At that time we were considering a bill for child care, and again, we were nickel and diming the situation, looking at ways in which to cut pennies from the program at the same time the savings and loan swindle was raging. Billions of dollars were going down the drain from the taxpayers to take care of the crooked savings and loan swindles and deals, and we were nickel and diming the child care program.

There was a meeting held here, I will not go into the details of that meeting, and Marian Wright Edleman was invited to that meeting. She is the head of the Children's Defense Fund. The discussion that took place at that meeting and the way in which they responded to her, the negative way in which many of the persons at that meeting, Congress persons, responded to her simple plea for more money for child care upset me to the point where I wrote my first rap poem and found that rap poems are a good way to get off your frustration here in this place.

I called that rap poem, ''Let the Mothers Lead the Fight.'' I dedicated it to Marian Wright Edleman and the Children's Defense Fund. It is very appropriate now. The mothers are leading the fight, they came to Washington, and I just want to close out by reading this rap poem that was put into the CONGRESSIONAL RECORD on the 27th of March, 1990. It is relevant.

Let the mothers lead the fight; sisters snatch the future from the night. Dangerous dumb males have made a mess on the right, macho mad egos on the left swollen out of sight.

Let the mothers lead the fight. Drop the linen, throw away the lace, stop the murder, sweep out the arms race. Let the mothers lead the fight.

□ 2115

Use your broom. Sweep out the doom. Do not fear the mouse. Break out of the house. Rats are ruining the world. Let the mothers lead the fight.

Fat cats want to buy your soul. Saving the children is the mother's role. Cook up some cool calculations. Look some of new recipes. Lock the generals tight down in the deep freeze. Let the mothers lead the fight.

Human history is a long ugly tale. Tragedy guided by the frail monster male. Babies bashed with blind bayonets. Daughters trapped in slimy lust nets. Across time hear our loud terrified wail. Holocaust happens when the silly males fail. Let the mothers lead the fight.

Snatch the future back from the night. Storm the conference rooms with our rage. Focus x-rays on the Washington stage. The world is being ruined by rats. Rescue is in the hands of the cats. Scratch out their lies. Put pins in smug rat eyes. Hate the fakes. Burn rhetoric at the stakes. Enough of this endless bloody night. Let the mothers lead the fight.

Holocaust happens when the silly males fail. March now to end this long ugly tale. Let the mothers lead the fight.

Stand up now to the frail monster male. Let the mothers lead the fight.

Snatch the future back from the night. Let the mothers lead the fight.

SOCIAL SECURITY

The SPEAKER pro tempore (Mr. TOOMEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, before I begin my remarks, and I plan extensive remarks this evening in regards to Social Security, I think it is a very important subject and I hope that as many as can will stay so that they can hear these comments. I look forward to a debate in the future on these comments in regards to the Social Security system. I think it is awful critical, but before I get there I have a very special announcement this evening.

Thursday of this week, at 9:00 in the morning, in Grand Junction, Colorado, our little baby, Andrea, graduates from high school. I never imagined that I would see my youngest child all of a sudden now a fine, beautiful, intelligent woman. I mean, she grew up overnight. So as soon as the vote on China is finished tomorrow night, I will depart promptly for Colorado.

I do want to say how proud I am. I am sure all of you have experienced this as well, but my wife and I now face the empty nest syndrome. We are not looking forward to that. We have had awful good years with Daxon, Tessa, and Andrea, but we will adjust.

We are pleased to announce that all three of the children will be in college; unfortunately all at once so as one can see, our budget does not have a lot of fluff to it.

Now let us move on to Social Security, the subject of which I really want to focus on this evening. I am going to talk about several things in regards to Social Security, but let me make something very clear at the beginning of this speech, and that is the speech is not intended to be partisan but it is necessary to distinguish between generally what the Republicans feel about Social Security and generally what the Democrats feel about Social Security.

There is a dramatic difference between the policies in regards to Social Security of the Vice President, Mr. GORE, and the policies of the governor of the State of Texas, George W. Bush.

So as I go through my comments this evening, I hope to distinguish for those out there in this audience here, Mr. Speaker, because there are two distinct directions that we can go in hopes of doing something with Social Security. So, again, let me repeat it once more. My comments are not intended to be a partisan attack, but I fully intend to distinguish between the Republican position and the Democratic position in general as it regards Social Security and the future of Social Security.

I think a way to begin a discussion about Social Security is to talk just a little about the history of Social Security. As many people know, Social Security was started in 1935. Now, it was not an idea that just sprung up overnight. It was an idea that was created as a result of many years of the harshest economic times this country has ever faced, the Great Depression, 1929. In the 1930s, things were very, very difficult in this Nation, but our country came together. The President, at the time, felt that we needed to have some type of system to assist our senior citizens who could no longer work. So in 1935, the President signed in a system called Social Security, which was designed for the individual.

