Not only would the threat of possible congressional modification spur our negotiators to produce the best product possible, that potential for congressional intervention could serve as an effective club in the hands of our negotiators when they are bargaining with our trading partners.

With hundreds of trade agreements negotiated and implemented without fast-track, the refrain we hear again and again, that we need to enact fast-track in order to negotiate trade agreements, is off key.

We do not need fast-track to negotiate trade agreements.

As I have argued today, in several important ways, fast-track invites bad trade agreements.

It produces agreements that pick winners and losers instead of advancing all sectors of the economy together.

It produces agreements designed to respond to the short-term interests of multinational corporations instead of fostering long-term sustainable economic growth.

It protects the completely unrelated funding provisions in trade implementing legislation, and as such invites enormous abuse.

And it may provide a mechanism to enact controversial legislation, unrelated to trade, that would otherwise fail to pass.

I think fast-track is bad for free trade. We don't need it, and we shouldn't enact it. I urge my colleagues to join me in opposing this legislation, and in doing so, voting for—voting for—free and fair trade.

## OTHER FAST TRACK PRIORITIES

Mr. FEINGOLD. Madam President, the Senate has put trade on the fast track, but there are a number of other priorities that the Senate would do better to put on the fast track.

The Senate has put trade on the fast track, but what about a long-overdue increase in the minimum wage? The Senate should put the minimum wage on the fast track.

The Senate has put trade on the fast track, but what about updating Medicare to provide coverage for prescription drugs? The Senate should put prescription drug coverage on the fast track.

The Senate has put trade on the fast track, but what about protecting people of color against racial profiling? The Senate should put racial profiling on the fast track.

Madam President, the Senate has put trade on the fast track, but another thing that should be on the fast track for Senate consideration is ensuring the health of Social Security. As we debate the Senate's priorities, let me take a few minutes to address this other matter that requires the Senate's attention: the state of Social Security and Medicare and the well-being of the millions of Americans whom those important programs serve.

Madam President, since the election, the topic of Social Security, as you well know, has all but fallen off the legislative agenda, and that is unfortunate, for at stake is little less than whether our elderly live in comfort or in poverty. Before Social Security, most elderly Americans lived in poverty. Before Medicare, more than a third of the elderly still lived in poverty—35 percent in 1959. Roughly 10 percent do now.

Social Security and Medicare have been essential to this achievement. Nearly two-thirds of elderly Americans rely on Social Security for most of their income. Social Security has been one of the most successful Government undertakings in history.

On March 26, the trustees of the Social Security and Medicare trust funds issued their annual reports on the financial condition of these two important programs. These reports give us another reason to turn attention to Social Security and Medicare and to our efforts to protect them.

The Social Security trustees' report indicates that to maintain solvency for 75 years, we need to take actions equivalent to raising payroll tax receipts by 1.87 percent of payroll or making equivalent cuts in benefits. That is essentially equal to the long-term actuarial deficit in last year's report—1.86 percent.

Another way of looking at these numbers is as a share of the economy, as measured by the gross domestic product. The Social Security trustees' report indicates that the long-term shortfall amounts to seventy-two one-hundredths of a percent of the size of the American economy that the trustees project over the next 75 years.

The Social Security trustees project that the assets of the Social Security trust funds will keep the program solvent through 2041, and that is actually 3 years later than last year's report. When Social Security exhausts its assets in 2041, annual Social Security tax revenues will be sufficient to cover about three-quarters of annual expenditures.

So the trustees' report thus sounds a warning: We can fix Social Security for 75 years if we make changes now equal to less than 2 percent in payroll taxes or 13 percent of benefits. But if we wait until 2041, we will need payroll tax increases of more than 5 percent or benefit cuts of more than a quarter.

The Medicare trustees' report indicates that to maintain solvency for 75 years, we need to take actions equivalent to raising payroll tax receipts by 2.02 percent of payroll or making equivalent cuts in benefits. That is up slightly from last year's report, which showed a long-term actuarial deficit of 1.97 percent.

The Medicare trustees project that the assets of the Medicare trust funds will keep the program solvent through 2030, and that is 1 year later than last year's report.

The trustees' report raises a somewhat higher hurdle to keep the Medicare program solvent over the long run than Social Security. To fix Medicare for 75 years, we need to make changes now equal to about 2 percent in payroll taxes or 38 percent of benefits. But, once again, if we wait until after the baby boom generation begins to retire in numbers, we will need much larger payroll tax increases or benefit cuts.

These reports underscore the importance of working to ensure the life of these important programs earlier rather than later. As President Kennedy said:

> [T]he time to repair the roof is when the sun is shining.

Regrettably, during the sunnier times of last year, the Government took steps that undermined the soundness of the Government's fiscal structure. Rather than repair the roof, the Government actually widened the hole.

The question of Social Security and Medicare solvency is, in large part, as with all budgetary questions, a question of resources. Last year, the government dissipated many of the very resources that we could have used and that we should have used to shore up Social Security and Medicare.

A recent analysis by the Center on Budget and Policy Priorities estimated the long-term cost of last year's tax cuts, assuming that Congress extends them, as many on the other side of the aisle advocate. According to that analysis, the long-run cost of last year's tax cut will equal 1.68 percent of the economy that the Social Security trustees project over the next 75 years.

Compare that, for a minute, to the amount that we need to keep Social Security healthy over the same time period, which amounts to seventy-two one-hundredths of a percent of the size of the economy that the trustees project over the next 75 years. The Center on Budget and Policy Priorities analysis shows, therefore, that "the long-term size of the tax cut is more than double the entire long-term Social Security shortfall."

