

the President on—and support serious efforts to save Social Security and Medicare. The dirty little secret in Washington is that if we don't do anything to save Medicare and Social Security, they are going to fall off the fiscal cliff. So doing nothing is not an option, but we need a bipartisan commitment to save Social Security and Medicare.

I hope the President's budget will be a balanced one and finally offer a long-term plan for controlling our national debt. If it is not, well, we are not going to depend on the President alone; we are going to do our job in the Senate and the House and pass a responsible budget. If the President does not propose one, we will show the American people what one looks like because we cannot let the President continue to lead us down this path of unsustainable debt and a darker future for American people.

MORNING BUSINESS

Mr. CORNYN. Madam President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection?

Mr. SANDERS. Reserving the right to object, I need more than 10 minutes. Is that all right? That was the expectation. That is fine.

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

The Senator from Vermont.

INCOME INEQUALITY

Mr. SANDERS. Madam President, I am delighted to have heard the speech from my good friend Senator CORNYN. As the ranking member of the Budget Committee, I think we are going to have some very serious discussions about the assertion Senator CORNYN and many other Republicans made.

Let me begin by saying I am delighted that some of my Republican friends have expressed great concern about our deficit and our national debt. I ask them where they were several years ago when we went to war in Iraq and forgot to pay for that war. I happen to think the war in Iraq is not a war we should have ever gotten into, but be that as it may, I find it interesting that some of the leading deficit hawks went to war—a war which will end up costing us some \$3 to \$6 trillion. For the first time in the modern history of our country, they went to war and yet they chose not to pay for it. Then on top of that, in the midst of the war, during that period, they gave substantial tax breaks to the wealthiest people in this country. In addition to that, they passed a Medicare Part D prescription drug program—much more expensive than it should be—written by the insurance companies, also not paid for. But now these same Republicans

who came to the floor having voted to spend trillions of dollars on a war we should not have gotten into, having voted to give huge tax breaks to billionaires, having voted for a Medicare Part D prescription drug program that was not paid for—lo and behold, they have discovered we have a deficit problem and a national debt problem. This country would be in a lot better shape if they had expressed those concerns 7 or 8 years ago.

In my view, there is a war going on in this country. And I am not talking about the war in Afghanistan or Iraq or the instability in the Middle East; I am talking about the war being waged in America today against the American middle class, against the American standard of living, and against the American dream.

Today in the United States of America we have more income and wealth inequality than any other major country on Earth.

Today in America we have the highest rate of childhood poverty of any major country on Earth.

Today in America we are the only major nation not to guarantee health care to all of our people as a right of citizenship.

The United States of America once led the world 40 years ago in terms of the percentage of our people who graduated from college. In short, we were the best educated people in the world. Today we are in 12th place, and millions of our young people are graduating from college deeply in debt, while others are looking at the cost of college and saying: I am not going to college. I am not going to get a higher education. I can't afford it. I don't want to leave school in debt. Our competing nations—whether it is Germany, Scandinavia, whether it is many of the European countries—are saying their kids are going to go to college regardless of the income of their families.

In terms of our infrastructure, we were once the envy of the world. Today, according to the World Economic Forum, we are in 12th place.

Today in America real unemployment is not the official unemployment rate of 5.8 percent; it is over 11 percent if we count those people who have given up looking for work and are working part time.

Youth unemployment—an issue we do not talk about—is 18 percent. We have over 5 million young people in this country who either dropped out of high school or graduated from high school. Do you know what they are doing? They are doing nothing. They are hanging out on street corners in Vermont, Louisiana, and all over this country. There are no jobs for them. In terms of African-American youth unemployment, that number, if you can believe it, is close to 30 percent.

What the war against the middle-class and working families is about is that millions of our people are working longer hours for lower wages. In inflation-adjusted dollars, the median male

worker today is earning some \$700 less than that worker made 40 years ago. The median woman worker—that woman right in the middle of the economy—made \$1,300 less last year than she earned in 2007. Since 1999, the median middle-class family has seen their income go down by about \$4,000.

