

should we not be required to pay back the Social Security trust fund, whether it is 2018, 2025 or tomorrow?

The trustees acknowledge that the trust fund and incoming payroll taxes will be enough to cover full benefits until 2042, so there will be no reduction of benefits if Congress did nothing this year and until 2042. According to our own Congressional Budget Office, it would last until 2052. Frankly, the CBO, the budget office, has been much more accurate than the Social Security Trustees' report.

Even if the Social Security trust fund is spent, the program still will not be in crisis. After 2052, according to CBO, the Trustees project that the program will be able to pay out at least 70 percent of the benefits.

□ 1815

Again, that is 47 years from now. Make no mistake, I will not support a cut in benefits, and so a fix is certainly in order, but we need a solution that will mend Social Security without ending the program as we know it. Privatization is no solution.

While we know very little about the details of the President's plan, this much is for sure. On its own, privatization does nothing to close Social Security's funding gap. Rather, it increases that gap by \$1.4 trillion in the first 10 years of private accounts and by another \$3.5 trillion in the next decade. Not only is Social Security further burdened by private accounts but our seniors would also be worse off.

Mr. Speaker, Social Security faces a challenge, not a crisis. Small changes based on the right priorities could keep the program floating comfortably in a sea of black ink for generations to come.

A repeal of the President's tax cuts on 1 percent of the wealthiest will bring in enough revenue to take care of 80 percent of Social Security's shortfall for the next 75 years. And I will repeat: if we repeal 1 percent of the tax cuts for the highest percentage of the wealthiest in our country, it would take care of 80 percent of Social Security's shortfall over the next 75 years. Yet somehow I doubt whether the administration will ever prioritize a safety net program benefiting all Americans over a tax cut that benefits the wealthy few.

As we consider the various Social Security proposals during this debate, we must remember that Social Security was created as a safety net to provide a minimum standard of living for America's retirees. Nobody is supposed to get rich off Social Security, and they do not. Frankly, with private accounts, I do not think they will get rich either.

What they will do, however, is take the security out of Social Security and jeopardize the program's mission and effectiveness.

For the sake of all the future Social Security beneficiaries, I urge the President to separate the rhetoric from the

reality and quit fabricating a crisis in a vain attempt to privatize the most popular, most successful domestic program in our Nation's history.

ISSUES OF ETHICS

The SPEAKER pro tempore (Mr. BARRETT of South Carolina). Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, very often when we are out among the people we represent and holding town hall meetings and meeting with various organizations, we are asked the question, Why do you not run the government like a business? Unfortunately, today, there is some evidence that we are running it like a business, but we are running it like some of the worst businesses in America.

Today, what we see, as the Republicans gain seats in the House of Representatives, as the Republicans get more and more control of the House of Representatives, there is less and less space for honest debate in the House. There are less opportunities for the minority to offer amendments, to offer bipartisan changes to legislation to come to the floor. If we put together a bipartisan coalition that the Republican leadership does not like, they simply are not allowed to offer that amendment.

This is at a time when young men and women are dying to bring democracy to Afghanistan and to Iraq, and yet we cannot find that democracy on the floor of the House of Representatives. It does appear, as the old saying says, that power corrupts and absolute power corrupts absolutely; and that is the situation we have come to.

We now have the House that has an ethics process that reeks of favoritism, reeks of conflicts of interest, reeks of punishment of those who dare to look at the evidence and make an independent judgment. We now see that those individuals are taken off the committee. The chairman of the committee is sacked for no apparent reason.

There was a unanimous vote in the committee in the last session of the Congress three times to admonish the majority leader of the House. The committee apparently looked at the evidence, listened to the witnesses, and on a unanimous basis decided that that action was warranted. We then see that those individuals who participated, or several of those individuals, including the chairman who participated in that unanimous decision, were taken off the committee.

This starts to look like the businesses that have terrified the American people, the Enrons, the WorldComs, where we see what happens is the CEO starts to appoint his friends to the board of directors. They start to cook the books, they start to steal the shareholders money, they start to mis-

lead the investment communities. What we see here is that apparently the majority leader did not like the outcome of the actions by the Committee on Standards of Official Conduct, and so they started to change the rules.

There apparently is some anticipation that the majority leader could be subject to an indictment out of the State of Texas. As a result of that, there was an effort to change the rules; and in fact, the rules were changed within the Republican Caucus to say that, if indicted, that leader could continue to serve, or a leader in the position of leadership could continue to serve. Of course, that was a voice vote and a secret caucus.

When that vote was exposed to daylight, when they found out that vote was going to be challenged by our side of the aisle, by the Democrats in the House, they, of course, changed that action because it would not stand up under scrutiny; but they did not do anything.

