

intent should be to encourage countries to adopt our domestic traditions and commitment to human rights.

A 25% voting coincidental is not asking too much. We are not coercing states to vote our position. However, we have right to withhold aid if we believe that the states we are currently aiding do not share our ideals and values. We should not support military assistance to oppressive regimes which consistently oppose American efforts in the U.N. General Assembly. We must ensure the money we spend on foreign assistance best serve the interests of the American taxpayer. If we cut or reform domestic programs that are not working, why not require it of our foreign aid program? Mr. Speaker, I strongly encourage Members interested in accountability, reform and fiscal responsibility to cosponsor this timely and imperative initiative.

PERSONAL EXPLANATION

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 10, 1999

Mr. KENNEDY of Rhode Island. Mr. Speaker, on February 24 and 25 and March 4 I was unavoidably detained and consequently missed several votes.

Had I been here I would have voted: "Yes" on passage of H.R. 438; "yes" on passage of the Journal for February 25; "yes" on passage of H.R. 514; and "yes" on passage of H.R. 707.

DON'T BLOW AWAY SOCIAL SECURITY

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 10, 1999

Mr. SANDERS. Mr. Speaker, I would like to call your attention to an article printed in the March edition of the Labor Party Press, and ask that it be printed in the CONGRESSIONAL RECORD for my colleagues' benefit:

"DON'T BLOW AWAY SOCIAL SECURITY"

There is no Social Security crisis. But if Democrats and Republicans get their way and privatize the system, there will be.

"It's weird," says economist Dean Baker of the Preamble Center, who has been studying and writing about Social Security reform. "We're all looking at the same numbers, and what the numbers say—even the pessimistic ones—is that we could take absolutely no action on Social Security for the next 34 years, and the program would continue to pay out all its benefits." And yet, politicians of both parties are all aflutter about the need to radically reform Social Security right away.

The picture they paint does sound grim. Mostly because people are living longer, today's workforce is supporting a greater and greater number of Social Security recipients. And the trend will probably continue. In 1995, there were nearly five people under 65 for every one person over retirement age. But by 2030, the ratio will be more like three workers for every retiree. And since Social

Security is actually a pay-as-you-go system—current workers pay for current retirees—that spells trouble. (See "Social Security Basics" on page 4.) For the time being, we can supplement the shortfall by drawing from the extra pot of money the Social Security system has amassed (the Social Security Trust Fund). But then, in 2034, according to some projections, that fund will be depleted, and Social Security money will have to come from active workers alone. And, under the current formula, they would only be able to cover about 75 percent of the benefits retirees had been promised from Social Security.

President Clinton and members of Congress say "saving" Social Security is at the top of their agenda (after impeachment, of course). Many recipes have been written for rescuing Social Security. The most extreme plans involve privatization. Some people want the Social Security payroll withholding to go into our own "personal security account" that we can invest ourselves. Less radical plans would allow the Social Security Trust Fund to be invested in the stock market, where it would supposedly get a higher return than where it is invested now, in U.S. Treasury bonds.

President Clinton favors a combination of both ideas. He wants to invest part of the Social Security Fund (eventually up to 15 percent of it) in the stock market. He also proposes setting up voluntary new private accounts for middle- and low-income Americans—but outside the Social Security system.

At a time when the stock market is in the stratosphere, record numbers of Americans are investing, and the airwaves are full of experts advising the general public on how to get the best return, the idea of turning Social Security into a personal Wall Street investment portfolio is appealing to a lot of people.

But not everybody's sold on the idea. To begin with, many people question whether there even will be a Social Security shortfall. They argue that the Social Security hullabaloo is all based on some very gloomy economic projections made by Social Security trustees. In their reports, the trustees assume that over the next 75 years, the U.S. economy will grow at less than half the rate it has grown for the past 75 years. According to a report by the New York-based Century Foundation, an increase in annual economic growth of just .15 percentage points over the next 35 years would raise output by as much as the combined increase in the cost of both Social Security and Medicare. Meaning: Workers of the future may have no trouble supporting the growing ranks of the retired.

And yet, our politicians have managed to convince a majority of Americans that there really is a crisis at hand. Polls of younger Americans show that many believe they can expect little or no money from Social Security when they retire (unless, perhaps, the system is radically changed).

So who started this rush for a "solution" to the Social Security "crisis"? Follow the money. Wall Street could stand to gain \$240 billion in fees within the first 12 years of a privatized system, according to economist Christian Weller. That, he points out, is enough to give 20,000 fund managers an annual salary of \$1 million each. No wonder the financial industry has spent millions of dollars of late to promote the idea of Social Security privatization.

Economist Dean Baker believes there's a deeper motive behind the privatization push: "I think much of this is being driven by people who are just plain anti-government," he

says. "And Social Security is the government's flagship social program."

It may be, says Baker, that some minor adjustments will need to be made to allow the Social Security system to continue in good health. (See the sidebar on "What We Should Do.") But privatizing the system and investing Social Security money in the stock market is not the way to go. In fact, he believes, it would take the "security" out of Social Security. Most of us would see our retirement incomes dramatically reduced.

HONORING GAIL WALLACE PETERSON ON HIS RETIREMENT

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 10, 1999

Mr. CONDIT. Mr. Speaker, I rise to recognize and honor the distinguished career of my good friend, Chief Gail Wallace "Pete" Peterson. On March 26th, Pete will step down after 16 years as the Chief of Police/Director of Public Safety for the City of Ceres and retire after 40 years in law enforcement.

Pete has accumulated a very impressive and broad range of experience. Rising through the ranks, Pete proved that setting high standards and meeting them on a daily basis is the key to success. I think we take for granted the role people like Pete play. As critical as the police chief is—particularly in small communities—Pete is more than just the head of law enforcement. He's a role model, a friend, and an excellent example.

I am proud to report Pete proved his commitment to leadership in bringing both police and fire services under one department to better serve the city. He has played an active role in supporting initiatives to enhance school safety, prevent gang violence and provide a drug-free environment.

I appreciate Pete very much. He's been a good friend to me and he's been very good for the people of Ceres. It's hard to ask anyone for more than that. Under his watch the city met the challenge of developing community-oriented policing with an impressive list of new programs and initiatives including the city's first K-9 unit and motorcycle division. There are more police officers on the street thanks to his efforts. From the Explorer Scouts to the Bicycle Patrol program. Volunteers in Public Safety to working to increase traffic safety, Pete is responsible for several proactive programs to forge an effective bond with the public.

Outside the law enforcement arena, Pete is also a proven leader in a number of other areas including the Chamber of Commerce and Rotary. Pete is one of the invaluable people who always seem to be there for the community on a moment's notice.

I consider it an honor to call Pete my friend. He has served our community well and I wish him and his wife, Karen, much happiness as he begins his retirement. Mr. Speaker, I ask that my colleagues in the House of Representatives rise and join me in honoring Pete Peterson as he retires from a distinguished law enforcement career.