The great recession, which was caused by the greed, recklessness, and illegal behavior on Wall Street, cost our country millions of good-paying jobs. It cost millions of Americans their homes and their life savings. It destroyed marriages and left people so destitute that they took their own lives. But the fact is, when people are in economic despair and economic recession, suicide rates go up. While the worst is clearly behind us, millions are still trying to claw their way back to where they were before the greed and financial abuses of Wall Street ripped the middle class apart.

The good news is that in the past 6 years our economy has made significant progress. We have created millions of jobs, and that is a good thing. Our unemployment rate is down, and we have seen a whole lot of people return to work. But when we talk about the economy, we also have to understand that the recovery we are seeing is extremely uneven. Some people—the people on top—have done remarkably, unbelievably well. A tiny slice of the population has gobbled up all of the economic gains since 2009.

Let me repeat that because it is almost impossible to believe, but it is true. All of the new income gains after 2009—not 50 percent, not 80 percent, not 90 percent—100 percent of all of the income gains after 2009 have landed in the pockets of the top 1 percent.

Today the top one-tenth of 1 percent owns more wealth than the bottom 90 percent. Today the Walton family—six people—owns more wealth than the bottom 41 percent. Here is the Walton family, six people who are worth \$144.7 billion, and here is the bottom 41.5 percent of our population—131 million people who are worth about \$123.4 billion. I ask the American people, is this what our country is supposed to be about—one family owning more wealth than the bottom 41 percent, the bottom 131 million Americans? Our economy and our distribution of wealth and income is completely out of balance, and this imbalance is not only fundamentally immoral, it is wrong that so few have so much and so many have so little. But it is also detrimental to economic growth, it is dangerous for our financial stability, and in fact it threatens our democracy. Our task is to rebalance this economy; to create an economy that works well for all of our people and not just wealthy campaign contributors—not just the Koch brothers but the working class of this country.

There was a time after the Great Depression when we built an economy that allowed workers to share in our Nation's prosperity. There was a time when the economy grew to help all people—the rich got richer, the middle

class expanded, and poverty went down. That economy brought unparalleled prosperity and financial stability to our country and is affectionately remembered as the golden age of American capitalism. For decades wages increased alongside rising productivity, and each generation could reasonably expect to do better than the last.

My parents worked very hard so their sons could do better than they did. That was the American dream—a dream, by the way, which no longer exists.

After rising to more than \$56,000 at the start of the 21st century, real median household incomes today have fallen back to where they were in 1996, a decline in living standards of more than \$4,000 a year. Something is not right in our economy.

The good news is the economy is growing. It is much better than it was 6 years ago, and we should be delighted by that. GDP is up. We just had a very strong quarter—5-percent growth. Productivity is up, employment is up, home prices are up, and the stock market is way up.

On the other hand, average hourly earnings have barely budged, leading economists to resurrect a Depression-era term—a Depression-era term—called secular stagnation. For the first time since the Great Depression, our economy is growing in a way that is leaving most of our citizens no better off. In other words, the economy is doing well, but the people are not doing well.

In fact the distribution of wealth today is worse than at any time since 1917—1917. The share of wealth owned by the top one-tenth of 1 percent is almost the same as the bottom 90 percent.

When we talk about the budget—and I will talk about the budget as the ranking member of the Budget Committee—the budget has to be placed in a broader context of what is happening in America. What is happening in America is the people at the top are doing phenomenally well, the stock market is going off the wall, corporate profits are at an alltime high, while the middle class shrinks and we have almost more people living in poverty than at any time in our history. That is the context in which in my view the Budget Committee has to accept its challenge.

Today half of all Americans are making less than \$20 an hour, half the kids in our public schools are living in poverty, and 62 percent of Americans do not have the money to cover an unexpected emergency room visit or a \$500 car repair. In other words, all over this country people are stressed. They are worried about what would happen if their car were to break down. They are worried what would happen if they were to get sick because they have no money in the bank. They have nothing to rely upon. They are working longer hours and in many cases they have nothing in the bank.

As the recent elections in Greece demonstrate, ordinary people will not stand by and watch as their economies unravel and as their democracies unravel. Left unchecked, widening disparities in wealth and opportunity here at home can give rise to dangerous levels of social unrest. We must rebalance the economy so prosperity is enjoyed by the many—by the middle class, by working families—and not just a handful of people on top.

