

Remarks in a Discussion on Strengthening Social Security in Notre Dame, Indiana

March 4, 2005

The President. Thank you all. Please be seated. Thanks for coming. More importantly, thanks for letting me come. We're here to have a dialog with some of our fellow citizens about Social Security. But I've got some things I want to share with you before we get there.

First, this is a serious conversation, and it's an important conversation. This is a conversation about the future of the country. And I want to thank Father Malloy and Father Jenkins for letting us come to this fantastic—letting me come back to this fantastic university. I come back as a graduate—well, kind of a graduate. I got a degree—[*laughter*—honorary degree. [*Laughter*] For all you C students out there, it's amazing what can happen to you if you keep working hard. [*Laughter*]

It's such an honor to be with Father Hesburgh as well. What a great American. I'm proud to be in your presence, sir.

I'm glad to be here with my man, Mitch. Governor, we miss you. He was a solid member of my Cabinet, and he's a solid buddy.

Laura sends her best, by the way. She is doing great. Believe it or not, she's in Death Valley, California, looking at wildflowers. [*Laughter*] She loves flowers, and I love her.

I appreciate Congressman Chris Chocola. He is a strong leader. See, I've been up there long enough to be able to determine who knows how to lead and who's just up there holding office. You've got a leader in Chris, and I appreciate your leadership. Congressman Mark Souder is with us. Mark, thanks for coming; appreciate working with you as well.

I know the attorney general is here, Attorney General Steve Carter. Thank you for being here, General. Mayor Luecke is with us. Mr. Mayor, I'm honored you're here.

Thanks for—you tell those firefighters and policemen how grateful I am for them having to stand out in the cold to deal with my entourage. But thanks very much. Mayor Jeff Rea, good to see you, Jeff. Thanks a lot.

Most of all, thank you all for sharing your time and paying attention to some crucial issues. First, I do want to talk a little foreign policy. You know, I believe deep in everybody's soul is the desire to live in freedom. I told a lot of people around the country that freedom is not America's gift to the world; freedom is the Almighty's gift to each person in this world. And that's what I believe.

And I know we've got some students here, and you're living in an amazing—we're all living in amazing times, when you think about what has taken place in a brief period of time. I mean, millions voted in Afghanistan to elect a President. That country has gone from darkness to light because of freedom. The Palestinians have elected a new leader who is showing courage. And I believe someday soon there will be a Palestinian state living side by side with Israel in peace. The Iraqis defied the terrorists and went to the polls by the millions because they want to live in a free society.

The desire for people to self-govern and to live in a free world is catching on in parts of the Middle East. In Beirut, Lebanon, thousands of people took to the streets in peaceful protests because they're saying, "We want to live in freedom as well." And now it's time for Syria to end its occupation of that good democracy. They need to remove all their troops, all their secret services. They need to listen to the voices of not only the United States and France and other European countries but the voices of people like Crown Prince Abdullah from Saudi Arabia. The leader of

Syria must understand the world is speaking with one voice: Lebanon must be free.

And the reason that's important is because free societies will help keep the peace, the peace we all want, the peace for generations to come, so young and old can grow up in a peaceful world regardless of your home country. I believe this world is becoming more peaceful. And when it becomes more peaceful, all of us who've been involved in public policy and all who've served our country can know we have done our duty for generations to come.

We got some good news today about the economy. The economy added 262,000 new jobs last month. The entrepreneurial spirit is strong in America, and we need to keep it strong. These jobs were added because—I think—of good policy, which said, "How can we stimulate small-business growth? What can we do to make sure the entrepreneur is doing well, not only in Indiana but around the country?" And the fundamental question is, what do we do now?

I believe firmly that the scales of justice are not balanced in America. We need legal reform. We got a good class-action bill to my desk. Republicans and Democrats supported it. We now need to get asbestos reform so people don't get driven out of work. And I'll tell you another reform we need in the Halls of Congress. We need medical liability reform so good doctors aren't run out of practice.