In 1939, the United States Congress broadened the new program from a focus strictly on an individual to a focus on the family. Now, is Social Security in trouble? And why is Social Security in trouble? And to the extent Social Security is in trouble, we should discuss that this evening.

Clearly, Social Security on a cash basis, that means the money in the bank today, the money in the bank today, Social Security has a huge surplus, but it would be like a pilot flying through the clouds coming to the conclusion that because they have not hit a mountain they have clear sailing ahead. Social Security does not have clear sailing ahead. There are mountains in those clouds; and all of us, the people of this country, are in that airplane. And, frankly, we are flying with instruments that are not appropriate to get that airplane through those clouds without hitting those mountains.

Right now the plane is flying fine. On a cash basis Social Security has a huge surplus of money, but on an actuarial basis, meaning we look into the future, we figure out what our liabilities are and we figure out what our assets are, and as we go further and further into the future we find that our assets dwindle and our liabilities increase, and at some point about 2035 as we know it today, about 2035 those two will meet.

In other words, the assets equal the liabilities. Immediately thereafter, the liabilities, in other words the cash going out, exceeds the cash coming in.

Now one good thing about the United States Congress, one good thing about other policymakers in this country, and the various senior citizen organizations, is that, for a change, Congress is looking into the future. Instead of waiting for the crisis to actually beat at our doorsteps, we are looking at a crisis that is 35 years out. Now that does not mean we can wait for a very long period of time, because at some point that actuarial liability is accelerating at such a fast speed that if one does not catch it early on they cannot stop the momentum. But we have some time if we act on a reasonable and prompt basis. That is why the discussion of Social Security should play a very predominate role in the elections this fall.

Now let me visit just for a moment why Social Security is in trouble. It is really pretty simple. It is called demographics. Look at these numbers. In 1935, in 1935 when the Social Security system started, we had 42 workers for every one worker who was retired. So in 1935, 42 workers were in the workplace. One person was retired. Today that ratio is no longer 42. Look how dramatically that number changes.

Today, instead of being 42 that number is 3. So, in other words, in our workplace today, we have three workers for every person who is retired. Within the very near future that number will drop to two. This is one of the problems that we have.

Now that problem is one of the factors we have to consider that has created the demographical situation with Social Security. The other problem really is pretty good news for all of us. That is the American health care system. Because of preventive medicine, because of the fact that we have made successful assaults on many different diseases since 1935, the life expectancy has increased dramatically. In 1935, the average male could expect to live until he was 61 years old and the average female could expect to live until she was 65. Now, today, look at how that has changed. This has gone up to about 74 years, and this has gone up to about 78 years.

Now what has happened in the meantime is, no adjustment that is proportionate to that increase in age has occurred in regards to the Social Security system. So we have these dynamics. We have people living to an older age. We have people healthier, and we have more people in the retirement category than we do in the work stage. When we put those elements together, one can see that there is a collision course that is going to occur out there at some point in the future. We can avoid that by putting proper instrumentation into the airplane.

Now, what do I think is the most dangerous risk that we have with Social Security today? What would we, as elected Members of the United States Congress, as Members who have fiduciary duties to our constituents, what do I think we have the most to fear? What risk would we put the people that we represent, what would be the most dangerous risk that we could place them in in regards to Social Security? It is very simple, two words: Do nothing.

Mr. Speaker, we will break a bond with the people that we have committed to serve; we will be in breach of our fiduciary duty to the people that we represent and to the next generation that follows the older generation we now have, if we sit here and we do nothing. That is why I think it is so important for me to be here this evening and have the kind of discussion that we are going to have, because I do not believe that we can afford to sit idle and do nothing. To me that is just as dangerous as sitting in that airplane flying through the clouds saying, look, we know we do not have the right instrumentation but let us just relax.

Let us talk about it. We cannot do it and we will not do it, and I will say why we will not do it because there are enough of us in here that understand the dangers that face Social Security, that understand the option of do nothing is, in fact, no option at all. So what do we do? What kind of differences do we have?

Let me say that, first of all, what we have is not a dangerous situation for people today that are on Social Security. Any individual out there who today is collecting a Social Security check faces no risk as a result of the factors I just told them about. In fact, really anybody over about 40 years of age does not really face any kind of risk of losing their Social Security benefits. It is that other generation, it is the generation of my Andrea or my Tessa or my Dax, those three children of Lorie and mine, that is the generation which faces that risk.

If our generation fails to act for that generation, we should hold our heads in disgrace. There has been a generational trade-off in Social Security, and what has occurred is that the younger generation, frankly, is now subsidizing the older generation. That is okay if there is a system that when the subsidizing generation moves up the generation behind them can actually subsidize and on an actuarial basis subsidize the generation in front of them. That is not what is happening today. What is happening today is that the average couple on Social Security takes out about $118,000 out of the system more than they put into the system.

