranch, every villa or home, every trust, and just snatch it, take it. Go down through the Forbe's 400 and the Fortune 500—I am talking about individual wealth now—and just snake it off the table, every penny. And guess what? It will run the country for about 7 months. Got it. It is a figure of about \$800 billion. Yes I am talking about the Wal-Mart money; I am talking about every family in America that we look upon as "the rich." Take it all and it will run the country for 7 months because, ladies and gentlemen, the budget of the United States this year is \$1.506 trillion. Got it? One year.

Does anyone believe that we are not "doing something" for Americans? Can anyone believe in their heart and mind and soul that we are doing nothing for our country and its men and women and children when we are spending \$1.506 trillion this year—1 year—1 year to run the United States of America?

I know it is painful to go through these figures again, but it is very true that 1 percent of these "rich" pay 27.4 percent of all taxes in the United States of America. Oh I know I should not even have said it. And the top 5 percent pay 45.9 percent of all taxes in America, and the top 10 percent pay 57.5 percent of all taxes into the Federal Treasury of America. The bottom 50 percent pay only 1.5 percent, ladies and gentlemen. Those are figures from the Census Bureau, figures from the IRS, figures from the GAO report, and that is that.

So when you give tax relief, which the President desperately wants to do too—the President of the United States has decided that he wants to give people a tax cut. We in the Republican faith have decided that we want to give people a tax cut. The President of the United States has said that he would like to see Medicare go up only 7.1 percent. We are saying that we would like to see it go up only 6.4 percent. So we are not that far away.

Obviously, the President and this Republican majority are right on track with Medicare, but you would never know that. Oh, no, a serious "cut" is taking place. What is it then that the President is doing? Is that not a cut? You either cut or you cut or you slow an increase or you slow an increase. A rose is a rose is a rose. So if the 6.4 percent increase of the Republicans is a cut, then the 7.1 percent increase of the President is a cut, and we and the public should both use the same vocabulary on that. We will get there somehow. If we dull the rhetoric and the warfare, we will get there.

So I just think it is always appropriate to talk about Social Security. And when people come to the floor and say let us leave it off, we ought to leave off the table Social Security, well yes we all did that. It was a magnificent flight from reality. How do you leave out of the equation something that is worth \$360 billion? Social Security, ladies and gentlemen, is \$360 billion a year.

As we scratch around for money on this floor, where we are looking for something for my State or something for the State of the Senator from North Dakota, looking for only \$100,000 or \$2 million or \$3 million, I can tell you where we could have found a ton of it. You just saw a cost-of-living allowance go out to Social Security recipients regardless of their net worth or their income. It was \$8.7 billion.

Mr. President, \$8.7 billion went out to all of the recipients of Social Security on a 2.6 percent COLA, judged by the CPI, Consumer Price Index, and all of it with no means testing, no afflu-

ence testing, nothing, some of it going to people who have gotten all of their Social Security taxes back in the first 5 years. You know that, I know that. To some people the difference is not the cost of living but the cost of living it up. And we make no means test. No affluence test of any kind.

You have the issue of part B premiums. If we are really talking about the little guy now, I want to hear much more about the little guy when we talk about part B premiums because, ladies and gentlemen, part B premiums are totally voluntary. Part B is totally voluntary. It was never part of any contract with anyone, certainly not with the seniors, because you step up, and they say, "Do you want part B? If you do, you are going to pay \$46.10 a month." And \$46.10 a month is 30 percent of the premium.

So, ladies and gentlemen, if you really want to talk about the little guy, then remember that the wealthiest people in America who have voluntarily chosen part B coverage are paying 30 percent of the premium, and the people that maintain this building at night when we shut down the action in this "cave of the winds," the people who are working hard here, are paying 70 percent of the premium for the wealthiest people in America. Got that? Not one person can refute that. I want to hear from anyone on that one, if we have any rebuttal at all on that one. There will be none. So, 70 percent of all the premiums on part B, which is voluntary and which is an income transfer program, are paid by the general taxpayers of the United States.

Let me conclude. I have here in my hand the most fascinating and intriguing mailing sent out to me by "the mother of all mailers" in the United States. This is the AARP I speak of again. The mother of all nonprofit mailers. And 1.5 percent of all mail in the United States under their particular permit class is by the AARP, ladies and gentlemen. And a larger percent of the mail men and mail women all over America get hernias carrying their good works and telling of the unselfish efforts of the AARP—applications for credit cards, insurance, investment advice, and even tax counseling, which is a dazzling array of services. I think they do need tax counseling because, you see, they settled with the IRS for \$136 million that they had not paid in taxes because of unrelated business income. But remember, they just wrote a check. That is your poor, beleaguered AARP.