We must ensure that our economy continues to grow and that the benefits of a growing economy are widely enjoyed. It is not growth versus fairness but growth and fairness. In other words, we can have all the growth we want and it doesn't mean anything to the middle class. In fact, the converse is true: We can have all the fairness we want, but if there is not growth, people are not going to gain prosperity. In fact, no society has ever flourished without a large, prosperous middle class, and that is what we must fight to bring about.

My Republican friends believe the economy will grow if we just give more tax breaks to millionaires, to billionaires, and to the largest corporations in America. They refer to this top 1 percent as the job makers or the job creators. They insist if we rub their bellies just right—deregulating markets and slashing taxes and all of these nice things for the wealthy and the powerful—we can coax them into building an economy that will work for everyone. That is called trickle-down economics: bend over backward for the rich and the powerful, and when we give them their tax breaks, we deregulate and let them destroy the environment, my God, they are going to create all these jobs for working families.

That is what the first George Bush referred to as “voodoo economics.” He was right then and that expression is right today.

I am sure the Presiding Officer has seen the Kevin Costner movie “Field of Dreams.” These supply-side arguments, these trickle-down theories are the economic equivalent of the field of dreams. The Republicans tell us all we have to do is to build a friendly tax and regulatory environment and the “job creators” will come. They tell us we just have to get the “incentives” right and the wealthy will create all the good jobs we need. They tell us that if we build the rich a better playing field, the jobs will come.

That is the mantra of supply-side economics, of the trickle-down theory: If you build it, they will come. The only problem with that theory is it has been tried and the evidence is overwhelming that it has failed.

Since 1980 we have seen the marginal income tax rate—the top marginal income tax rate—plunge from 70 to 35 percent. The wealthiest people wanted a reduction in their marginal tax rate, and they got it. The corporate income tax rate dropped from 46 to 35 percent—although, by the way, very few cor-

porations pay 35 percent, but they did get a reduction in the corporate tax rate. Taxes on capital gains fell from 28 to 15 percent. We have deregulated the airlines, deregulated telecommunications, deregulated energy, and maybe, most significantly and most disastrously, we deregulated Wall Street.

We did all of the things the wealthy and the powerful wanted us to do, but instead of unleashing the job creators and ushering in a new golden age that benefits all people, these supply-side gimmicks brought us widening inequality and greater financial instability. In other words, these experiments failed. They failed. Our economy has become more unstable. The distribution of wealth and income has become more unequal, and it takes the system longer and longer to call back the jobs that are lost each time we suffer a recession.

I am encouraged by some of the comments I have recently heard from my Republican colleagues who recognize that income and wealth inequality in America is real. This is a step forward. However, the policies they are advocating to address income and wealth inequality will in fact make a bad situation even worse.

As the ranking member of the Budget Committee, let me tell you what the Republicans have in mind. They don't say this straightforward, so I will help them and say it straightforward. What they intend to do is to cut Social Security, and they are going to tell us all the reasons we have to cut Social Security. That is what they are going to do. That is what they are going to try to do. We are going to stop them, but that is what they are going to try to do. They are going to try to end Medicare as we know it and convert it into a voucher program. That is what the House Republicans voted to do last year. The result will be that there will be more and more out-of-pocket medical expenses for older Americans. They are going to make devastating cuts in Medicaid and throw some of the most vulnerable people in this country off of health insurance and onto the rolls of the uninsured. They are going to try to cut taxes for millionaires, billionaires and large corporations and they are going to try to increase military spending.

That is what they are going to do. They are going to give long speeches. They are not going to say these things directly, but if you listened closely to the speech my friend and colleague Senator CORNYN gave, that is truly what they intend to do.

Einstein said it was the height of insanity to keep doing the same thing over and over again expecting different results. It is time to accept the facts. The facts are that trickle-down economics does not work. It has failed. It is time to get back to doing what does work—what works for the middle class and working families. That is what we have to get back to.

So what does work? What is a program we should be advocating that makes sense and that will work for ordinary Americans? The plan is actually pretty simple. It is the way economics was taught and practiced during the golden age of capitalism, and it flips trickle-down thinking on its head. To put it as simply as possible, our economy runs on sales, not a very difficult concept to understand. Sales create jobs.