Laura told me, she said, "Make sure when you get up there, remember, you've got some panelists, so don't do all the talking." But I've got a lot to say. *[Laughter]* We're doing great in Washington. We're working hard to make sure that there's a new spirit that—where people decide to set aside politics and work on problems, and one of the biggest problems we face is Social Security.

Let me first start off by saying something really important, and we'll talk about this as this discussion goes on. If you're relying upon Social Security today, nothing will

change. I don't care what the ads say, what the politicians say. You're going to get your check. That's just the way it is. That is a fact. The problem for Social Security is not for those who now depend upon it. Listen, Social Security has been a great safety net. It's been a vital part of our country. But we're getting some holes in the safety net, particularly for younger generations of Americans.

And you're probably wondering why somebody who has been in politics is talking about Social Security. After all, it's been called the third rail of American politics. You grab ahold of it, and you get electrified. I'm talking about it because I see a problem, and I believe I have a duty as the President of the United States to bring problems forward for public discussion. So I'm traveling our country, which I like to do, by the way, talking about the problem and reassuring seniors that you don't have anything to worry about—unless you're worried about your grandkids, like most seniors are.

And here is the problem: Baby boomers like me are getting ready to retire. Starting in the year 2008, a lot of us will turn the age of 62 years old. We're the—that's where the leading edge of the baby boomers are—that would be me. Is that you, Mitch? Almost, yes. *[Laughter]* You don't look it. We've got a lot of us. See, there's a bulge of retirees getting ready to retire. And we're living longer than the generation before us. You've got a lot of people getting ready to retire who are living long years. And yet the Government has promised us benefits that are much greater than the previous generation's. So you're beginning to get a sense for the math: A lot of people living longer, being promised greater benefits.

And the problem is, as you can see on this chart, that the number of workers paying into the system is shrinking dramatically. In the fifties, it was 16 to 1, 16 workers paying into the system for every retiree.

So that if you took the average compensation today for the Social Security retiree—it's 14,200—that would be each worker would pay \$900 to make sure that one person got their benefits. Today, it's 3.3 to 1, and soon it's going to be 2 to 1. More people living longer, getting greater benefits with fewer people paying into the system. The math just doesn't work any more.

Now, this is a pay-as-you-go system. The checks come in, and the checks go out. Some of you probably think, when you think about the Social Security trust, that there is a bank account with your name on it, that the Government is dutifully collecting your money so that it will accumulate over time and pay it out. That's not how it works. That's not the way it works. The money is coming in, and the money is going out. And if there's extra money above and beyond the promises made to Social Security retirees, that money is going to pay for other Government programs. I hate to tell you, but that's just the way it's working. And what has happened is you got a bunch of paper accumulating in the form of IOU. But this is a pay-as-you-go system. It is not a savings system.

Now, when you get more people retiring who are getting greater benefits and are living longer, with fewer people paying in, at some point in time the system starts to go into the red. Right now, on that chart you can see, there's more money coming in than going out. But in 2018, there's more money going out than coming in. That's the beginning of the trust beginning to become depleted. I mean, it's the beginning of the IOUs being dissipated.

Let me tell you how bad it will be if we don't do anything. In the year 2027, the Government will need to raise \$200 billion more than the payroll taxes just to make good on the promises. And it gets worse the next year and the next year and the next year. It's up to about 300 billion by 2030-something. And in 2042, the system is flat broke. All the IOUs have been gone.

So we've got a problem. I don't care how you look at it; it is a problem. It is a problem that I think needs to be addressed. The longer you wait, the harder it is to come up with a solution. Imagine if this Government of ours does nothing at this point in time on Social Security, and you've got a 5-year-old child. When that child turns 18, the system goes into the red. When that child turns 28, it requires billions of dollars to make good on the promises to people like me. When that child—in the year 2027, that child and other workers are going to be confronted with at least a \$200 billion deficit per year to make good on the promise. So my first mission is to travel around this country saying to folks, "We've got a problem," and to remind seniors that nothing will change, that you'll get your check.

