

What we have to face up to, Mr. Speaker, is the fact that when there is less money coming in than is required for payout, somehow Congress and the U.S. Government is going to have to come up with the money to pay back the money borrowed from the trust fund. How do they do it? How would they come up with these billions of dollars.

They have several options. One is to cut spending in other programs. One is to increase taxes on existing workers and say, in effect, look, what we borrowed from you we are going to pay back by increasing your taxes and make you pay this additional sum in.

Let me just give my colleagues a couple examples of how much the general fund is going to have to come up with to continue to pay the benefits that are now promised under Social Security.

In the year 2020, for example, the general fund is going to have to pay to Social Security \$219 billion in order to come up with the money necessary for promised benefits.

Mr. Speaker, Members of Congress, the President, politicians are going to have to take their heads out of the sand. They are going to have to face up to the problem that this Ponzi game of Social Security cannot maintain itself, and we need to take immediate action. The suggestion of the gentleman from Wisconsin [Mr. NEUMANN] that has the support of a lot of us that say at the very least, let us stop Government from reaching into the Social Security Trust Fund and then using that money for other program payments.

The long-range solution will be, I hope, similar to the bill that I have introduced that is now scored by the Social Security Administration to keep Social Security solvent for the next 75 years. The bottom line is we have to pay attention to it. The longer we put it off, the more drastic the solutions will have to be.

DISCRIMINATION WITHIN USDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, known as the people's department, the USDA was established when President Lincoln signed the law on May 15, 1862. It is ironic that the very department created by the President, who signed the Emancipation Proclamation, today faces widespread and documented charges of unfair and unequal treatment of socially disadvantaged and minority farmers.

The farmers and ranchers of America, including minority and limited resource producers, through their labor, sustain each and every one of us and maintain a lifeblood of our Nation and the world. These people do not discriminate. Their products are for all of us. Therefore, it is important that we do all within our power to ensure that each and every producer is able to farm

without the additional burden of institutional racism rearing its ugly head.

Mr. Speaker, it greatly concerns me that in my home State of North Carolina, there has been a 64-percent decline in minority farmers just over the last 15 years from 6,996 farms in 1978 to 2,498 farms in 1992. There are several reasons why the number of minority and limited resource farmers are declining so rapidly, but the one that has been documented time and time again is the discriminatory environment present in the USDA, the very agency established to accommodate and to assist the special needs of all farmers and all ranchers.

In November of last year, the Farm Service Agency Administrator, Grant Tuntrock, stated in a public speech that, "We recognize there have been instances of discrimination in responding to the requests for our services in the past, and we deplore it," he said. As I have stated before, the time has come, however, not just to deplore these occurrences, but to put a stop to them.

We must resolve that the many pending individual cases where discrimination has been found, the planting season is upon us, and if these farmers are to be given the opportunity to farm this year, financial resolution of the unjust treatment they have received must come and must come very, very soon.

With our understanding of this issue, it is my hope that we will continue with a steady movement toward legislation that the emancipation, in the first instance, was to give people equal opportunity, that we in this House will have the courage to stop this and have legislation that will prevent it from happening in the future.

POSSIBLE CHANGES FOR SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. SANFORD] is recognized for 5 minutes.

Mr. SANFORD. Mr. Speaker, my colleague from Michigan [Mr. SMITH] just talked about some of the problems facing Social Security if we do nothing to address what the trustees; again, not what Republicans or Democrats have said, but what the trustees have said if we do nothing.

I would like to talk for just a moment about not just the problems inherent in Social Security, because it has done a lot of great things for my mother, for my grandparents, but we need to address some of the benefits that might come if we looked at changing Social Security.

I think, first, we might want to define what we mean by changing Social Security. I do not believe, and I do not think anybody believes, that changing Social Security ought to mean taking Social Security away from existing retirees or those about to retire. However, what I do believe in terms of changing Social Security is that we

ought to begin at least talking about the possibility of, while leaving seniors whole, looking at and exploring options for young people.

