

Lying may be coded into Republicans' DNA

Written by Fred Easter
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Nobody asked me, *but*, it occurs to me that lying may be coded into Republicans' DNA.

How did Social Security get into the discussion of deficit reduction? Today, Republicans would have you believe that "entitlements" such as Social Security and Medicare must be cut in order to help us pay our way out of this deficit.

MSNBC's Rachel Maddow showed me a tape the other day where Republican godfather, Ronald Reagan was explaining how Social Security was a closed system. It is separate from the General Fund.

The point of a closed system is that the monies within it cannot, by the laws that created it, leak out into the General Fund. If people pass away before they begin receiving Social Security benefits, or pass away before they have received all they contributed over their lifetimes, those savings remain in the fund as potential benefits to recipients still living. According to current estimates, the Social Security Fund will last another 21 years if payroll tax additions and benefit payout levels continue as projected. Republicans say, "We have to cut benefits or the system will go bankrupt."

I say, not so fast.

Today, employees pay into Social Security from the first \$106,800 of their annual wages. For most of us, that means a little bite gets taken out of every paycheck. However, if you make \$213,600 per year, those little bites stop after June, every year. If you make \$1,281,600 per year, you stop feeling the nibble after January. So, what would be the effect on Medicare's future of everyone paying payroll taxes all year, like those of us who make \$106,800 a year or less? Interesting question, isn't it?

By law, the government is prohibited from investing those monies it takes from your paycheck. There is currently \$2.7 trillion in the fund. If someone was investing those funds, they could manipulate the world's stock markets. There is a clue here into why Romney spoke, so often, of "privatizing" Social Security.

So that we understand these terms, 1 million equals 10 hundred thousand. One billion equals 1 thousand million. One trillion equals 1 thousand billion. Pretty soon, we're going to be talking about real money here.

Consider this. If, since 1990, the minimum wage had increased by the same percentage as CEO's compensation has increased, today, the minimum wage would be \$23 an hour. I remember 1990. People weren't saying, "we've got to do something about CEO salaries." So called "chief executive officers" of corporations are having to take second jobs just to make ends meet.

So CEOs depress our wages, inflate theirs and call what we have left at the end of our working lives by a dirty word – "entitlements." *We*, who have cleaned their hotel rooms, parked and washed their cars, prepared their meals and fought their wars deserve better than "entitlements." We deserve a living wage. A wage commensurate with the place in the world the

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labor and bravery of young Americans has earned for this country. If ever that fund were to go bankrupt, the government should consider it "too big to fail" and bail it out. But, of course that wouldn't be necessary if all Americans suffered that little bite out of all of their earnings.

Now, let's look at Medicare.

I recently heard that the average American family pays \$119,000 into Medicare and receives \$357,000 in benefits over their lives. I also recently heard that some hospitals and HMOs have quotas for what percentage of emergency room patients (with Medicare coverage) should get admitted to the hospital, how long they should stay and what tests should be run on them. I get a call a month from companies I have no relationship with, offering me upgrades and replacements on equipment and supplies with which I manage my diabetes and sleep apnea. Always, these calls contain the phrase, "this may be at no cost to you." I'm guessing that they'll bill Medicare on my behalf.

During the campaign, President Obama said he could cut \$716 billion out of Medicare by cleaning up inefficiencies and overpayments to insurers and providers. I believe fat in the system is there and the president ought to have a chance to sic his dogs on it before we go to cutting benefits. We had the good sense to re-elect him. Let's give the brother room to operate. Let's take "entitlements" off the table.