And if I'm successful at doing that, then all of a sudden you can imagine where the debate will go. The American people will start saying, particularly the younger Americans who are going to have to pay for this, will start saying, "What you going to do about it? If you see a problem, Mr. President and Congress and Senate, what do you intend to do about it in order to make sure there's a retirement system and safety net for future generations of Americans?" And I understand that.

And that's why at my State of the Union, I stood up and said, "Bring your ideas forward. This is no longer the third rail of American politics. I don't care if it's a Republican idea or a Democrat idea. I'm interested in knowing what's on your mind as to how to permanently fix, permanently solve this problem." And I mentioned that President Clinton and Senator Moynihan and many Democrats who've come up with interesting ways, interesting ideas, a variety of options to fix the situation. Now, I realize I've got a duty to participate as well. First thing I'm going to do is keep traveling the country over and over and over again, making the point, we got a problem and now is the time to act.

But I want to share with you an interesting idea, an idea that I think will make America a better place, and that is I believe that as part of a Social Security reform package, younger workers ought to be allowed to take some of their own money—remember, when you pay in payroll taxes, it's your money, it's not the Government's money; it's your money—you ought to be allowed to take some of your own money and set it aside in a personal savings account that you call your own. And here are the benefits—and here's the benefits as I see them. First, there's something called the compounding rate of interest. In other words, if you set aside dollars over time, they will grow with interest, and it compounds. It gets bigger and bigger and bigger.

Now, you say, "Well, why can't that happen with my own money now?" Well, it can. But it is a paltry rate of return compared to conservative stocks and bonds. If you put your money in a conservative mix of stocks and bonds, the rate of return you'll get on your money is significantly greater than that which the Government is getting for you. And that's important.

Take, for example, the idea I've suggested to Congress that a worker ought to be able to take 4 percent of the payroll taxes and set it aside in a personal account. And if you average \$35,000 over your life as a worker and set aside that money in a personal savings account, over time, the money you've set aside will grow to \$250,000. That's on a worker earning \$35,000. That's your money, \$250,000. Now, what would that be used for? That would be in addition to that which the Government can afford to pay you. In other words, a personal account is on top of the check you're going to get. The Government can't possibly pay the promises we have made, as you've seen from the charts. It's just impossible to do so. So my idea is to let you take some of your own money, set it aside, let it earn interest over time, let it grow, let it compound with interest

so that the money you end up having for retirement is closer to the promise the Government has made.

Second benefit: It's your money, and when you pass on, you can leave it to whomever you want. That's not the way the system works today. The system works today—it will help a family who—where a wage-earner has died suddenly, because that money is now available to be spent for that family. We'll talk to somebody who went—had an issue along these lines.

I'll tell you another thing I like about it. I like the fact that people can own money. There is a myth in America that only certain people can be an investor, the investor class. You've heard that discussed before. I guess that's kind of the pinstripe, Wall Street types. That's not what I think about America. I think everybody in this country has got the capacity to manage a personal account. I think everybody should be allowed to be able to take his or her own money and watch it grow over time.

Now, you can't put it in the lottery. You can't take the money and shoot dice with it. There will be guidelines. There will be a conservative mix of investments. And guess what—guess where you can find a go-by for this type of system? Federal employees are allowed to do just this, in the Federal employee thrift benefit plan. That's exactly what happens at the Federal Government right now. They say, "If you're working for the Government, you can set aside some of your money and you can invest it in a conservative mix of stocks and bonds so that you can get a better rate of return."

Fourth, I think it makes sense to have people open up a quarterly statement and watch how their wealth is growing. It certainly would cause people to pay attention to what's happening in Washington, DC. It will make people wonder what the policies are—are the policies that are being articulated good enough to continue to make sure our economy continues to grow? In other words, when you own something,

you have a stake in the future of the country.

So I think this is an idea worth discussing, and I put it out there for people to debate and listen to and argue about. But one thing is for certain that Congress needs to know, that we have a problem that needs to be addressed. And if somebody has got some better ideas, I'm looking forward to hearing them. I'm looking forward to the people around our country saying to the elected Members of this Congress of ours, "We've got a problem. Now we expect you as an elected leader to come to the table and solve it now, before it is too late." And that's what I want to discuss here.