But, anyway, they sent this. It came to the mother of one of our colleagues. Of course, the AARP is, as I say, the mother of all nonprofit mailers. You might remember them. We sent that group \$86 million in Federal—that is, taxpayers'—money last year.

This is also the noble group that rakes in more than \$110 million—million—annually in insurance premiums and does not pay any taxes on that.

Prudential, New York Life, RV Insurance, no; remember they get 3 percent of every premium paid—from Prudential Life Insurance Co. And this is also the group that has over \$300 million in T-bills just “sitting around,” lying around.

But one clear use they have found for all their vast money is to use it in what I call “astroturf” lobbying, which is different from “grassroots” lobbying. Surely you know that. You know what astroturf is. It is fake grass, phony, a synthetic facsimile. And “fakery” is a pretty darn appropriate word to describe the tactics that they employ in this piece of correspondence.

I honestly, for the life of me, cannot figure out how an organization of this size, power and clout cannot afford to hire some poor soul to get their facts straight. Maybe they do not care to. Perhaps deception is the intention. For starters, they say that the Senate “will vote on a proposal to cut Medicare spending by \$276 billion over the next 7 years.”

There is that word “cut” again. We will want to see it again when they describe the President’s proposal on Medicare, which is a 7.1 percent increase in Medicare. We will see if they use that word “cut” again. They used it again when they say “this level of ‘cuts’ is unprecedented,” even though they all know full well that under this plan Medicare will go up 6.4 percent per year, faster than any other major spending category in the budget. And, ladies and gentlemen, does anyone in this Chamber or in this country believe that if we are able to do this—and we will—that 7 years from now we will say a 6.4-percent increase was not enough, so we should raise it, or say 6.4 percent was too much, and we will now let it go up by only 2 percent a year?

By then nobody is going to let it go up only 2 percent a year. No, we will always, from now to eternity, let it go up 6.4 percent or more per year because that is the figure we picked. And then tack 20 or 30 years onto that percentage increase and you will really see an unsustainable program, totally, totally, hideously unsustainable.

Here is another one for you from this AARP mailing. It is a real chuckler. A headline that says, “No Medicare Coverage Until 67.” They usually have a block wreath around that or extra emphasis on the ink in the title. “No Medicare Coverage Until Age 67.” Is that not funny? Because I thought the current AARP members were sucked into this gargantuan operation when they were 50 years old—and they are. You can be a member of the AARP at the age of 50 by paying your \$8 or picking up a copy of their magazine, usually a 4- or 5-year-old magazine, perhaps at the dentist’s office. They include that as a membership. If there are magazines laying in these places, that is a “member,” I think, to them. So you can be 50 years old and be a member—whether retired or not.

The plan before the Senate last week would have gradually increased the eligibility age to 67 over a span of 24 years, and never faster than 2 months per year and, thus, not fully phased in until the year 2027. Guess why we did that? Yet it was taken out. I hope the people of America will realize what will happen by taking it out. We did it that way to match what we have already done with the Social Security Program, which is already on the track for this kind of a phaseup. Hear that.

So in this deception how old will the youngest current AARP member be then in the year 2027? Well, they would be 82 years old. They will have been collecting Medicare for more than a decade by the time this proposed eligibility age increase was fully “phased in.”

In other words, not a single person who is an intended recipient of this mailing would be affected by the full impact of that, not a single person. In fact, no current AARP member would see their eligibility age postponed by more than 1 year—more than 1 year—no current member of the AARP.

Now, that is a real slick organization. They also say that “only \$110 billion” in cuts are actually necessary to restore solvency to Medicare. And for how long, I might ask? And they then say to the next decade. “Through the next decade,” they retort. Great. So up through the year 2005 then, only 3 years later than the current crash date. What chicanery. What bald-faced balderdash.

Actuarial solvency is measured by the trustees over a 75-year period, and it is unsustainable. They know it and you know it and I know it. But the good old AARP is content to let the system go belly up in 10 years. It strikes me as quaintly odd that the AARP can get so agitated over eligibility ages that will not even be fully effective for three decades and do not care a wit about Medicare solvency beyond the year 2005. What a group.

Here is another intriguing one for you. They express outrage that under our plan “beneficiaries with incomes above \$50,000 would pay a much higher monthly premium. How long,” they ask, “will it be before Congress lowers this to \$40,000 or even \$30,000,” implying, of course, that any attempt—any attempt at all—at means testing or affluence testing of anything is dangerous and dastardly oppressing.

