

our demographics. If our current system is to work and work well, we need large numbers of young people to pay into the system, and we need retirees to live relatively short intervals after their retirement; but in fact, neither of these situations reflects reality.

Birth rates are down in this country, although not to the degree as seen in some Western European countries, still resulting in a smaller pool of younger workers to support retirees. Life expectancy is up, largely because of the unbelievable advances in medical care that have occurred in the last 70 years since 1935. Both situations are arguably good news, but they do portend a serious situation for our Social Security system.

For example, in the country of Japan there are now four retirees to be supported by every new job that is created. It becomes extremely difficult to remain competitive in such an environment. Raising taxes to deal with the Social Security shortfall arguably has been done several times in the past 70 years; but, unfortunately, that makes the problem even worse. The old axiom states that you tax what you do not want, but surely we want jobs for tomorrow's Americans, but increasing the payroll tax may mean ultimately there are fewer such jobs.

In 1937, the Supreme Court ruled that excess Social Security funds were to be placed in the general revenue fund. Mr. Speaker, that is what happened to the trust fund. In fact, nonnegotiable government instruments housed in a metal filing cabinet in West Virginia represent the surplus in Social Security, and that surplus has been spent over the last several decades by Congress. Congress spent the money, Congress wrote out an IOU for the money, and we continue to write IOUs for the interest.

Mr. Speaker, where is the fairness in a system that holds captive 12 percent of the country's payroll and pays no interest on the money? This, I think, is the heart of the problem. What Albert Einstein described as the miracle of compound interest is denied to American workers.

What are the solutions that might be there for us to help with Social Security? We could cut benefits. I did not come to Congress to do that. We could raise taxes. Not this guy.

There are, of course, those who feel that growth in the economy will help those two workers that are going to have to support every retiree into the future; and I will tell my colleagues, Mr. Speaker, I will bet on the American economy every time, but I am not sure if we can improve productivity to that degree.

Mr. Speaker, what we can do is take those excess funds being paid into Social Security and place them into individual accounts that would not be accessible to government spenders and

not be accessible to congressional appropriators. Allow these accounts to earn interest by following a conservative investment strategy, and now perhaps we begin to see the opportunity to preserve Social Security and ensure its solvency well into the future.

The question is always asked how to pay for this transition. I have already excluded a tax increase or benefit cut as a viable mechanism. The money to finance the transition would have to be borrowed; and in fact, this does not represent new debt because the obligation has already been incurred. The borrowing is only to refinance an obligation that already exists, a situation analogous to refinancing a mortgage.

Mr. Speaker, we should always be for good government. The principle of good government would suggest that the current obligation is present, but we are not acknowledging its presence. By financing the transition, we can convert an unknown obligation into bonded indebtedness. It becomes a marketable instrument; and that, in fact, would be a commitment to good government.

Financial markets are not known for their courage. They do not like uncertainty; and, clearly, the uncertainty of monetizing the Social Security debt in the future is one that they will deal with fairly severely. But by making that a known obligation, we are giving the markets more comfort into what our intentions are with regard to the unfunded Social Security liability.

Mr. Speaker, I would like to close with a quotation that was delivered in this House some years ago: "Voluntary contributory annuities by which individual initiative can increase the annual amounts received in old age. It is proposed that the Federal Government assume one-half of the cost of the old-age pension plan, which ought ultimately to be supplanted by self-supporting annuity plans."

These words were spoken in this Chamber 70 years ago by Franklin Delano Roosevelt, the father of Social Security.

Mr. Speaker, it is our obligation to deal with this problem this year. I applaud the President for pushing it on the national agenda, and I look forward to the debate.

ORDER OF BUSINESS

Mr. KIND. Mr. Speaker, I ask unanimous consent to speak out of order for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

THE DREAM LIVES ON

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Wisconsin (Mr. KIND) is recognized for 5 minutes.

Mr. KIND. Mr. Speaker, 40 years ago yesterday on March 7, 1965, events in Selma, Alabama, became a seminal moment for the advancement of civil rights in our country. Last weekend, I had the privilege to join one of my heroes, the gentleman from Georgia (Mr. LEWIS), who was also one of the leaders of the nonviolent civil rights movement, to retrace his steps across the Edmund Pettus Bridge where America's long march to freedom met a roadblock of violent resistance. The day became known as Bloody Sunday.

By 1965, the cause of equality and human dignity had already seen much progress and setbacks: the Supreme Court decision of *Brown v. Board of Education*, Rosa Parks's defiance on a bus in Montgomery, the breaking of a color barrier at Ole Miss, the historic March on Washington, the assassinations of Medgar Evers and President Kennedy, the bombing deaths of four little girls at the 16th Street Baptist Church in Birmingham, Alabama, the Mississippi freedom summer, the passage of the Civil Rights Act of 1964.

But on this Bloody Sunday, about 600 people, young and old, put their lives on the line and met the unbridled force of racism for the most basic American right, the right to vote and be full participants in our democracy. The Alabama State Patrol was waiting for them at the other side of the Pettus Bridge and attacked them with clubs, tear gas, and dogs.

The gentleman from Georgia (Mr. LEWIS) was beaten so badly he believed he was going to die. The images were captured on TV. When the movie "Judgment at Nuremberg" was interrupted with the news, many people watching the movie first thought that it was a continuation of the movie depicting brutal Nazi oppression, until they realized that this was happening in America, right now. People's shock moved the political world.

One week after Bloody Sunday, President Johnson spoke to the Nation. In inspiring words, he said: "At times, history and fate meet in a single time and a single place to shape a turning point in man's unending search for freedom. So it was at Lexington and Concord. So it was a century ago at Appomattox. So it was last week in Selma. Their cause must be our cause."

Two weeks after Bloody Sunday, Dr. Martin Luther King and the gentleman from Georgia (Mr. LEWIS) led 4,000 people across the Pettus Bridge on their 54-mile march to Montgomery. Six months later, President Johnson signed the Voting Rights Act, proclaiming that the right to vote is the most powerful instrument ever devised for breaking down injustice and destroying the terrible walls which imprison all people merely because they are different from each other.