By the way, I'm really excited about the opportunity to fix Social Security. That's why we run for office. Someone said, "It's a steep hill to climb, Mr. President." Well, my attitude is, the steeper the better, because when you get up top, you realize you have left a significant contribution behind. And that's the spirit in which I go into this dialog with members of both political parties.

A couple of other points on the accounts. One, you can't take out all your money when you retire. In other words, the account is there to add on to that which the Social Security system has given you; it's in addition to. Secondly, it's a—there is a way to make sure that when you come closer to retirement, you can alter the mix of stocks and bonds or T bills or whatever it might be so that you're able to better control the investment portfolio. In other words, there's flexibility within the guidelines that the Government has set, just like the Thrift Savings Plan of Federal employees.

We've got some citizens here who have agreed to lend some of your expertise to the subject. After all, you're dependent on Social Security, and I'm not. You're an expert on it.

First, I want to bring in Jeff Brown. What do you do, Jeff? That's a loaded ques-

tion, I already knew the answer, of course. [Laughter]

Jeffrey R. Brown. I'm a Ph.D. in economics, and I'm a professor at one of the other great Midwestern universities.

The President. Ph.D. in economics. It's an interesting lesson, isn't it? He's the adviser and the Ph.D. I'm the President and a fair student. [Laughter]

All right, Doc. You're an expert on Social Security.

Dr. Brown. That's right. I've been studying it for about a decade now, and the good news is, it doesn't really require a Ph.D. to understand that the program is in trouble.

The President. Well, give people your thoughts, seriously.

[At this point, Dr. Brown, assistant professor, Department of Finance, University of Illinois at Urbana-Champaign, Champaign, IL, made further remarks.]

The President. Yes, tell me—you know what's interesting about this subject? I was just looking at Dr. Brown—he's a young-looking guy—and I was thinking about when I was his age, I don't remember much discussion about Social Security being in trouble. I think we all took it for granted, precisely because the math was fine. And what he's telling you is, is that there has been a demographic shift. People are living longer; people are having fewer babies. And you might remember the old campaigns. They'd say, "Vote for me. I'm going to make sure you get greater Social Security benefits." Well, that's what happened. They'd promise more and more and more. And so my generation has been promised benefits that the Government just can't pay for, unless graduates from Notre Dame University are willing to pay a significant chunk of their earnings to support me. And I'm not so sure they're going to be willing to do so when it comes time.

You got anything else there, Jeffrey?

[Dr. Brown made further remarks.]

The President. Yes, what he also is saying is that when you save more, when there's more savings, it encourages capital investment. Capital investment means the economy is more likely to be strong. And that's important. There is a direct correlation between savings and investment, and investment means jobs and productivity and, eventually, higher wages. And so this will not only have a good—be good for our fellow workers and fellow Americans but it will be good for the economy.

Well, good. Glad you're here, Jeff, thanks for coming.

Listen, we've got Mark and Betty Batterbee. Isn't that right?

Betty Batterbee. That's right.

The President. Okay, where do you live?

Mrs. Batterbee. We live in Edwardsburg, Michigan.

The President. Good. Welcome. I'm glad the people of Indiana let you in. [Laughter]

Mrs. Batterbee. Yes, they did. [Laughter] We're from Michiana.

The President. Yes, you're Michiana, all right. You've got some children?

Mrs. Batterbee. Yes, we do. Together, Mark and I have 11 children. We have a very large family, which 7 of them are here today.

The President. Seven are here? Good.

Mrs. Batterbee. Yes, they're over here.

The President. There they are. Make sure you listen to your mother. [Laughter]

Mrs. Batterbee. We have 35 grandchildren, and we have six great-grandchildren.

But first, Mr. President, I think it's an honor to be here. I'm so delighted.

The President. Well, thanks for coming, Betty. I appreciate you being here.

Mrs. Batterbee. And I have a message that I would like you to take to Laura. We think she is a gracious and adorable First Lady, and we're so proud that she's our First Lady.

The President. Thank you. I'm proud of her. Thank you, Betty.

Mrs. Batterbee. Okay.