Businesses don't hire and invest because they want to. They hire workers and invest in new machinery because they have to. They do it to keep up with consumer demand, which is 70 percent of our economy, not very complicated. When people have disposable income in their pockets, they buy products, they buy services, and when they buy those services and products, companies hire workers to make those products and deliver those services.

We hear a lot of talk about how we need to reduce spending to grow the economy, but that doesn't quite make sense. Spending isn't just the right way to grow the economy. In fact, it is the only way to grow the economy. After all, what is the economy? It is our economic pie, our GDP. What is that? It is a measure of how much we are spending as a nation to buy the goods and services we are producing. If we spend less, we don't grow our economy, we shrink it.

Contrary to what a lot of people believe, the government is not the big spender in the economy, households are. Their spending accounts for roughly 70 percent of our total GDP. That means consumers play a critical role in creating the demand that drives our economy.

It also means that when the middle class is in trouble—when people have less disposable income—the American economy is in trouble. Whether we continue to grow and create jobs depends critically on the economic well-being of the vast middle class. If the middle class is weighed down with debt and struggling to get by, the long-term health of the United States economy is in serious trouble.

Hardworking Americans with money to spend are the real job creators. They are the customers who supply the demand of the vast majority of what our businesses are trying to sell.

This is not just BERNIE SANDERS speaking. Talk to many of the large companies out there and they say they are seeing a drying up of their customers because the economy is so bad. That is what the folks in many industries will tell us today. Our economy does well when people have income to spend. This is not a complicated theory. If people can't buy products, companies are not making products. Companies are not producing services.

Since the Wall Street crash, many of the jobs that have been added to the economy have been low-wage and part-time jobs. In fact, the jobs created during the recovery in the last few years

pay 23 percent less on average than those that were lost in the recession. In his State of the Union Address, the President talked about "middle class economics," and that is an excellent way to put it. It is a powerful reminder of what drives growth and prosperity. When we understand this, we understand why our economy cannot function when those at the very top are pocketing 100 percent of the income gains.

Let me repeat that. The top 1 percent is not getting 50 percent of all new income, not getting 80 percent of all new income—they are getting 100 percent of all new income. Our most important job creator, the vast middle class, is disappearing. Squeezed by decades of rising costs and stagnant incomes, they just can't do it. When those at the very top take more and more of the gains, our job creators—i.e., the middle class—get squeezed. Debt becomes a substitute for income, and the economy becomes even more fragile.

Let me show an incredibly revelatory chart. This chart talks about distribution of average income growth during expansions and what the bottom 90 percent received versus what the top 10 percent of families receive.

We go back from the period of 1949 to 1953, 1954 to 1957, 1958 to 1960, 1961 to 1969, 1970 to 1973, 1975 to 1979, 1982 to 1990, 1991 to 2000, 2001 to 2007, 2009 to 2012. That is the last we have.

What this chart shows is that in the first three decades after World War II the vast majority of Americans did well when the economy did well.

This is the percentage of new income that went to the bottom 90 percent, and this is what the top 10 percent got. They did OK. The top 10 percent did pretty well. They got 20 percent of all new income. But the bottom 90 percent got 80 percent of the income. Then 1954 to 1957 went down a little bit, but the bottom 90 percent did pretty well. Again, the bottom 90 percent did pretty well, and here the bottom 90 percent did pretty well. Then the bottom 90 percent begins to do less well, and again less well, but they are still getting a majority of the new income.

Whoa—what happens in 1982? Well, Ronald Reagan is President—and the good news is we are into trickle-down economics. Here it is. This chart tells it all. This is what the top 10 percent got, and this is what the bottom 90 percent got.

Here we are in the last number here, where we are today, and, lo and behold, the top 10 percent gets it all. And, frankly, this is a metaphor. This is an example of exactly what trickle-down economics is all about.

So early on, in economics, when we have a recovery, most of the new income goes to working families and to the broad middle class. Since the 1982 period, almost all of the new income goes to the top 1 percent. Today, as I mentioned—rather unbelievably—all of the new income is going to the top 1 percent.