Mr. Speaker, what I have consistently heard from young people in my district is that they do not think they are going to get all of the Social Security that is due them. One of the interesting things to look at is I guess a number of the benefits that might come with change.

One of the benefits would be just saving the system, because what the trustees have said is that if we do nothing, it goes bankrupt in about 30 years. But more important than just saving the system, the whole purpose of Social Security ought to be a noble retirement. If one earns more with their Social Security investment, they can retire with more.

What the Social Security trustees have said today is that on average, people today earn about 1.9 percent on their quote "Social Security investment," and most of the folks I talk to in my home district say that they could earn more than 1.9 percent on their retirement investment.

What this means is, if you take somebody earning \$24,000 a year and if one group earns 1.9 percent on their investment and another group earns 5 percent on their investment, it does not take a rocket scientist to know that second group is going to earn more and end up with more in their retirement, and I think that to be a very big benefit of this possibility of changing Social Security.

Another benefit that I think is worth mentioning is the whole notion of retirement age. A pay-as-you-go system, I think, comes at a tremendous cost in terms of human happiness, because with a pay-as-you-go system, we all have to retire at the same age. Yet I can walk down the grocery store aisle and look at 25 different kinds of detergent, I can look at 30 different kinds of toothpaste, I can look at a long magazine stack of different kinds of magazines, but I cannot choose for me when I want to retire, and I think that that, again, comes at a tremendous cost in terms of human happiness, because we are all different.

In my home State of South Carolina, we have STROM THURMOND, who would like to work until he is 100 or 150, I am not sure, but he wants to work basically until he dies. And I say God bless him; go for it. But I have many other friends who say that work is fine, but fishing is even better. I want to retire when I am 50. With the idea of personal savings accounts, you could choose for yourself when you want to retire rather than a Congressman or a Senator or a bureaucrat in Washington choosing for you when you want to retire.

Another benefit I think worth mentioning, and again, there are many, but one other worth mentioning would be we could do something about the national savings rate. Right now in our country we have a savings rate that

bumps along somewhere between 3 and 5 percent.

Well, in China, they have a savings rate of about 40 percent. In Singapore, they have a savings rate in the mid 30's. In South Korea, they have a savings rate in the high 30's. In Chile, where they instituted this system, they have a savings rate in the high 20's, and here we are bumping along at 3 to 5 percent.

We cannot advance a modern industrial society on a 3-percent national savings rate, because the thing that politicians leave off while they will talk about the fact that we need to do something about standard of living in America, they will not talk about what it is that affects standard of living in America, and that is that savings drives investment, which drives productivity gain, which drives standard of living.

In short, if you were to have a wood-cutting contest in the backyard, and you gave one fellow a little hand ax that cost you 3 bucks, and you gave another person a chain saw that cost \$300, the person with the \$300 chain saw, however much weaker or however slight, would be able to end up with a bigger stack of wood and consequently more in the way of income.

I know that I am eroding away at my 5 minutes here, so I will call it quits. But the point is to say that there are many benefits that might come with this proposed talk of changing Social Security so that we save it for the next generation and so that my three boys get Social Security as well.

□ 1700

PROBLEMS FACING AMERICA THAT MUST BE ADDRESSED NOW

The SPEAKER pro tempore (Mr. MICA). Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin [Mr. NEUMANN] is recognized for 60 minutes as the designee of the majority leader.

Mr. NEUMANN. Mr. Speaker, I rise tonight to talk about an issue that I think is very important. It is really the issue I came here for in the first place.

Up until 1989 I had never been involved in any politics in any way, shape, or form. In 1980 my wife and I started a business in the basement of our house. The business grew. It was real estate. In 1986 we started a homebuilding company, and we understand fully if we had lost money in the second year and the third year, that the banks would have taken that business away from us. It is that kind of background that I bring here.

But instead of losing money in the second year the homebuilding company turned around. After building 9 homes our first year, providing 18 jobs in southeastern Wisconsin, we wound up building about 120 homes 4 years later, making a legitimate profit in our business and providing 250 job opportunities in southeastern Wisconsin.