The President. Social Security. [Laughter]
[Mrs. Batterbee made further remarks.]

The President. Yes, let's stop here; this is an important point. Her husband had paid into the system. She was too young for survivor benefits, and therefore, the money they paid into the system just went away. There was nothing. Here was a man who had worked, supported his family, paid payroll taxes, passed away earlier, and she had zero. I don't think that's a fair system. If we had personal accounts, there would have been an asset that this family had earned.

You're doing great. Keep going on.

Mrs. Batterbee. I'll let Mark talk.

The President. You want to introduce Mark?

Mrs. Batterbee. Oh, this is my husband. [Laughter]

The President. I was wondering who he was sitting there, you know? [Laughter] Very good job.

Mark, thank you. Tell everybody what you did.

Mark Batterbee. My name is Mark Batterbee, and this is my very gracious wife, Betty. I served as a pastor in the missionary church for over 40 years in—both in Michigan and in the Michiana area. I retired just about 3 years ago. I have to say something, Mr. President, how much I appreciate and I believe how much we appreciate the strong leadership that you have provided in the office of President of the United States.

The President. I appreciate that. Thank you. [Applause] Thank you all. Okay. They've got to go back to work here. Thank you. Thanks.

Mr. Batterbee. Also I want to say that as a, quote—maybe I shouldn't—as a, quote, “evangelical” myself, I want to say how much I have appreciated the moral and—leadership that he has provided for all of us, and the fact that he has been an example for the youth of America and for everyone.

The President. Well, thanks, Mark.

Mr. Batterbee. Now to business. [*Laughter*]

The President. Yes, now we got the preacher over with, let's head toward the pocketbook. [*Laughter*]

[*Mr. Batterbee made further remarks.*]

The President. Let me ask you something, Mark. Sorry to interrupt. You're getting Social Security now. Does it matter?

Mr. Batterbee. Yes. Today, Betty and I—Social Security provides a great part of our day-to-day expenses. And we appreciate that very much. However, I have a number of children. You've already seen them out here, children, grandchildren, and great-grandchildren, that when their time comes to receive Social Security, apparently there will be none.

[*Mr. Batterbee made further remarks.*]

The President. Yes, I appreciate that, Mark. This is a generational issue, when you think about it. See, this good couple counts on their Social Security check. And there's a lot of people that really do rely upon their check. It's important for people to know we know that. I know it. And we would never put anything in place that would cause this couple not to get their check, not to have the Government promise fulfilled. And that's really important for people to hear. But this is a generational issue beyond that. This is—you're hearing—how many grandkids, 34?

Mrs. Batterbee. Thirty-five.

The President. Thirty-five, yes. It keeps growing. Either that or I didn't hear you right. [*Laughter*] There's a lot of people who are saying, "Once I'm confident that I'm going to get my check," older Americans should be saying to Members of Congress, "What about my grandkids," because we have a significant problem for our grandkids coming up, and for kids.

And I want to thank you all for joining us. I—we were talking earlier, and one of the things that made me feel great was

when they both said, "I don't worry about my check being taken away from me." And that's important for me to hear. You know, when you launch a dialog like this, you—one of the things that a President must be mindful of is creating uncertainty amongst people who depend upon their check. So I'm going to spend a lot of time assuring our fellow citizens that when you talk about reform, you're not talking about making sure that you don't get the promise.

So I want to thank you all for sharing that with me. Thanks for having all those kids, too. [*Laughter*]

Anyway, Fran Martinez. Fran, thanks for coming. What do you do?

[*Francisco Martinez, steel purchasing manager, Steel Warehouse, South Bend, IN, made brief remarks.*]

The President. Let me stop you right there. Everybody know what a 401(k) is—401(k)? I don't think we'd have known that when we were coming up, Mitch. A 401(k) means manage your own money, see it grow.

Mr. Martinez. Exactly.

The President. Does that make you—

Mr. Martinez. It's a sense of ownership. And I think the idea of personal retirement accounts, as you're proposing in these reforms, I'm very encouraged as a taxpayer to know that that could be a reality one day for us.