Clearly, this is unacceptable. This trend of the rich getting richer and everybody else getting poorer is not what America is about, and it has got to be changed. We have to rethink the fundamentals of supply-side, trick-down economic theory.

The difficulty we have, to be frank, is that, especially since Citizens United and especially since the millionaires and billionaires can pour huge amounts of money into the political process, for them this is great news. This chart is fantastic news. They have won. They contribute to candidates, and candidates go out and tell us we need more tax breaks for the rich, we need more deregulation. And these are the results. So not only do we need to change our economic policies. Clearly, we need to change campaign finance so the work being done by Congress reflects the needs of working families and not just the billionaire class.

Now, let me say what I think we should do. I do not believe we should give more tax breaks to the rich because they are getting richer and their tax rates have gone down. I do not believe we should give more tax breaks to large corporations, because there are huge loopholes in our corporate tax system and we are losing about \$100 billion every single year because corporations and millionaires are stashing their money in the Cayman Islands and other tax havens.

We have a situation right now in this country in terms of our individual tax breaks where hedge fund managers who make millions of dollars a year pay an effective tax rate lower than a truck-driver or a nurse. That makes no sense to me nor do I believe it makes sense to the American people.

So I will very briefly say what I think makes sense and an agenda that will put Americans back to work at decent wages.

No. 1, if we want to create jobs in America, we don't pass the Keystone Pipeline bill. That creates 35 permanent jobs. That creates several thousand construction jobs. And, by the way, that allows the Canadian firm to produce and transport some of the dirtiest fuel in the world, which will only exacerbate the problems of climate change—doing exactly the opposite of what the scientific community tells us we should do.

So if we want to create more than 35 permanent jobs, maybe we should be serious about rebuilding our crumbling infrastructure; that is, our roads, our bridges, our water systems, our wastewater plants, our dams, our levees, our rail system, our airports. Think of what America would look like when, instead of having a sub-par infrastructure—an infrastructure now ranked 12th in the world—we lead the world with cutting edge technology. A \$1 trillion investment could put 13 million Americans back to work at good wages. In my view, that is exactly what we should be doing.

Right now in this country we have a significant number of people working

at the starvation wage—the Federal minimum wage—of \$7.25 an hour. We must raise the minimum wage to a living wage. When we do that, we provide a pay raise for some 25 million Americans who today are struggling economically. And when we do that, we not only help them, but we also help the economy because, as I mentioned earlier, when these folks have money they can then spend some money.

We have to provide pay equity for women workers. It is not acceptable that women today earn 78 percent of what male workers earn who do the same job.

We have to deal with the scandal of overtime right now, where we have workers in McDonald's who make \$25,000, \$28,000 a year and who are "supervisors" and therefore are exempt from overtime regulations. So they may be working 50 or 60 hours a week making very little money, yet because they are "supervisors," they don't get time and a half. Ending that and raising that \$23,000 threshold to something like \$56,000 would provide a huge pay increase for millions and millions of workers.

We live in a very, very competitive global economy, and it makes no sense to me that in that economy we have large numbers of young people who are giving up on the dream of getting a good education and going to college or graduate school. Others are leaving school deeply in debt. We should learn from many of our competitors who say to their young people: You want to go to college? You can go to college, regardless of your income because tuition is free.

A few months ago, one of the States in Germany was the last State in Germany to do away with tuition. What one of their political leaders said was: Look. We believe all of our people have the right to go to college, and income should not be an impediment. I agree with that.

We need finally to do what I know is very, very difficult for many of the Members of this body, and that is take on Wall Street. We have a handful of huge financial institutions that have assets equivalent to 60 percent of the GDP of the United States of America. They issue half of the mortgages in this country and two-thirds of the credit cards in this country. I believe that is just too big. I fear very much about another too-big-to-fail scenario where we have to bail them out.

As we know, Republicans recently have pushed through language to take away some of the protections that taxpayers had in Dodd-Frank and once again leave them exposed to bailing out Wall Street when they engage in dangerous derivative speculation.