☐ 2130

That is being subsidized by this younger generation.

So the older generations in our country, say from 40 up, and I fit in that category, their Social Security will be safe. But those generations from 40 and under, they have a right to demand of every one of us in these chambers, of every elected Federal official in this country, not what are you going to do for us, but what are you going to do for our generation, especially when it comes to Social Security.

Let me read a letter that I received from a gentleman, a friend of mine, named Roger Zion. He belongs to the 60-plus senior citizens organization. It is a brief letter, but I think it is succinct.

> I want to talk about Social Security. Thanks to the lockbox provision, which by the way was Republican activated, ''my Social Security, such as it is, is assured. But I am interested in my children. They should have a chance to choose between the Gore plan in which they invest in a government plan that grows slower than the rate of inflation or the Bush plan where they invest in the market. Just think of the boost the market would get with thousands of new investors.
>
> Under the Gore plan, at my children's death the money goes to the U.S. Treasury. Under the Bush plan, it is left to my grandchildren. They can invest it to stimulate the market, or they can spend it to stimulate the economy, or they can contribute it to the Boy Scouts or the Girl Scouts or some other charity.
>
> I wish I could have had that choice 50 years ago. I would be a rich man. Now I want my children and my grandchildren to have that choice.

As we begin the detailed assessment of both of these plans that I am going to address my colleagues with this evening, let us start with an example. Let us start by putting ourselves in a place of, all of a sudden, coming upon a great deal of money. For example, let us say one of my colleagues here in the Chamber won the Lotto, and one won a great deal of money. Let us just say one won $10 million. So one decided wisely that one is going to put a percentage of that $10 million aside for one's retirement. So one decides one is going to take a million dollars and put it aside for one's retirement.

Let me ask my colleagues, would any of them in this room send that $1 million to the United States Government Department of Social Security to invest it with the other funds in Social Security? Any one of them? Of course they would not. There is not a one of my colleagues in these chambers, there is not one of them in these chambers that would take a million dollars of their own cash and invest it in the current Social Security system.

Why? Because they know that the chances of them seeing that on the other end are diminished significantly. They know that almost any other management policy, including the lowest paying savings account at any bank, the lowest paying at any bank in this country, find the lowest paying savings account that one can and one will still do a whole lot better putting one's money in there than one will into the Social Security system.

So how do we change this? What are the plans out there? It has been very clear to me, and I am sure it is very clear to my colleagues that, in the last 2 weeks, 2 different paths have emerged; that the policy of the Vice President and that the policy of the governor of the State of Texas, who is the Republican nominee, obviously, for President. The Vice President obviously is the Democratic nominee for President. For one of these two people is going to be leading this country. One of those two paths would be advocated by that individual when they become President.

So let us take a look at them. The Vice President's policies, in my opinion, what we have seen in the last several months are simply fear tactics of, oh, my gosh, the sky is going to fall down if we dare try and do something different with Social Security. The Vice President's policy has been to support the status quo. If one dares even talk about changing the status quo, why, for some reason, one has committed an assault on senior citizens. Remember, that senior citizens, and this is a fact that should be disclosed in their commercials, senior citizens face zero threat, no threat of losing their Social Security dollars. Persons over 40 years of age face no threat of losing their Social Security dollars.

So, the status quo means the generational trade-off, that is what I call it, the generational trade-off. That is a do-nothing policy. It means that the older generation is fine, but the younger generation is at risk.

We need a man that keeps the older generation safe and allows the younger generation who have 20 or 30 or 40 years left in their working career, give them an opportunity to have something a little better than what our seniors have today.

We are not asking for dramatic change. In fact, I do not think we have to guide the plane, so to speak, the airplane dramatically to avoid hitting that mountain. But if we do not change the direction of the plane ever so slightly, we are going to hit that mountain. My colleagues know what the results are.

Back to the Vice President's policies. They have no choice, if they continue on the course of which they have supported, but to raise payroll taxes. That is the highest tax one sees on one's check today.

By the way, I heard, I got an e-mail the other day that Members of Congress and Federal Government do not pay Social Security tax. We pay Social Security. I faxed out a copy of my pay stub today to some people who said, how can you talk about Social Security. You do not even pay Social Security. We do pay Social Security. Our retirement system, by the way, in the United States Congress is the same as other Federal employees.

But back to my point. As we begin to reach that actuarial basis where we need to have cash and we do not change the system, the only answer we have, we are never going to be able to shut the people off, nor should we.