Oh, I wish I could tell you how many times AARP representatives have come through my door, along with “Edna the Enforcer.” You have seen that wonderful cartoon by Jim Borgman of the Cincinnati Enquirer; “Edna the Enforcer” making her rounds for the AARP in the dark of night. She is a husky one. She comes in, and they have a caricature of me in the most emaciated form, actually—most shocking! I am saying, “Don’t pull the phone tree, Edna, not the phone tree!” and then she gives you “the word.” Well, those are clever, and

Jim Borgmann is one of the best. I met him many years ago. Go look at it. Its a kick. See it.

So they have come to my door, the AARP, and visited with me and my staff, and they say this. Here is what they say: “Oh, Senator, you are not correct, but we do support some kind of means testing or affluence testing. We would like to call it ‘income relating’ but not affluence testing. But we agree, it’s the way to go. Of course, we can’t come out too far in front of it, but we understand you’re on the right track.”

That is the word you get in your office. That’s what they tell me. What their members are hearing is something quite, quite different.

Then “income relating” is the word they have now used, as they call it, and it is portrayed as a sinister precedent—a harbinger of evil things yet to come. What a courageous outfit.

Then, of course, another letter has gone out from them about the CPI. They are saying, “Oh, for Heaven’s sake, don’t mess with the CPI.” I am on the Finance Committee. Not a single person from Alan Greenspan to all the experts we saw said anything but that the CPI, the Consumer Price Index, was “overstated.”

And get the rest of this latest letter to all of us. This is supposed to make you cringe and certainly your staff is supposed to cringe when you get this in your mailbox from the AARP dated October 23:

If Congress adjusts the CPI in the absence of the Bureau of Labor Statistics findings, AARP would regard such action as “a thinly disguised effort to cut COLA’s and raise taxes.”

I also know what that is. That is a thinly disguised threat.

Then they go on to say, which they all do, and you know what they say, that the people who will be hurt the most will be “the near poor, mostly single women permanently pushed into poverty,” in addition, and so on and so on, not thinking that if they go broke, the poor in poverty will really be pushed into something grotesque.

So this is the kind of rubbish that I see spewed out from the AARP through Horace Deets, John Rother—and they are genial people—except when they are not, and also their full chorus and company of apologists, paid actuaries accountants, lawyers, trustees, and trustors. Their budget for staff is \$60 million a year. Try digging down through various entities and the foundations of the AARP. It is like digging through the Pyramids of Egypt. They have the Andrus Foundation, this foundation, that foundation, and nobody knows the bucks that they have in each of the stack.

They have never come up with anything new, and everything they do can be refuted. Just as when they said to the IRS, “We do not owe you any taxes, don’t you understand,” and then they paid 136 million bucks to “settle up” and wrote a check. When they said to

the Postal Service, "But we're permitted to mail our insurance solicitations at nonprofit rates," and the Post Office said, "No, you're not," and they had to cough up \$2.4 million to get off the hook there, and that will be the eternal struggle for them and should be.

Remember, this is the group of worthies who clog your mailbox with 1.5 percent of all the nonprofit mailings in their class in the United States and this is evidence of the level of trust and reliability that they have in this country.

If everyone in Congress really likes to thump their chest and say that they always stand up to the special interests, well, the AARP is the biggest, toughest, canniest, most powerful slugger, the most ruthless and, I think, the most deceitful of them all.

So I trust my colleagues will show their true mettle and legendary courage in "standing tall" as we all deal with this remarkable 1,800-pound gorilla in the days and months to come.

I thank the Chair.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from North Dakota.

Mr. DORGAN. Mr. President, it is my understanding that we have 8 minutes remaining on our time.

The PRESIDING OFFICER. The Senator is correct.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized, and they still have 8 minutes.

Mr. THOMAS. The time was to be from 10:30 to noon for the majority leader.

The PRESIDING OFFICER. There are 8 minutes remaining on the Democratic time of the designee for the Democratic leader, and he asks for recognition.

THE ECONOMY AND SOCIAL SECURITY

Mr. DORGAN. Mr. President, the Senator from Wyoming is now and always has been one of the most colorful presenters on the floor of the Senate. He has also been an excellent Senator. I occasionally find much to agree with him about. This morning, I found several areas in which we disagree. I always find it interesting that it upsets some when you come to the floor of the Senate and talk about the economic system in this country and who is doing well and who is not, because the implication of that, they say, is, if you point out who is doing well, it is class warfare.