Lastly—and this is not just an economic issue, although it is; it is a moral issue—we have millions of senior citizens and people with disabilities in this country who are struggling with incredible courage every single day to buy the food they need and to buy the

medicine they need, and, in cold States such as mine in Vermont, to heat their homes. This is not just rhetoric. This is reality. There are—God knows how many—seniors who say: Well, I can't buy my medicine if I am going to heat the house. I can't heat the house if I am going to buy my nutrition. We know that all over the country the Meals On Wheels programs have waiting lines because it is a place for low-income seniors to get nutrition. Yet we have an effort right now on the part of Republicans to say that, well, yeah, we have millions of seniors trying to get by on \$12,000, \$13,000 a year, but we are going to cut their benefits. Well, they may make that effort, but I will do everything I can to stop it.

There are very simple remedies for the problems facing Social Security, and we should make a couple of things very clear. Despite a lot of the rhetoric that we hear, Social Security is paid for by the payroll tax and does not add to the deficit. So take that issue away.

The second issue is that Social Security is going broke. Well, the simple truth is Social Security is not going broke. Social Security has about \$2.6 trillion in its trust fund and can pay out about all the benefits owed to all eligible Americans for the next 19 years. If we want to make Social Security solvent—not for 19 years, because I think we have to extend that—if we want to make it solvent for 30 years or 40 years and if we want, as I believe we should, not to cut benefits but to expand benefits, and if we want to do the right thing for our parents and our grandchildren, then I think we defeat every effort out there to cut Social Security. I think we lift the cap on taxable income so that millionaires contribute more into the Social Security trust fund. I think we have that moral obligation to our parents and our grandparents.

Let me conclude by saying this. I think the evidence is overwhelming that trickle-down economics is a fraud. It works for the very wealthy; it does not work for working families. The job of this Congress is to protect the middle class and working class, and not just billionaire campaign contributors.

With that, I thank the Presiding Officer for your indulgence, and I yield the floor.

TRIBUTE TO LINDA GIBBONS

Mr. HATCH. Mr. President, I am grateful for the opportunity to pay tribute to a wonderful staff member and dedicated public servant, Linda Gibbons. Linda will be retiring this week after 22 years of devoted service. I know I speak for everyone on my staff when I say she will be deeply missed.

As a member of my constituent services team, Linda helped thousands of Utahns who contacted my office seeking assistance. In serving constituents, she was always sympathetic to their needs and worked tirelessly to resolve

their problems. Constituent casework is difficult, often requiring hours of tedious research and coordination with Federal and State agencies. But Linda was always equal to the task, and I can say without reservation that she was among the best caseworkers I have ever had.

Linda was passionate about public service. Her work ethic always impressed me, and I was grateful for her willingness to assume new responsibilities. She is tenacious, honest, and always believes in doing the right thing.

Most importantly, Linda has a deep capacity to care for and love others. Both constituents and staff know this well. She has always gone out of her way to listen to and help anyone in need.

I will always be grateful for Linda's work in helping me nominate Utah's most talented young students to military academies. Military academy nominations can be laborious and cumbersome, but Linda always saw candidates through the process with a remarkable degree of efficiency and professionalism. In doing so, she mentored some of Utah's best and brightest. She also built strong ties between our office, the students, their families, and officials from military academies.

Although Linda has achieved much in her professional life, perhaps her greatest success has been in the home. Linda has been married to her husband, Phil, for over 40 years, and together they have three children and seven grandchildren. She loves her family dearly and looks forward to spending more time with them in her retirement. Her compassion and strength have shepherded them through some of life's most difficult challenges.

I am truly grateful for the tremendous service Linda has rendered to my staff, her community, and the great State of Utah. I will miss Linda greatly, but I know that this next chapter in her life holds many exciting and wonderful opportunities. I will be forever grateful for her dedicated service and loyal friendship.

SUBCOMMITTEE ASSIGNMENTS

COMMITTEE ON APPROPRIATIONS

Mr. COCHRAN. Mr. President, I ask unanimous consent to have printed in the RECORD the list of subcommittee assignments for the Committee on Appropriations for the 114th Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUBCOMMITTEE ASSIGNMENTS

Senator Cochran, as chairman of the Committee, and Senator Mikulski, as vice chairwoman of the Committee, are ex officio members of all subcommittees of which they are not regular members.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

Senators Moran,¹ Blunt, Cochran, McConnell, Collins, Hoeven, Daines, Merkley²,