The only response that we have is one of several things. One, we start to tax the benefits. We go out to these seniors and we say, Look, we have got a cash crisis. We have got a crisis. We should have planned for it 30 years ago, but we did not. So we have to tax the benefits.

The other course of action that we are going to have to do is raise the payroll tax. Both of those are approaches which I think are punitive to the workplace out there.

The other thing that we would have to do, we would have to raise the retirement age. Now, there are some arguments in raising the retirement age. If we do increase retirement age far enough out as people begin, as their life span begins to increase, perhaps there is some basis for that type of argument.

But the first two policies of the Vice President, raising the taxes and taxing the benefits, are not the answer. We have got a better answer.

The other way, some other things that we can do that we have heard discussed, reducing the cost of COLA's, adjusting the benefit formula.

Now, in the last couple of weeks, we have heard some discussion, maybe what we ought to do with Social Security, maybe what we ought to do is do what Federal employees do, what Members of the United States Congress do. This is nothing new. The Vice President's plan stays the course.

The question comes up to all of us, do we want a President who is going to stay the status quo, or do we want a President that is going to take a bold move and do something and move? That point comes out here in the last 2 weeks. The governor of the State of Texas has proposed that the members, people who work out there, have a system very similar to what the Federal Government has, that is, that they be allowed to own, literally own a portion of their Social Security, only 2 percent of their withholdings. So one takes 2 percent of the withholdings, and one would allow the worker out there to own a piece of the action.

What has the response been? Now, by the way, as I will get into the further details, that proposal is voluntary. We are not saying to the worker, they have to join this system. It is the same thing as the Federal employees.

The people of America need to know, Mr. Speaker, that the system we are under allows us ownership, that the retirement system that every Federal employee can participate in addition to Social Security allows choice by the employee. It allows one to go to very, very conservative guaranteed investments or to direct a small percentage of one's salary towards high-risk investments. One gets to participate.

We do it for 2½ million Federal workers. Why not take a look at that system which has proven highly popular and highly successful? Why not take what we have learned from that system, says the governor of the State of Texas, and move it over to Social Security.

The response has been interesting. Some of the negative arguments that have surfaced, i.e., it is stock market roulette, one could lose all one's money. Well, one has got to talk about a concept that I think is very important, and it is called dollar cost averaging. The only way that one would lose all of one's money on the stock market investment like this is that one puts all one's money in the market one day and one loses it all the next day.

My position is that one goes into what is called dollar cost averaging, and that is one invests, it is a very small percentage, just like we do with the Thrift Savings with the Federal Government employees, one invests those dollars over time. Through time, one has cycles, one has up days or, like today on the market, one has a down day. But over time, it is the average of that dollar that brings one the return.

We are going to talk about returns here in a moment. But the clear message that we have here is that the Social Security, the people who participate in the system, could actually get that opportunity to participate without the kind of risk and the fear tactics that are being thrown out there.

Do my colleagues know what we hear about when we talk about change, and, frankly, this is a difference, when the Republicans talk about change, the Democrats jump up and immediately try and convince, in my opinion, through their policies that the seniors are going to lose their Social Security.

Let me reiterate it very clearly. That is not what is happening here. I have not seen a plan by anyone on either side of the aisle that threatens seniors who are currently on Social Security in any way whatsoever. It does not happen. The real threat comes for that generation under 40.

Frankly, the Vice President's policies throw people under 40, our young people in this country, my colleagues better tell their constituents who are under 40 to take a very careful look at the present Social Security system. They also ought to take a very careful look at who is going to make the first move, the bold move to protect Social Security for those under 40.

I can tell my colleagues that to protect the people under 40 they cannot accept the status quo. This airplane, referring to the Social Security system, is headed for a mountain. It is not going to get there for a few minutes. It is not going to get there for the people that are 40 and above. But for those people 40 and below, if we do not change the course of this airplane, it is going to hit a mountain.

Let us talk about a quote that the Vice President himself made in January of 1999. The Vice President said, ''One of the single most important salient facts that jumped out at everybody is that, over a 10-year period in American history, returns on equities,'' that refers to the market, the stock markets, ''are just significantly higher than these other returns.'' At any given 10-year period of time, those returns are significantly higher.

Now, the Vice President's policy ignores that today. But the fact is his statement that he made in January of 1999 is, in fact, accurate.

Let us take a look at what the rate of return has been in Social Security. For today, for those people under 40 years old, let us say, for example, we have a young working couple, let us pick a couple, 30 years, 35 years old. They have got children. Do my colleagues know what their return is averaging today on Social Security? 1.23 percent. Find me one savings account, Mr. Speaker, anywhere in this country at any bank, at any credit union, any savings and loan, find me one bank that pays interest rates that low.

That is exactly what a young couple, the people that I am talking about this evening, the professional women, the professional men, the young couples, the homemakers, that is what they are facing.

