

continuance of government, despite all possible calamities. We owe it to the American people to ensure that our Government remains strong and stable even in the face of disaster.

What the evildoers who committed this terrible act on 9/11 will never understand is that America cannot be destroyed by weapons, by armies, or by terrorist attacks. No matter how many weapons they try to make, no matter what secret schemes they concoct, no matter what buildings they destroy, as long as the dream of freedom lives within our hearts, America endures, a beacon of light shining for all the world to see.

The passengers on flight 93 were everyday Americans, men and women with jobs, with families, and dreams. Like all of us, they made promises to their loved ones before they boarded that plane: promises of vacations and baseball games, of presents and anniversaries.

Some promises are not cheap, others cost nothing, others require that we risk all, even our very lives. The crash site left behind by the heroes of flight 93, nestled in the hills of Pennsylvania, is filled with memories of the promises they made and will never keep. That hallowed ground marks their last promise: a promise carried on to the Nation, their children, their loved ones left behind—a promise that says freedom will not end here in the violent acts of evil men. It persists, it endures, and it will not be destroyed.

Our Government must not fail the children of flight 93. This body must not fail them. We must prepare for all contingencies, fulfilling our oaths of office, to ensure that the promise of our free Government—a government of laws, not men—shall not perish from this Earth.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I ask unanimous consent that I be allowed to speak for up to 15 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX CUTS AND MEDICARE

Mr. HARKIN. Madam President, last Thursday the New York Times of May 29 had a front-page picture, a big, color picture on the front page, of the President signing the tax cut bill in the East Room of the White House. As I looked at this picture, I thought: This really is appropriate. Pictures say a thousand words. Here is a picture of the President signing the tax bill, and he is in the East Room, with all the big crystal chandeliers, all the trappings of power, and an audience.

I was looking at this audience. I thought: Who are these people? I am looking at them all. Do you know what? This looks like the rich and the powerful of America sitting there with all these chandeliers and getting all

these big tax cuts. There is not one person of color sitting in that audience, not one. Now, there may be. I cannot see back behind where the picture was taken. Maybe there was one. Maybe one of the ushers back there was an African American. But it just kind of leaps out at you that these are the people who really benefit from that tax cut.

Why didn't the President take that tax cut signing down to middle America someplace? Why didn't he take it down to a small community of middle-income taxpayers? Why didn't he take it to a low-income area, say—well, I don't care, pick a city: Newark, Philadelphia, Pittsburgh, Des Moines, IA, Houston, TX; maybe Detroit, MI or Flint, MI—and go to an area of that city that is low-income where people go to work every day, where they are struggling to make ends meet, where they have to find some child care for their kids so they can go to work to put bread on the table to maybe have a little bit of a decent lifestyle, and they are having trouble finding decent child care and other costs of raising children? Why didn't the President go down there and sign that tax cut bill?

Well, because the sentence right under the picture says why he did not do that:

Tax law omits \$400 child credit for millions.

Look at the picture: All the trappings of power, all the rich and powerful of America sitting in that audience. Right below it: "Tax law omits \$400 child credit for millions." One picture says a thousand words. And right underneath, it tells you why the President signed the bill in front of all these people and not out in middle America.

So now we are just beginning to find out. We are just beginning to find out, as the New York Times said, that:

Because of the formula for calculating the child care tax credit, most families with incomes from \$10,500 to \$26,625 will not benefit.

Zero, nada, nothing.

The Center on Budget and Policy Priorities, a liberal group, says those families include 11.9 million children or one of every six children under 17.

Madam President, 11.9 million children left out of the tax bill.

You don't see them sitting in the audience. You don't see single moms, for example, sitting in this audience when they are signing the tax bill, balancing a couple kids on their knees. You don't see that.

"I don't know why they would cut that out of the bill," said Senator Blanche Lincoln, the Arkansas Democrat who persuaded the full Senate to send the credit to many more low income families before the provision was dropped in conference. "These are the people who need it the most and who will spend it the most. These are the people who buy the blue jeans and the detergent . . ."

As I said, the New York Times picture and the story underneath it say it all.

The Des Moines Register, closer to my home, had an editorial from May

31: "A Tax-Cutting Disgrace." This is from the Des Moines Register editorial:

Congress looked out for investors in the last-minute revision of the tax bill President Bush just signed into law.