The President. Some people say, "Well, it's really hard to manage your own money." I mean, it's a—for some people it's a foreign concept. Is that the case for you, on your 401(k), I mean—

Mr. Martinez. No, that's—you know what, you look at it all the time. You get a quarterly statement once every quarter, every 3 months, and you see your money grow. This money that you're putting in every week continues to grow. And I believe that we should have a part of that in our system today that we have, and we don't have that.

The President. Long-term investments take out swings in markets, and a conservative mix takes them out even further. So when you hear people say, "Oh, if you put your money in the market, you'll lose it all," that's just not the way it works. We're talking about people holding money over a long period of time with a conservative mix in stocks and bonds.

I hear people say, "Well, I can't do that," or "Certain people can't manage their own money." But you've got to understand life is changing, particularly for younger generations of Americans. Here you're looking at a 36-year-old man who has got a 401(k). It's a defined contribution plan. He's watching his money grow. My attitude is, why shouldn't we apply that very same concept to his other source of money, his payroll taxes, and setting up his own account?

Now, let me ask you something. Your children—obviously, you're in the business of making sure they're educated——

Mr. Martinez. Correct.

The President. —but I presume you're trying to build up an asset base for them.

Mr. Martinez. Absolutely. Part of the responsibility of us parents is to set aside money for them, for their education and for down the road. And that's a very important part of our family.

The President. So he builds up—Fran sets aside money. It grows; it grows; it grows from his personal account. He passes on, and the kids can do with the money whatever they want to do with it. It's not their retirement account. It is their money to live on. It's their money to invest. It is a nest egg. It is a part of their wealth and their worth. Seems like to me that's a concept that we ought to spread to every family in America. This idea of, only a certain number of people should be allowed to invest is something I totally reject, and I think it's wrong. There will be plenty of help for people to learn how to watch as stocks and bonds grow, to be able to pick and choose the risk and reward that the Government says is available for you.

There's plenty of people that have got the capacity to do that.

And I want to thank you for thinking that way, Fran. It's an important concept.

Debbie Johnson. You don't need to tell your age. [Laughter]

Debbie Johnson. Thank you, Mr. President. [Laughter]

The President. But you do have the hardest job in America, which is being a single mom.

[*Deborah Johnson, business development and public relations officer, Bayer Federal Credit Union, Mishawaka, IN, made brief remarks.*]

The President. So, why—single mom, too, really busy, sitting on the stage with the President talking about Social Security—why?

Ms. Johnson. I forgot to tell you, I'm also a part-time student at Bethel College.

[*Ms. Johnson made further remarks.*]

The President. Let me stop you, sorry. Do you hear what she said? "I do not believe"—Members of Congress need to hear—"I do not believe that Social Security will be around when it comes time to retire."

Ms. Johnson. No, I don't.

The President. I don't blame you. [Laughter]

[*Ms. Johnson made further remarks.*]

The President. Yes, this is a very important part of the dialog. We've got folks saying, "I'm comfortable when I get my check." And we've got taxpayers saying, "I don't think I'm ever going to see one." As a matter of fact, somebody told me one time, a poll amongst youth—I didn't see the poll, generally don't pay attention to them, but nevertheless, it said that young people think it's more likely they're going to see a UFO than get a Social Security check. [Laughter] Were you in that poll?

Ms. Johnson. Yes.

The President. The fundamental question facing our society and facing our Congress is, are we willing to worry about taxpayers that have yet to come close to retirement? That's really what we're talking about. I campaigned on this issue. I said, "Vote for me, and I'm going to bring forth interesting ideas to make the Social Security system sound." I believe people appreciate a candid approach to issues and want people to work together to solve problems. And if I were a younger American, I'd be asking loud and clear, "What are you going to do about this train wreck that's headed my way?" Again, retirees, people like me who are fixing to retire, we're fine. The system is in pretty good shape. But it's the people paying into the system to make sure the baby boomer generation is given what we've been told, that is really going to have a heavy, heavy burden to bear.

Speaking about young Americans—good job, by the way—Jon Paul Surma. Jon Paul, how old are you?