Now, let me tell my colleagues something else a little more alarming. For those of my colleagues who are particularly adept at minority issues, because the life span of some minorities in this country statistically is lower than others, that return actually is below that.

□ 2145

They deserve more. They deserve better. And, frankly, those of us who are over 40, our generation is enjoying the benefits of the previous generation. It is an obligation of ours to do something with that return. It is not their job, the under 40, to change the direction of that plane, it is our job. That is our job to do and we should do it. And we have a plan that I think will work.

Now, take a look at stocks. Take any 10-year period of time. On average, we should expect stock returns around 7 percent. Now, remember that is dollar averaging. Around 7 percent. Now, tell me what kind of rocket scientist does it take, with a small amount of money, not the entire retirement, but to be able to just take a small amount of money, a small percentage, 2 percent of money that is earning 1.23 percent, and moving it into an account that is earning 7 percent over a 30- or 40-year period of a work career. That makes a big difference. And that is the difference that these young people in our country deserve.

If we want to talk about doing something for the children, look at the plan that the Governor of the State of Texas, George W. Bush, has put forward. If we really want to not just be talking out there, buffaloing people about doing something for the children, if we really want to do something for the children, look at this Social Security System and look at that plan that the Governor of the State of Texas has proposed.

Let us go into a few details about exactly what the Governor of the State of Texas has proposed. Let me explain first of all the attitude that we can see in the plan, the attitude that comes out, that just beams out of that plan. First of all, it is a can-do attitude. We can do something. It is a can-do attitude. We can do it. We can come up with a system that, without putting at risk an individual's retirement, we can give them a better return than 1.23 percent. We can do it.

We see it. We see the feeling of that, let us do something attitude. My colleagues, we cannot just sit here, and this is exactly what the Governor of the State of Texas's policy is, we cannot sit here with the status quo. Those who are not willing to participate should move aside, because we have to try something. And here is something, by the way, that has already been tried and tested and has been successful. This plan tracks the plan that, my guess would be, every one of us in these Chambers participates in and 2½ million Federal employees also participate in. It works. And it took somebody to make a bold move to put us into that. I think it is very interesting.

Now, let me go through what the Vice President has said; that seniors on Social Security and people close to retiring would stay in the current system. I have mentioned that several times. The seniors should have no concern, and they should not listen to any of that advertising. Do not be frightened as we get into a political season by those advertisements, which were primarily run by the Democratic National Committee last time talking about our policies and trying to drive the seniors' thoughts and decisions through fear tactics. Let us drive it through simple arithmetic. Let us drive it through the math.

The plan would take about 2 percent of payroll-taxed income and would set up personal-managed accounts. Now, what does that mean? That means that Social Security takes a certain percentage out of our payroll checks, and out of that amount of money, let us just imagine it in a pot. Here is an individual's pot of money. The government takes it from that person's check and puts it into Social Security. Out of that pot there would be a huge safety net. In other words, most of the money in that pot would go into the Social Security System so that no matter how an individual's own personal-managed account did, they would always be guaranteed at least a minimum retirement supplement.

As it is today, it is a supplement. It is not intended to be a full retirement, and I should have mentioned that when I talked about the history of Social Security. It takes the majority of that money and puts it into the safety net, but it takes a small percentage of that money, which, over time, can really, on a cumulative basis, add up, and it takes that small percentage of money and allows the worker, the person paying the bill, the person that is getting stuck with the tab, it allows them to manage the account. For younger accounts, for the younger generation, it makes that generational reverse. It begins to come back. It begins to be fairer to our children, to our people, to our young couples under 40.

Now, how would the system work? The individual, very similar to what we have at the Federal system, would take that small percentage of money. And, by the way, they do not keep it in their pocket. The worker does not keep it in their pocket. They are simply assigned an account of which they own. Which means, by the way, if they die, they can pass that on to the next generation. They can give it to the local charity. So they actually have ownership of that small percentage, and they get to direct how it should be invested.

Now, let me explain very briefly just exactly how our Thrift Savings Plan works, because the Bush plan, the plan of the governor of the State of Texas, as I said repeatedly throughout my comments so far this evening, tracks very closely the Thrift Savings Plan that is offered to all Federal employees. Now, currently, today, as I mentioned several times, 2½ million Federal employees take advantage of this plan. I have yet to find one Federal employee, I have yet to find one of my colleagues, including any of them on the floor, and I look forward to discussing this with them after I conclude my remarks, I have yet to find one that is disgusted with this system; that is afraid the system endangers their future retirement; that believes any kind of fear tactic about this system. It is not there. The system works, and it can work for Social Security. That is what the Governor says.