The Center on Budget and Policy Priorities study goes on:

> [I]f the tax cut were scaled back so that three-fifths of it took effect while the funds from the other two-fifths of the tax cut were used instead to strengthen Social Security, the entire long-term deficit in Social Security could be eliminated.

That is an incredible fact. If we had just shown some restraint on this tax cut—still giving a very substantial tax cut—we could have eliminated the entire long-term deficit in Social Security.

Like all budgetary questions, the question of Social Security solvency is, in large part, a question of priorities.

I believe that we need to return to the priority of protecting the Social Security trust funds.

This has not been a partisan issue. This is an issue upon which we have had a broad consensus. We should return to that consensus position.

We should do what, in remarks in February of 2001, President Bush called "prudent fiscal policy;" we should, in his words "set aside all payroll taxes that are designed for Social Security to be spent only on Social Security."

We should preserve Social Security surpluses to reduce the debt. And that debt reduction will better prepare us for the challenges of Social Security and Medicare in the future.

As then-Budget Committee chairman, Senator PETE DOMENICI explained in April 2000, when we were running surpluses:

> [T]here is less interest being paid because the Social Security trust fund money is not being spent; it is being saved, which means that we have that much less IOUs to the public . . . .

Chairman DOMENICI continued:

> I suggest that the most significant fiscal policy change made to this point to the benefit of Americans of the future . . . is that all of the Social Security surplus stays in the Social Security fund . . . .

In sum, we should, as President Bush said in a March 2001 radio address:

> keep the promise of Social Security and keep the government from raiding the Social Security surplus.

Returning to a budget where the Government no longer uses Social Security trust fund surpluses to fund other Government spending will require a change in policy. While the fiscally responsible actions we took in the 1990s led to balancing the budget without using Social Security in 1999 and 2000, the Government returned, last year, to using the Social Security surplus to fund other Government activities.

According to the Congressional Budget Office's "Analysis of the President's Budgetary Proposals," over the next 10 years, the President's budget would use $1.8 trillion of the Social Security surplus to fund other Government spending. In the Congressional Budget Office's analysis, the Government would not return to a balanced budget without using Social Security during the decade for which they make projections.

But the Government will not have Social Security surpluses to use forever. Starting in 2016, Social Security will start redeeming the bonds that it holds, and the non-Social Security budget will have to start paying for those bonds from non-Social Security surpluses. The bottom line is that starting in 2016, the Government will have to show restraint in the non-Social Security budget so that we can pay the Social Security benefits that people have earned.

That's why it doesn't make sense to enact either tax cuts or spending measures that would spend the non-Social Security surplus before we've addressed Social Security for the long run. Before we enter into new obligations, we need to make sure that we have the resources to meet the commitments we already have.

To get the Government out of the business of using Social Security surpluses to fund other Government spending, we need to strengthen our budget process. At a minimum, we need to extend the caps on discretionary spending and the pay-as-you-go discipline that we began in 1990, and which expire in September of this year. The Senator from New Hampshire, Mr. GREGG, and I will offer an amendment to extend the spending caps during consideration of the budget resolution, and perhaps on other legislation, as well.

But we need to do more. We need to improve the budget process so that it includes incentives to balance the budget without using Social Security. I am working with the senior Senator from Texas, Mr. GRAMM, on proposals to do that, and I expect that sometime this year we will offer an amendment to improve our budget process.

We must address the long-term challenges posed by the needs of Social Security and Medicare. As an essential first step, we must revise the budget process to protect the Social Security Trust Fund. We must put our economic house in order, and I look forward to working with my Colleagues to do so.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## RECESS

Mr. REID. Madam President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate, at 1:01 p.m., recessed until 2 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

The PRESIDING OFFICER. The acting majority leader.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period of morning business, with Senators allowed to speak therein for up to 10 minutes, and that time would end at 2:30 this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak in morning business for 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota.

## TRADE

Mr. DORGAN. Mr. President, we are about to have the chairman of the Finance Committee and the ranking member of the Finance Committee offer a managers' package to the Andean trade bill that will be the pending business when we complete morning business.

No doubt some who watch the proceedings will be confused by what is happening because we have an Andean trade bill that will apparently be amended by something called trade adjustment assistance and, more importantly, will be amended by something called trade promotion authority. Trade Promotion Authority is a euphemism for fast-track trade authority. One would expect fast-track trade authority would be brought to the floor by itself. It is a very big policy issue. Yet it is coming in the form of a managers' package. One amendment is a part of the managers' package. I regret that, but that is how we have to deal with it.

I will speak about trade generally and explain why I do not support trade promotion authority or so-called fast track. I did not support giving fast-track trade authority to President Clinton, and he didn't get it. And I don't support giving fast-track trade authority to this President, and he should not have it.

Let me describe for a moment why I feel that way. This is what the Constitution says about international trade. Article I, section 8, says: The Congress shall have the power . . . To regulate commerce with foreign nations.

Not the President, not the trade ambassador, not some trade negotiator, but the U.S. Congress.

Fast track does away with that. Under fast track, Congress handcuffs its hands behind its back and says to a President, go negotiate a trade agreement somewhere and bring it back to the Congress, and we guarantee none of us will be able to offer an amendment, no matter how flawed the deal might be. Fast track means expedited procedures by which a trade treaty comes through the Congress guaranteeing no one has the ability to offer an amendment.

It is undemocratic. It does not make sense. Why would Congress, being told by the U.S. Constitution what their objection and their responsibilities are, decide to cede those responsibilities to the President? It does not make sense to me.

There is an old saying, there is no education in the second kick of a mule. Having been through this a couple of times and been burned badly, Congress ought to understand when a bad trade agreement is negotiated and brought back. It is very hard for the Congress to turn down a negotiated trade agreement. What happens is the Congress