Jon Paul Surma. I'm 24.

The President. Anybody here from Notre Dame? That's not much older than you, so you need to be paying attention to this.

Mr. Surma. I'm 24. I'm from Rolling Prairie, Indiana. It's about 20 miles from here.

The President. Rolling Prairie?

Mr. Surma. Yes, 500 people.

The President. Yes?

Mr. Surma. Yes.

The President. About the size of Crawford.

Mr. Surma. Yes. [Laughter] I'm part owner of a small business, Pyramid Equipment. We're in the waste industry. We sell and service waste equipment or garbage trucks. [Laughter] I'm proud of what I do, so—

The President. I'm proud you're an entrepreneur.

Mr. Surma. Yes. I have 18 employees, 16 of them full-time.

The President. Good.

Mr. Surma. I pay 100 percent of their insurance, and then I also implemented a simple IRA for them where I'll match 3 percent of what they put in.

The President. That's good. So that's an individual personal account, by the way?

Mr. Surma. Yes.

The President. A different kind of personal account.

[*Mr. Surma made further remarks.*]

The President. So what do you like about the personal accounts?

Mr. Surma. What do I like about the personal accounts? Is that—right now I don't feel any ownership because I feel like you guys are going to take my money, and I'm not going to get any of it back.

The President. Yes, that's a—plain way of saying it. [Laughter]

Mr. Surma. Yes. And I have the worst luck in the world. I'll probably die before I ever get that—

The President. Wait a minute. [Laughter]

Mr. Surma. No, no, serious.

The President. You need to seek help right here at Notre Dame. [Laughter]

Mr. Surma. So I'm afraid that I'll die, and then you guys will take more of my money, and then I wish my nieces and nephews—being single, I don't have any kids, and I probably will never have kids.

The President. Don't give up. Wait a minute. [Laughter] I thought you were an entrepreneur. Entrepreneurs need to be optimistic. How can you start your own business unless you see a better future?

Mr. Surma. I'm married to my job.

The President. Yes, okay, well—[laughter]—you got plenty of time. Don't worry about it.

Any other 20-year-olds talking about the issue?

Mr. Surma. What's that?

The President. Any other 20-year-old people talking about the issue? Do 20-year-olds care?

Mr. Surma. Yes.

The President. They do? That's good.

Mr. Surma. That's good.

The President. You should care. You're not—you're kind of one of these lonely heart things, are you, trying to find a—
[Laughter]

Mr. Surma. I'm not going to lie. I was looking out in the crowd. [Laughter]

The President. Yes, that's good. Social Security. [Laughter]

Mr. Surma. Okay, there you go. [Laughter] Like I was saying, if something happens to me, I want my nieces and nephews to get the money I paid in. My biggest problem is, being self-employed, I have to pay the whole percent. I have to pay the employee side and the employer side of mine. And I feel like it's a tax burden.

The President. Yes. You think it's high now—if we don't do anything, it's really going to be high.

Mr. Surma. And I'm afraid that the first person you guys come to is me if there's going to be problems.

The President. You're successful—

Mr. Surma. Yes. So in the future, if we don't do anything, we're either going to have to cut benefits, which you say we're not going to do, or we're going to have to take the money from another part of the sector.

The President. Well, I said we weren't going to—the benefits will be the same for those who've retired.

Mr. Surma. Okay.

The President. I have said we can't afford the benefits that have been promised. That's important to hear. And the best way to make sure we come closest to the benefits which have been promised—come closest to them—is to allow people to take and have that money compound. That's how we get closest to the promises. But benefits will not be changed for seniors. But beyond that, from 1950 and before, people who have been born from 1950 on, there is a serious problem. Let me make that clear.

Mr. Surma. But my thing is, if we don't do anything, we're going to have to prob-

ably then raise taxes. And a 35-percent tax bracket is already too high as it is, in my opinion. And it's hurting the economic development and spurs investment.

The President. Good job. I want to thank you all for joining me on this.