Now, how does thrift savings work? Let us take an example: Myself. I get a paycheck once a month from the Federal Government. I am a Federal employee. I do pay into the Social Security System; but on top of that, we have the Thrift Savings program. And what that does is it allows for me to designate up to 10 percent of my salary and put it into a plan called the Thrift Savings Plan. If I put in 5 percent, the Federal Government will match it with a 5 percent put-in as well. Now, I can contribute up to 10 percent, but the Federal Government only matches the first 5 percent.

When it goes into the Thrift Savings Plan, I then own that. I own that plan. It is under my name. If something happens to me, there is an amount of money that can be transferred to whoever I would like; to my family, in this case.

So once it goes into the system, then what do I do? Basically, we have three choices as a Federal employee. The first choice that we have is to put it into an investment that is absolutely safe, has 100 percent guarantee by the government, but the rate of return is very small. I think last year, and maybe I have got the return figure here, very small, maybe 4 or 5 percent, but it has a 100 percent guarantee. So those of us that want to participate in thrift savings but do not want anything to do with the risk, we can go ahead and designate our personal account that is in our name and put it in that ultra safe investment.

Or we have two other choices. Those choices are we can go into the bond market or we can go into the stock market. Now, the bond market has no guarantees to it, but it has a higher return. Remember, the higher the risk, the higher the return. The lower the risk, the lower the return. So in our first account option that we have as Federal employees, we get a low return but we have low risk.

And by the way, the Thrift Savings Plan, just like the proposal for Social Security, is voluntary. None of us in this room have to participate. Not one Federal employee out there has to participate in this. But if we want to increase our risk a little, then we can go into the bond market or we can go into the stock market.

Now, in the stock market fund, for example, over the past 10 years, the average rate of return from the stock-based option under that plan has been 18 percent. Now, that sounds like a great return. It is a wonderful return, but there is risk involved there. And everyone who invests in the Thrift Savings Plan signs a statement. They go over very carefully what the risks are

of the three different options. They give the historical average of what the returns have been. There are no secrets in this plan. It is a very employee-oriented plan.

On the bonds, over the last 10 years, their rate of return, the government bonds was 7 percent and corporate bonds was 7½ percent. Last year's return was 20.95 percent. This is the Thrift Savings Plan. This is the plan that the Governor of the State of Texas has said we should take a look at for Social Security. Why can we not apply those principles, what is good for government employees, what is good for the United States Congress, to Social Security?

The minute that the Governor of the State of Texas proposed that, we heard generally from most of the Democrats, oh, my gosh, the sky is going to fall in. Even though, in fact, they are beneficiaries. The Democrats are beneficiaries of the plan that we are proposing to give to the workers at large. Why should this sort of plan be restricted to us? Why restrict it to Federal Government employees? Why not let the entire country share the benefits of it?

The Democrats are the first ones to jump up and criticize, oh, my gosh, what happens if we change the status quo? We cannot change the status quo. Let us get out there with the people that are most dependent with Social Security and let us scare them. My colleagues, we owe more to the people we represent. Let us lay out both of these plans, as I am attempting to do this evening.

Let me tell my colleagues, the leader in objections to the Governor's plan has been the Vice President. Do we want a new president that decides to keep things status quo? I want a president that is going to be dynamic. I want a president that is willing to take bold moves. I want a president that can look at a system that needs to be fixed and fix it. And fix it.

And how interesting. I did a little research this evening. I found something very interesting. In 1988, when the Members of the United States Congress decided that they wanted to secure their future a little better than Social Security secured it for them, that they wanted to get out of this category of a 1.23 percent return, they created the Thrift Savings Plan that allowed them that ownership. And guess who one of the supporters of that was? The Vice President. The Vice President's policy at that point in time, when he was a Member of Congress, was to allow Congress and Federal employees to have this thrift savings system where they get the option of individual choice.

How interesting that in 1988, the Vice President's policy was that this is a good viable plan and today, even though the plan has been a tremendous success, the Vice President says, oh, my gosh, it is too volatile, we cannot do this kind of thing.

It is very, very simple, in my opinion. It is very simple, and we should lay it out in as simple terms as we can. Let me point out, before I go on a little further in that regard, one way to help us understand this. There are some Web sites on the Internet, and actually, some of these Web sites actually have calculators on them so we can go to these Web sites, take our own personal examples and we can look and determine what happens to us if we stay under Social Security under the Vice President's policy of maintaining the status quo, of keeping a system that is crippled, a system that is actuarially bankrupt, and we can actually look at this site and determine what our return, a pretty good guess of what our return is going to be. And it also allows the option to look at the proposal by the Governor of the State of Texas, George W. Bush, which is, as I said, very similar to the Thrift Savings Plan, and figure out what the return would be there.

