

today are teachers, lobbyists, community and civil rights activists and city officials.

Today her home in Dallas is a civil rights historic landmark where President Lyndon B. Johnson and Martin Luther King Jr. were once visitors.

I salute Juanita Craft's courage to fight for equality for African Americans. I salute her courage to teach others how to work for change. Through her legacy, we can see the battles which have been fought and can be proud of the progress our sisters have made so that we can attend any university, sit at any lunch counter, walk into any store and speak of this floor.

#### GENERAL LEAVE

Ms. LEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore (Mr. DEMINT). Is there objection to the request of the gentlewoman from California?

There was no objection.

#### SOCIAL SECURITY AND THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Oklahoma (Mr. COBURN) is recognized for 60 minutes as the designee of the majority leader.

Mr. COBURN. Mr. Speaker, I come to the floor tonight with several of my colleagues who I think will be joining me, the gentleman from Minnesota (Mr. GUTKNECHT) as well as the gentleman from California (Mr. CUNNINGHAM). I am in my fifth year as a Member of Congress from Oklahoma. I am also in my last term as a self-imposed term limit on myself.

One of the reasons I think that we only have 40 percent of the people voting in elections is that in fact there is a crisis of confidence in the Congress of the United States. I want to spend some time tonight outlining what we have heard many people say, whether it is the President in his State of the Union speech or others in terms about our budget, this so-called surplus that does not exist, explain to the American people why it does not exist and what it is really made of, and then talk about some of the facts of the last 3 or 4 years of what has gone on and what we can expect in the future if in fact we do not have honesty with the American public in terms of our budget, the budget process, and speaking honestly about where American tax dollars go.

I also might add that besides being a medical doctor who continues to practice and deliver babies on the weekends and the days that we are not in session,

my original training is as an accountant. I can tell my colleagues, there is not an accountant in this country that would sign off on the books of the Federal Government. The reason is because it moves money around, it does not account for it, it uses the same money twice and then claims it as a surplus.

To start this discussion, I really want to try to explain to the American public the Social Security trust fund. Most people are paying 12.5 percent, half of it themselves, half of it by their employers, in to fund the Social Security system. At the present time, we have a significant excess number of dollars coming in above and beyond what is required to pay out benefits for our seniors under Social Security. What really happened is we are collecting more than we are spending in terms of Social Security dollars. What happens now is that the Federal Government uses the excess Social Security money to pay for more spending and to pay off publicly held debt. But as they pay off publicly held debt, they incur another debt and that is an IOU to the trust fund that says we will pay this back. That also incurs interest. The fancy way Washington talks about that is that that is a surplus. In fact it is only a surplus in that we have transferred the obligation to our children and grandchildren and they will pay that back through increased payroll taxes. So we put IOUs that are credited to the trust fund.

In 2013, we face a major problem, and that is the year in which the revenues that come into the Social Security trust fund will be less than the payments that we have to pay out. What is going to happen then? Social Security spends more than it collects. In order to pay all the Social Security benefits, Social Security is going to have to try to collect from the Federal Government on the IOUs, the money the Congress has borrowed. What happens? Having spent all the money, the Federal Government has to raise the income taxes or the payroll taxes on the people who are paying Social Security taxes just to meet the obligations.

That is borne out a little bit better when we actually see what the Social Security Administration says about what is going to happen to the fund. As you can see, all this in red is actually money coming in to Social Security in excess of what we are paying out. You will notice in 2013, we actually spend more money. But if you go out to the end of this graph, what you will see is we are getting close to \$750 billion more a year in payments from general tax revenues, or increased raises in the tax paid on hourly wages in this country.

We have a terrible picture developing. I say all this because the politicians in Washington claim we have a surplus. There is no surplus. The

money that they are using to pay down external debt is actually money they are going to be obligating our grandchildren for with a Treasury IOU that is interest-bearing. That money is a false surplus. All it is is the difference between what we paid out and what we have collected versus what we have spent more in other revenues that the Federal Government has taken in.

We are going to have only three options in 2013, and, better, we only have three options now to fix this problem: One, we can save 100 percent of the Social Security surplus and we can transition to a system that increases the earnings for all payments on Social Security between now and 2013 and thereafter. The annualized yield, the return on the investment on Social Security over the last 20 years, has been less than 1 percent. We would have been better to put it in a passbook savings account by 300 percent in terms of the power of compound interest. Had we done that, we would have displaced this day of reckoning where the imbalance in payments out versus revenue in would have been at least delayed another 10 to 12, maybe even 15 years, had they gotten some return.

I think the other point that needs to be made, why are we in trouble on Social Security? We are in trouble on Social Security because politicians easily spend your money without coming and saying, "We're going to give you an increased benefit but we're not going to tell you that your children and grandchildren are going to have to pay that back." How do they pay that back? They pay that back by lowering their standard of living and sending more of their hard-earned dollars to Washington to pay for the benefits today that we did not have the courage to tell the American public that for this benefit, this increase in benefit, we have to pay for it.

What is easy to do in Washington, I have found in 5 years, is to pass on a benefit and not be responsible for paying for it. It is called spin. The real thing it is called is a half-truth. A half-truth, my daddy taught me, was a whole lie. We have seen a lie.

The second option we have, we can repay the money from the trust fund by raising income taxes. We are at the highest rate of taxing the American public that we have ever been with the exception of World War II. Almost 22 percent of our gross domestic product is now consumed by taxes in this country. That is not a good option.

The third option is we can change the retirement system. We can delay the onset, we can decrease the benefits. That is just like we have done to the veterans. We promise one thing and then we deliver far less. It is not a principle of integrity to do something less than what you commit to do. So we only have three options when we are faced with Social Security. I want