I pointed out on the floor of the Senate this morning that the average worker in this country, if you had a line of all Americans from the richest to the poorest folks, the average person makes about \$26,000 a year and in 15 years has lost \$100 a month of income. That is what I pointed out. That is the truth.

I also pointed out that those in the top 1 percent in America are doing very well. I do not regret that. Good for them. The incomes of the top 1 percent have increased in a 16-year period by 79 percent to an average of \$576,000 a year. I wish everyone could experience that. That is my point. I wish the fruits of this economy could be available to everyone.

It is not class warfare to point out who is benefiting and who is not. Our job is to try to figure out how we help those who are not.

The fact is, productivity in this country is going up, so the average workers out there are doing their part. Corporate profits are going up. The stock market is going up. But guess what? Wages are going down in real terms, and we better start caring about that as a country. We better start doing something about it.

When someone raises the question, we better stop saying class warfare. It is not constructive. Let us talk about this economy, who wins and who loses, who is rewarded and who is not and how do we lift the middle-income families in this country and give them opportunity, provide jobs with good wages.

What the middle-income people see is lower paychecks, lower wages, and their jobs being shipped overseas, all by the same people who in this upper 1 percent, by the way, are getting million-dollar increases a year in salary because they are downsizing and shipping their jobs out of this country. Can I provide the facts for that? You bet I can. I can tell you who is doing it, when and why and how much they are being rewarded for moving jobs overseas.

Well, enough about that. But I hope we can have a discussion one day on the floor of the Senate about this economic system and trade policy and what we ought to do to address these issues.

The Senator from Wyoming began by talking about Social Security and used the word "bankrupt" generously. The Social Security System is not going bankrupt. It does no service to the American people to try to scare people about the Social Security System and so-called bankruptcy.

In the year 2029, the Social Security system will be out of money. The Senator is correct about that. Between now and then, we will have yearly surpluses, until about the year 2013. So about 34 years from now, unless we make some adjustments, we will have a problem. We will make adjustments. We have in the past and will in the future. The fact is that our responsibility is to make adjustments.

The Senator from Wyoming said the Republicans are doing what has always been done—that is, using the Social Security surpluses as part of the revenue of the operating budget. The best I can say is that the Senator says this is business as usual. I guess it is. I thought this was about reform and change. The Senator says this is busi-

ness as usual. It has always been done, so we are going to keep doing it.

In 1983, I say to the Senator from Wyoming, I was on the Ways and Means Committee. I voted on and worked on that Social Security reform package. If the Senator will go back to the markup form, I offered an amendment that day. It was on the same thing I speak about today—that is, you should not collect payroll taxes, which are, by nature, regressive, promise people it is going to go into a trust fund and then pull it over into the operating budget and use it. That is dishonest, and I said that 12 years ago; dishonest, I say again on the floor of the Senate today. Am I a Johnny-come-lately on this issue? You better believe I am not. I have talked about this for 12 years.

This is dishonest budgeting. It was by Democrats, and it is by Republicans. It is dishonest and it ought to stop. The Senator said we have always done these things. But nobody ever did what was done last Friday. I hope, and will wait today for somebody to put in the RECORD what was done late Friday night, taking \$12 billion out of the Social Security accounts in the reconciliation bill in order to fund other parts of the bill. It has never been done. It is a violation of the law, and the only reason it was done was because of the language we used, "notwithstanding any other provision of law."

I challenge anybody on the floor of the Senate today to come demonstrate that this has been done before. It has never been done before. It should not have been done on Friday, and it represents phony budgeting. Everybody in this Chamber knows it. So when people say, we are just doing what has always been done—not true. Not true.

There is plenty to talk about on Medicare and Social Security. I happen to think both of these programs have advanced this country's interests. Both programs need adjustments. There is no question about that. I am willing to work with the Senator from Wyoming, and others, in sensible ways to think through in the long-term what we do about these issues. But I do not think it is wrong or unreasonable for us to ask questions about the priorities of cutting \$270 billion from what is needed in Medicare in the next 7 years and then deciding to cut taxes, especially after we say to you, well, at least limit the tax cut to those below a quarter-million dollars a year and back off on the adjustments you intend to make for some of the poorest of the poor, who rely on Medicaid and Medicare. If we are told we cannot do that because that is not our priority, then we understand we have very different priorities.

I am not alleging that you all do not care about Social Security or Medicare. I think there are some who do not. I think there are some who never believed in it, who never wanted it and, even today, if given a chance, would vote, probably in secret, to get rid of both. The fact is, I happen to think