I bring that background here because when I think back to those years, the late 1980's and even 1990, and I think about that business and how it grew and prospered and provided job opportunities, I sometimes forget why it was that I left that business that was going so well to come to Washington, and then I look at this picture. It reminds me of the future that we have for our children if something is not done about the growing debt facing the United States of America today.

I always look at this chart as one of the best charts that I have ever seen that shows actually what is going on in our country. This shows the growing debt facing America. From 1960 to 1980 one can see that the debt did not grow hardly at all, but from 1980 forward we are on a very, very steep climb that is going to destroy the future of this Nation for our children.

I like to point out that at this point in time we are about here on this chart, and the debt continues to grow and grow and grow. I rise tonight to remind my colleagues of that, because there are a lot of bills going on right now in this community that relate very directly to this picture that I have here with me.

In fact, the debt today is \$5.3 trillion facing the United States of America. The legacy that our generation is going to pass on to the next generation of Americans; that we, the people that are working today are going to pass on to our children and our grandchildren, that legacy is of a \$5.3 trillion debt.

Let me put that into perspective so we keep in mind what that really means. That debt translates into \$20,000 for every man, woman and child in the United States of America today. For a family of five, like mine, the United States Government has borrowed \$100,000 basically in the last 15 years.

Let me translate that into what that really means. That means that an average family of five, like mine, is paying \$600 a month into this Government to do nothing but pay the interest on the debt. An average family of five, like mine, pays \$600 a month to do nothing but pay the interest on the Federal debt.

A lot of people say, do not worry about me, I do not pay that much in taxes. The reality is when you walk into the store and you buy something as simple as a loaf of bread, the store owner makes a profit when you pay him for that loaf of bread or her for that loaf of bread, and part of that profit comes into the U.S. Government in the form of taxes.

One way or another, every family of five in the United States of America, every group of five people in the United States of America today, is paying \$600 a month toward the interest only. That does not count Social Security or Medicare or defense, or any of the other important programs our Government runs. That \$600 a month does nothing but pay the interest on the Federal debt.

Why is that significant? Right now there are a lot of things happening out here in Washington, DC. Two years ago a group of people came here, 73 freshman Republicans came here with the idea that we were going to solve this disastrous problem and what it means for the future of our country. We have committed ourselves to shrinking the size and scope of Washington, and shrinking the involvement of this Government in the lives of real American, of everyday people, the people that get up every morning and go to work.

Our goal was to get this Government smaller, so those people could in fact look forward to the opportunities that exist if this debt was not there, keeping that extra \$600 a month in their own pockets. That is what our goal was 2 years ago.

Now today it is 2 years later, and a lot of the freshmen that came here 2 years ago and a lot of the others in this Congress have kind of forgotten, it seems, sometimes what we came here for. In fact, the heart and soul of one of the things we came here for, making Washington smaller, the funding of Washington committee staff, is a bill that is being considered as we speak this evening right here and now.

The Washington committee staff proposal this year was to increase spending for Washington committee staff by 14½ percent. To me, that is contrary to everything that we came here for and everything we came here to be about. The concept of increasing Washington committee staff spending by 14½ percent is against everything that I believe in and everything we came here for. That is making Washington bigger and more intrusive into our lives, as opposed to what I believe Republicans stand for, and that is making Washington smaller.

When I look at this debt picture, it reminds me of how important it is that we win these battles to keep Washington shrinking, as opposed to turning around and letting it start growing again.

There is another looming battle. This battle is even tougher. It is the supplemental appropriation bill. For those in America that do not know exactly what that means, Mr. Speaker, that means it is a spending bill of American tax dollars. Washington people are going to spend your money.

I have to say that this supplemental, we are spending it on some legitimate things. There are flood victims all across America, and those flood victims need help. When I talk to the folks back home in Wisconsin, the vast majority of those people are willing to help others less fortunate than themselves, like the folks in North Dakota that we have been seeing on TV, where a city of 50,000 is literally under water.

The city of Janesville, WI, where I come from, is about the same size as that city, so it is very easy for us to imagine what this means, and this is a legitimate need. This is a legitimate program for the government to step into and help these people.