Let us look at these very carefully. The first Web site, 60plus.org/SavingSS/savings.htm. I will leave this up here so my colleagues can have an opportunity to write it down. The second site that I will put right here is empower.org/html/, and the third one is socialsecurity.org/index.html.

□ 2200

I will keep these up here for a few minutes, colleagues, so my colleagues can write it down, and what I would urge my colleagues to do is pass these Web sites on to your constituents. Be straightforward with your constituents, and I do not doubt that my colleagues are all going to be that way, but do not let politics drive us into putting out propaganda or into slanting the people out there and letting them believe that the status quo is going to be good for those people 40 and under.

Clearly, as I said earlier, and it is a statement I repeated numerous times, but we need to repeat it, for those of you who are 40 and over; the status quo will protect you, the proposal by the governor of the State of Texas does not threaten anyone age 40 and over. What it does is enhances the opportunity for those who are 40 and under, it enhances their opportunity to avoid the mountain that this plane is headed towards.

It allows those 40 and under to actually have a piece of the pie, to own some of the action, to be involved in the investment decisions. Now, it is true that some will make careless decisions, that some may decide to put all of their 2 percent into the stock market, and they may lose it.

Let us say over a short period of time on dollar averaging, the return could come out shorter. The beauty of this plan and the beauty of the Thrift Savings Plan is, no matter how badly you mess up in Thrift Savings because of your own personal management, and you have the opportunity, I mean, you want higher risk, you get a higher return, you have higher risk. No matter how bad you mess it up, the bulk of your retirement is still in place, because you are only managing a small portion of it. It is the same thing with this proposal on Social Security. We are not talking about 100 percent of your Social Security goes under your management, but what we are talking about is that you are going to be able to take a small percentage of your investment and invest it; and I think you are going to do a lot better than 1.23 percent, but if you did not, the bulk of your Social Security for those of you 40 and under will at least still be protected.

Now, the question we face tonight and the questions the American people face tonight is do we go ahead and bury our heads in the sand in regards to Social Security, or should we accept some bold leadership that is willing to set sail in a storm; that is, willing to step forward and say, look, do not accept the status quo, move aside. If you do not want to work on it, move aside, but do not prevent me from coming up with a plan that will be viable for the American people, and that is exactly what the governor of the State of Texas, George W. Bush, is saying.

Now, keep in mind my comments earlier that this is not a new invention. This is not something that a rocket scientist suddenly came up with. This is kind of a copycat. We have had somebody else break the snow through the mountain forest; somebody else already has a path through the forest. We have been following this path and, frankly, we followed it for 40 years under Democratic leadership, and they would not change it.

So for 40-some years under the Democratic leadership, we followed that path, but now we have discovered another trail. Somebody has showed up in the horizon; it happens to be the governor of the State of Texas. He says why do you not try this path? And by the way, it is not a new path. Who has walked in the path before? That is a legitimate question for you to ask.

Before you go through the forest with this person, it is a legitimate reason, a question for you to say now, wait a minute, governor of the State of Texas, what kind of path are you going to lead us through? We are going through some pretty tough mountain country here. What kind of path? Anybody else been on this path? And the answer would be yes, 2½ million Federal employees have walked through this path. They have plowed the snow; that is a plan that Federal employees get to participate in, and 2½ million of them have chosen to do so.

And you know what, they are coming out on the other side of the mountains. And you know what, when they come out, to date, those Federal employees since 1988 have said, hey, this is a good system, including the Vice President of the United States, who in 1988 endorsed going on that different path. He supported it. And in January, he also acknowledged the returns were better, although today, the Vice President's

policies are do not dare go on a new path. We have got to stay on the same old path through these mountains.

Well, what we are saying is that same old path is bringing some pain to some people. Those people 40 and over are going to be able to walk the old path just fine, because they are most of the way down it. They are almost to the other side of the mountains, but the young people in our country, those people that are out there in the workplace 40 and under, and those who are not old enough yet to work, they are going to have to start on this side. And the conditions are worsening on the path.

Those 40 and over have missed the snowstorm. There is now snow coming down on that path. We have got treacherous weather ahead, but we had an option. And that, again, is what I stress to all of us tonight, put your politics aside just for a little while and say does the Thrift Savings Plan work for me as a Federal employee?

And there is not a one of you in this room that will not say yes to that. Of course, it works for you, or you would not be participating in it. And by the way, you do not have to participate in it.

Then the next question you would logically asks if it works for me, why do not we apply it to Social Security? Why do we not try and take a plan that allows a worker to direct and participate in the management, a small percentage of the money that is taken out of their payroll check and put it into the Social Security system.

I intend to have several more discussions with my colleagues on the floor in regards to Social Security. I think it is probably one of the top four issues that should be discussed in every election and every debate this season.