As a result, millions of low-income families won't get the extra \$400-a-kid check from Uncle Sam this summer.

But most families earning \$10,500 to \$26,625 annually will be left out. Giving them the credit would have cost about \$3.5 billion and would have required sending checks to some who don't pay enough income taxes to deliver the credit as a refund.

People of low income work hard. They go to work every day. They may make just above the minimum wage, but they are not paying income taxes. But they have child care needs, and they are left out.

House Republicans contend that a \$350 billion cap on the tax cut package didn't leave enough room to give the child credit to low-income families.

To quote the Des Moines Register: "Nonsense."

They easily could have done less for the richest Americans and more for Americans who barely scrape by. And it's unconscionable that they didn't.

Well, just look at that picture in the New York Times, look who is there. Then read the articles in the paper, read the Des Moines Register editorial, and you will find out what this tax bill was all about.

Now we find something else out about this tax bill as we open up the newspaper this morning, the Washington Post from today: "Middle Class Tax Share Set To Rise." Well, well, well. "Studies say the burden of the rich to decline."

Here is what the Washington Post said this morning:

Three successive tax cuts pushed by President Bush will leave middle income taxpayers paying a greater share of all Federal taxes by the end of the decade, according to new analyses of the Bush administration's tax policy. As critics of the tax cuts in 2001, 2002 and 2003 have noted, the very wealthiest Americans, those earning \$337,000 a year or more per year, will be the greatest beneficiaries of the changes in the nation's tax laws.

So what will happen? They go on to point out, the middle class will pay more and more. As the rich pay less and less, the middle class will pay more and more of their share of taxes. Thus, "Middle Class Tax Share Set To Rise."

That brings us to what is going on right now with Medicare. Again, one may wonder what the connection is between the tax cut bill and the problems that we are confronting ahead in Social Security and Medicare. Don't take my word for it. Just read the Financial Times, not a Democratic newspaper or anything like that. The Financial Times of Friday May 30, front-page story: "Bush Aware of 'Crushing' Deficit Threat." This is the article. I have it blown up here in the chart, "Bush Aware Of 'Crushing' Deficit Threat."

Ari Fleischer, White House spokesperson told a press briefing.

Listen to this quote:

"There is no question that Social Security and Medicare are going to present [future]

generations with a crushing debt burden unless policymakers work seriously to reform those programs."

Now it becomes clear. Huge tax breaks and cuts for the wealthy. The middle class tax share is to rise. Low-income families who have child care credit needs are written out. Because of the huge gap that is going to happen in the next 10 years because of the lack of revenues for the Federal Government, we are going to have problems in Social Security and Medicare. And so what does Mr. Fleischer say? We are not going to rescind the tax cuts. We are not going to ask the wealthiest to pay a greater burden. No, we are going to reform Social Security and Medicare.

What does he mean by "reform"? That is just a fancy, two-syllable word for a one-syllable word, "cuts." Reform to Mr. Fleischer, the Bush White House, and the Republicans means cuts—cut Social Security, cut Medicare. Again, don't take my word for it. On May 21, the third ranking Republican in the Senate, my friend from Pennsylvania, Senator SANTORUM, said:

I believe the standard benefit, the traditional Medicare program, has to be phased out.

Senator ROBERT BENNETT, on March 19, the Senator from Utah said:

Medicare is a disaster. . . . We have to understand that Medicare is going to have to be overhauled. . . . Let's create a whole new system.

And then to kind of wrap it all up, yesterday at a hearing here on the Hill, before the Senate Special Committee on Aging, who did they have as a lead-off witness? Former House Speaker Newt Gingrich, who, in 1995, said Medicare should wither on the vine.

Well, it looks as if the withering is taking place, the huge tax cuts, quotes by my fellow Senators from the other side of the aisle. They want to get rid of Medicare. They want to phase it out. They want to take all the elderly and put them in private HMOs. There isn't one Medicare HMO in the entire State of Iowa. So it is an anti-rural, anti-small-State approach, but you see the pattern. Wither on the vine, huge tax cuts that benefit the wealthy, no child credit to help those with low income, and as the Post pointed out this morning, a greater share of the taxes to the Government are going to be borne by the middle class. What are more middle-class programs than Medicare and Social Security? Those are the middle-class programs. Those are the programs we have had for years to make sure that people who work hard and play by the rules, who raise their families, when they reach retirement age can retire with dignity and decent health care coverage.