I do want to say one other thing. When I landed, I met Lucy Kuminecz. She was at the foot of Air Force One. She is a volunteer here in this part of the world with the Busy Hands program. It's an interesting way for somebody to contribute to somebody's—to help somebody have a bright spot in their life. She makes little dolls for children in hospitals and passes them out. She's chosen to do this because she's heard a call to love a neighbor like you'd like to be loved yourself.

We talk a lot about the strength of America being our great influence in the world or our economic engine, and hopefully we'll solve Social Security so that that economic engine continues. But the true strength of America is in the hearts and souls of our fellow citizens.

I remember coming to Notre Dame; in my graduation speech, I talked about the call to service, the need for people to realize that a contribution to your country can be made in all kinds of ways, particularly contributions that come to help those who hurt, those who wonder whether or not the American experience is meant for them.

Lucy, I love to—where is Lucy? She's somewhere around here, I know. Oh, Lucy, thank you for coming. I appreciate you being here. She volunteers with the retired and senior volunteer program. She is a soldier in the army of compassion. And for those of you who are interested in how you can serve our country, feed the hungry. Provide shelter for the homeless. Put your arm around a brother and sister who hurts, and says, "I love you." Mentor a child. Teach somebody to read. Take time out of your busy life to help somebody who hurts, and this country will be able to realize its full promise for every single citizen.

I'm honored you all came. I hope you've enjoyed this as much as I have. May God bless you all, and may God continue to bless our country.

NOTE: The President spoke at 4:25 p.m. in the Joyce Center at the University of Notre Dame. In his remarks, he referred to Rev. Edward A. Malloy, C.S.C., president, Rev. John I. Jenkins, C.S.C., president-elect, and

Rev. Theodore M. Hesburgh, C.S.C., president emeritus, University of Notre Dame; Gov. Mitch Daniels and State Attorney General Steve Carter of Indiana; Mayor Stephen J. Luecke of South Bend, IN; Mayor Jeffrey L. Rea of Mishawaka, IN; President Hamid Karzai of Afghanistan; President Mahmoud Abbas (Abu Mazen) of the Palestinian Authority; Crown Prince Abdullah of Saudi Arabia; and President Bashar al-Asad of Syria.

The President's Radio Address *March 5, 2005*

Good morning. In the short time since I returned from my trip to Europe, the world has witnessed remarkable developments in the Middle East. In Lebanon, tens of thousands of people took to the streets in peaceful protest over the brutal assassination of former Prime Minister Hariri. For years, the Lebanese people have suffered from the aftermath of a horrific civil war and occupation by Syria. Lebanese citizens who have watched free elections in Iraq are now demanding the right to decide their own destiny, free of Syrian control and domination. Syria has been an occupying force in Lebanon for nearly three decades, and Syria's support for terrorism remains a key obstacle to peace in the broader Middle East.

Today, America and Europe are standing together with the Lebanese people. The United States and France worked closely to pass U.N. Security Council Resolution 1559. This resolution demands that Lebanon's sovereignty be respected, that all foreign forces be withdrawn, and that free and fair elections be conducted without foreign influence. The world is now speaking with one voice to ensure that democracy and freedom are given a chance to flourish in Lebanon.

French President Chirac, British Prime Minister Blair, and German Chancellor

Schroeder have all called on Syria to withdraw from Lebanon. A Syrian withdrawal of all its military and intelligence personnel would help ensure that the Lebanese elections occur as scheduled in the spring and that they will be free and fair.

At the same time the Lebanese people were demonstrating against terrorism in Beirut, the elected leader of the Palestinian people, President Abbas, declared that his Government is committed to chasing down and punishing those responsible for last weekend's terrorist attack in Tel Aviv. Such action is critical, because that attack is a reminder that there are still groups and individuals who will kill to prevent peace in the Middle East.

President Abbas made his remarks in London during an international meeting of world and Arab leaders hosted by Prime Minister Blair. The leaders attending this meeting expressed their support for the Palestinians' efforts to reform their political institutions, their economy, and their security services. And the first reform must be the dismantling of terrorist organizations. Only by ending terrorism can we achieve our common goal of two democratic states, Israel and Palestine, living side by side in peace and freedom.