And as it is brought up in debates, I would urge my colleagues, put aside the fear tactics, talk the numbers. We know factually that this plan, Social Security, if we stay on the same path, that in 2035, this plan will be actuarially bankrupt; we know that. You do not argue it; we do not argue it. It is a fact. So use that in your debate.

We know that the seniors who are currently on the Social Security today and those who are 40 and above face no danger of losing their Social Security benefits. You know that on this side; we know that on this side. That is a fact. Put it in there; list your facts in this debate.

We know that somebody has to change. Now, that is debateable. The Democratic leadership, the Vice President's policies are continuing down the same path. Our policies, our new proposal is let us just change the path a little. We are not saying change the path drastically; we are saying change it a little. Go on the trail that has been traveled before. Go on the trail that has been successful.

Go on the trail that when those young workers get to 2035, they do not have to look at a return of 1.23 percent; they deserve more. We owe them more. So colleagues, I hope all of you participate with me in this Social Security debate.

I look forward to debating any one that wants to discuss the subject; but if you are a Federal employee, and I am referring to all of the Congress people here today, if you are a Federal employee when you get ready to debate me, you better justify with me at the beginning of the debate, you better justify why it is okay for you to have a Thrift Savings Plan that allows you management and ownership and inheritance rights under that plan, but it is not good enough for the average worker, American out there, unless they are a Federal employee.

If you cannot justify that at the beginning of the debate, I win by default. I win the debate by default. I win the argument by default. You know that and I know that.

In conclusion, Mr. Speaker, I urge all of you to go back to the American people and say, look, it is time for new leadership on Social Security. It is time for a slight change, not a dramatic change. The sky is not going to fall down, but it is time we look beyond our blinders; it is time that we moved it just a little. Because if we move it just a fraction, over a period of time that angle becomes dramatically different and our airplane will not hit those mountains.

Let us follow through with the fiduciary obligation we have to our people. Let us save Social Security, not just for the next two generations, but for the next 15 generations so that those generations can in turn save it for the next 15.

PERMANENT MOST FAVORED NATION STATUS FOR CHINA

The SPEAKER pro tempore (Mr. SWEENEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Ohio (Mr. KUCINICH) is recognized for 55 minutes.

Mr. KUCINICH. Mr. Speaker, tonight I am going to be speaking about the permanent most favored nation status for China. And in the time that follows, I hope to demonstrate to the Members of Congress why this legislation ought to be defeated tomorrow and why this Congress needs to return to the roots of our country, the historic roots which have been the result of people really caring about human rights, caring about the rights of all people.

When this country was founded, it was founded by people who felt that, as the Declaration of Independence indicates, it was necessary for people to dissolve the political bands which have connected them with another, and to assume among the powers of earth the separate and equal station to which the laws of nature and of nature's God entitle them. A decent respect to the opinions of mankind require that we should declare the causes which impel them to the separation.

And in that Declaration, which is our heritage, it goes on to say we hold these truths to be self-evident that all men are created equal, that they are endowed by their creator with certain inalienable rights that among these are life, liberty and the pursuit of happiness, that to secure these rights, governments are instituted among men deriving their just powers from the consent of the governed.

Mr. Speaker, this Congress exists as part of a continuum of representatives who have come here throughout the ages, and so many of us raised our right hand to say the words of our desire to protect and defend the Constitution of the United States as my good friend, the gentleman from Colorado (Mr. TANCREDO), spoke so well a few hours ago, our purpose as Members of Congress, our first and foremost to defend the interests of the United States of America.

Now, certainly as Members of Congress, we can make the decision to see whether it is the interest of the American people to engage in trade with nations of the world, and we have done that. Indeed, this House of Representatives has taken the position time after time that we should use trade as a means of exchange among the nations, but at no time has this House ever stood back and renounced its obligation to uphold the highest of principles upon which this country is based.

I do not think there is a Member of this House who came to Washington without being animated by those lively sentiments of faith in America, of hope in our country, of a belief in the American dream, of wanting to share that with everyone. And so when we cast a vote on trade issues, we may do so with the highest expectations, but we must do so with the proper dose of reality. That is why, Mr. Speaker, I think it is important that when we are looking at all the promises and claims that are being made about the benefits of permanent most favored nation trading status for China, that we look at the recent history of the implementation of a major trade agreement which some Members of this Congress had the opportunity to vote on, a major trade agreement which was promoted by the current administration, a major trade agreement known as the North American Free Trade Agreement, NAFTA, that took effect with such great fanfare on January 1, 1994.

□ 2215

In this report by Charles McMillion, he said it was ''the first ever experiment in rapid and sweeping deregulation of investment and trade policies between a low-wage developing country and highly industrial countries.''

That seems at this moment as an echo of what we are hearing in this debate today over China, that it is still another experiment in rapid and sweeping deregulation of investment and