Now we see the game plan of the Republicans and of this President: Cut Social Security. Cut Medicare. That is what their reform means.

Now they are going to use the argument that we will not have enough money to pay for the Medicare bene-

fits, to pay for a decent prescription drug benefit, and to keep Social Security benefits going. We don't have enough money. Why? It all went to the wealthy. As I pointed out on the Senate floor during the tax cut debate, the projected shortfall in Social Security over the next 75 years would be more than made up by the shortfall in revenue of the tax cut bills, if they are extended as the President desires.

So you have to ask yourself, what is more important to the middle class in America? Is it making sure that Warren Buffett, the third richest man in the world, gets a \$310 million tax break, which he himself said was wrong and that he should not be getting? He said the tax cut ought to go to the middle class, and I commend him for his honesty and forthrightness. What is more important? Is it giving him a \$310 million tax break or is it more important to the middle class, to make sure we have a decent prescription drug benefit, to make sure we have a decent Medicare Program and a sound Social Security program? That is what is important to the middle class. That is what has been taken away by the tax cut bill. That is what the Republicans are trying to take away with cuts to Medicare, and that is what they are going to try to continue to take away with further cuts to Social Security. That is why we have to be out here to fight every day for the middle class in America.

I yield the floor.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from Michigan is recognized.

HEALTH CARE FOR OLDER AMERICANS

Ms. STABENOW. Mr. President, I wish to follow what my friend and colleague from Iowa was speaking about earlier in terms of the importance of Medicare. I think his comments were so right on point.

I find interesting—I was not around at the beginning for the debate—the debate on Medicare. I understand that in 1960, originally, there were proposals to provide a broad universal care for all Americans and that, in true compromise form, the Congress and the President, when there was not support for that, ended up with a plan called Medicare for seniors and the disabled in this country. So it was a compromise. It was viewed as a first step, not a last step, in providing universal care for all Americans.

I believe Medicare has been a great American success story. We have seen both Medicare and Social Security bring our seniors out of poverty. Today, we have about 10 percent of our seniors in poverty rather than close to 50 percent prior to Social Security and Medicare.

During that debate, if one reads the RECORD, there was a major concern about who could provide health care to seniors better—the private sector or the public sector through Medicare.

The reason the Congress, in its wisdom, decided to move forward with Medicare was because at least half the seniors could not find or could not afford health care insurance in the private sector. Seniors and all of us who are getting older and using more medications and going to the doctors more frequently understand that older Americans require more health care, more costs, and are not exactly the prize group an insurance company goes for. They want my son and daughter in their twenties and younger healthier people to balance out those of us who are getting older and needing more care.

We believed, as a great American value, it was important that older Americans have health care. It was important that those who are disabled have health care, be able to pick their own doctor, be able to go where they choose to receive their care but that they would know it was always there, it was stable, a constant premium; they would know what it would cost; they could pick their own doctor; and it has worked.

Since that time, there have been a lot of debates, and we have one going on today, about how to provide Medicare prescription drug coverage. But the real issue is beyond that. It is about how to provide health care for older Americans.

The next big change that happened of which I was aware in 1997 when I was in the House was to offer private Medicare HMOs. Also at that time, there were major cuts made in Medicare for providers. I believe they went way too far. Many of us have been trying to change that ever since. There were cuts to hospitals, home health agencies, and doctors that have affected people being able to get care.

At that time, something was put in place that was touted as this great new program. In fact, Tom Scully at the time predicted an Oklahoma land rush of moves to private health plans in 1999. He said: You are going to see seniors pouring into managed care Medicare.

In fact, that did not happen. That is not what happened. But what we have seen happen, unfortunately, is what the former Speaker, Newt Gingrich, talked about in terms of a strategy of cutting off resources so Medicare would wither on the vine, an effort to convince people that Medicare was not working, even though the majority of seniors know it is because they use it every day.

I found it interesting that back in 1997 there was a strategy paper put out by the Heritage Foundation, an extremely conservative organization that I know does not support Medicare as we have it today, advising my Republican colleagues. They recommended a strategy to move to the private sector by doing four things: First, to convince Americans that Medicare provides inferior medicine and poor financial security. They set out to do that. We are