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Social Security, Snoopy Snoopy Poop Dog, & Alan Simpson: Ultimate Enema Man Remix

[Nick Gillespie](#) & [Austin Bragg](#) | March 10, 2011

[Click above to watch "Social Security, Snoopy Snoopy Poop Dogg, & Alan Simpson: Ultimate Remix]

It's easy to laugh at former Sen. Alan Simpson's bizarre malapropisms on *Your World With Neil Cavuto*. The Wyoming Republican appeared on the Fox News show earlier this week in his capacity as co-chairman of Barack Obama's National Commission on Fiscal Responsibility and Reform. Early on in the segment (watch the whole interview here), Simpson went on a tear about the kids these days, claiming that

grandchildren now don't write a thank-you for the Christmas presents, they're walking on their pants with the cap on backwards listening to the enema man and Snoopy Snoopy Poop Dogg...

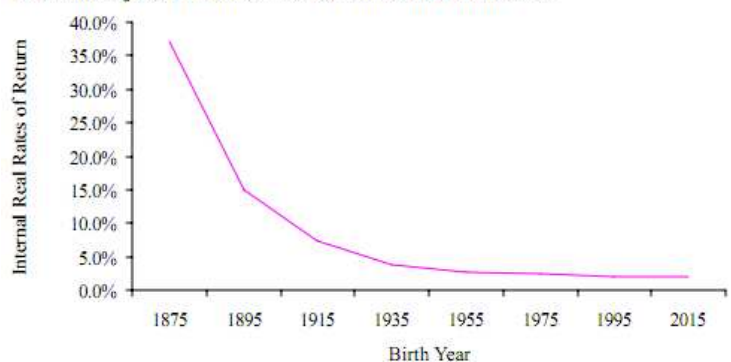
Well, maybe. Yes, it's easy to laugh because it's funny to see an old man make a jackass out of himself. Especially when he's a senator (speaking of which, have you heard the one about Buffcoat and Beaver?)

But what's more disturbing than Simpson's tenuous grasp of rap music and youth fashion (backwards-facing baseball caps are like so 1990s, dude!) is the guy's stalwart defense of Social Security. The senator had gotten hot under the collar about the ways in which budget reforms inevitably get stalled by people demagoguing the question of entitlement spending. Each party, said Simpson, claims that the other is planning to gut the nation's federalized retirement system. Perish the thought, says Simpson. His commission wasn't trying to kill Social Security. On the contrary:

"We're not cutting Social Security – we're trying to make the stuff solvent for 75 years! And young people say, 'Well, I know there won't be anything there for me; I'm not worried about it.' Well, I tell ya, when you waddle up to the window at 65 and you put 6.2 percent of all your jack in that thing, you're gonna want something back!"

That right there is the problem: Social Security is a sinkhole for anybody under 50 or thereabouts, a plan that is financed via payroll taxes amounting to 12.4 percent (split between employer and employee) on the first \$107,000 of income (precious few Americans will ever reach that level). The expected rate of return on the money that gets dumped into your account? Back in 2003, the Cato Institute's Michael Cannon wrote that the inflation-adjusted annual rate of return was a whopping 2 percent for workers retiring then "and that future retirees will receive even lower rates of return."

Figure 1
Inflation-Adjusted Internal Real Rate of Return from OASI



Which is to say that those of us not set to retire for 20 or more years are being screwed royally by a system that was created during the depths of the Great Depression for a population that rarely lived past 65 years, routinely worked until they dropped dead, and that had barely heard of mutual funds.

Forget for a moment about the impossibility of long-term viability for a pay-as-you-go system in which fewer and fewer current workers pay for greater and greater numbers of retirees and focus instead on those horrible rates of returns bought at 12.4 percent of salary. Unlike actual retirement plans, Social Security gives us no say over where our money is invested and it comes with no ability to transfer to an heir or other beneficiary (other than spouses in certain circumstances and at reduced rates). It can't be willed to our kids or our favorite charity. It discriminates against blacks (who die younger than other Americans) and gays (who can't marry legally under federal law) and screws over children who might otherwise inherit some small pile of cash when a parent dies. It takes money from the relatively poor (the young) and gives to the relatively rich (the old, who have spent a lifetime accumulating assets). It isn't even a sure thing: The 1960 Supreme Court case *Flemming v. Nestor* established that the government doesn't owe anybody anything when it comes to Social Security. If all that doesn't add up to an immoral system, then what does?

The main arguments against getting rid of Social Security and replacing it with something/anything different are that it's all some people have to live on and that the costs to transition out of the current system would be too huge. Take the latter argument first: The government is constantly spending money it doesn't have without a second's thought. It will find the necessary cash to make whatever payments it thinks necessary. As for truly needy retirees: We can provide for them easily enough from the general treasury (which is where payroll taxes end up anyway).

Americans are not stingy people when it comes to private charity or paying taxes. No one - not even The Enema Man or Snoopy Snoopy Poop Dogg or the kids walking on their pants - wants to see older people starve or scrape by on cat food. But for relatively well-off retirees, why should young people sacrifice for them? That's a near-complete reversal of the natural order in which parents sacrifice for their children. Indeed, who admires parents who feed themselves first?

Alan Simpson and his fiscal commission co-chairman Erskine Bowles are to be commended for suggesting serious cuts in various aspects of the federal budget in their group's final report. But far from trimming the fat that has accumulated over the past decade, when outlays increased by over 60 percent in real dollars, the commission's recommendations would increase federal spending by \$1.6 trillion over the next decade and rely on revenues equal to

21 percent of GDP (a level never reached in U.S. history).

Sen. Simpson's continued valorization of Social Security and his save-it-at-all-costs mentality is unfortunately widely shared among the power elites in American society. But its rationale is in fact as laughable as his mutterings about music and the kids these days.

"Social Security, Snoopy Snoopy Poop Dogg, & Alan Simpson: Ultimate Remix" was created by Reason.tv's Austin Bragg. Text by Nick Gillespie.