Unlike the old rules, the investigation would have proceeded because the committee is evenly split between Republicans and Democrats. It would have proceeded. Now, unless one person from one party or another crosses the party lines and agrees to the investigation, the investigation dies. We now have the situation where the party that may have somebody under investigation, in effect, has a veto.

That is not the ethics process that the public is entitled to or the Members of the House are entitled to. We now see that that is the rules of the House.

We now also see that in the replacement of the Members of the Committee on Standards of Official Conduct, we have two Members of the committee who have contributed to the defense fund for the majority leader. If they are called upon to undertake an investigation, because apparently that matter is still pending before the Committee on Standards of Official Conduct, they will be in a position of having to decide whether to proceed or not, and they have already cast their vote with their contribution to that defense fund.

So we now have a Committee on Standards of Official Conduct that is severely conflicted with respect to its duty to the people of the country and to the Members of this House.

Mr. Speaker, this is not what the people's House should look like. This is not how the people's business should be done, whether it is about allowing space for true and honest political debate, as many Members on the floor today earlier argued for the ability to talk about the asylum provisions in the bill that we will vote tomorrow, but the time was not allotted to do that. The time was not allotted to have that kind of discussion that affects so many people. Why did they do that? Because they do not want the discussion. As our colleague, the gentleman

from Massachusetts (Mr. FRANK), said, it appears that they know they can win the vote, they just do not believe they can win the debate. Time and again we see that happening.

As severe as that problem is with respect to closing down democracy in the House, the changing and the corrupting of the ethics process is far more severe because our first obligation is to make sure that Congress does, in fact, do its business in an ethical fashion, not in a corrupt fashion, and that Members of Congress are held to an ethical standard that justifies their support by the people of their districts.

WE MUST REPEAL PNTR WITH CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. SANDERS) is recognized for 5 minutes.

Mr. SANDERS. Mr. Speaker, I am announcing today that along with 61 cosponsors, 45 Democrats and 16 Republicans, I am introducing legislation that will repeal Permanent Normal Trade Relations, PNTR, with China.

Anyone who takes an objective look at our trade policy with China must conclude that it is an absolute failure and needs to be fundamentally overhauled. There really can be no other conclusion.

Today, as part of our overall record-breaking \$600 billion trade deficit, we have an estimated \$160 billion trade deficit with China. Incredibly, this trade deficit with China has increased by 29 percent over the last year alone and almost 50 percent since the passage of PNTR in 2000.

Very few experts in this area doubt that the trade deficit with China will continue to escalate in the years ahead. In industry after industry, corporate America is shifting our manufacturing plants, our good-paying jobs to China where desperate people are forced to work for wages as low as 20 cents an hour. Anyone who went Christmas shopping this year knows that more and more products on the shelves are made in China: toys, bicycles, computers, televisions, shoes and sneakers, all kind of clothing and hats, telephone, furniture, auto parts and even artificial Christmas decorations. Ironically, the little American flags that Members of Congress wave around are often made in China.

In the last 4 years, the United States has lost 2.7 million manufacturing jobs, over 16 percent, of our entire manufacturing sector. In my own small State of Vermont, we have lost 20 percent of our manufacturing jobs during that period. PNTR with China and our disastrous trade policies in general are one of the key reasons for that, but we should be very aware that PNTR with China is not only leading to the destruction of traditional manufacturing and blue collar jobs. It is leading to the loss of millions of high-tech, information technology jobs as well. These are the

jobs that we were told would be there for our kids and would secure them with a place in the middle class.

The question that the American people have to ask is why it is that corporate America, with the active support of the President of the United States and the congressional leadership, is selling out the American people and making China the economic superpower of the 21st century. Not only is China rapidly becoming the manufacturing center of the world; it is quickly becoming the information technology hub as well.

Andy Grove, the founder of Intel, predicted last year that the United States will lose the bulk of its information technology jobs to China and India over the next decade. John Chambers, the CEO of Cisco, was typical of many high-tech leaders when he said, "China will become the IT center of the world. What we're," at Cisco, "trying to do is outline an entire strategy of becoming a Chinese company."

At a time when poverty in America is increasing, the gap between the rich and the poor is growing wider and most of the new jobs projected for the future are low wage with minimal benefits, the great economic struggle of our time is whether the middle class of America can be saved. Will we be a country in which ordinary workers have bright futures with good-paying jobs and decent benefits, or will we continue to move in an oligarchic direction in which the rich get richer and most everyone else gets poorer? To a significant degree, the answer to that question will depend on whether Congress has the courage to make fundamental changes in our trade policy, including PNTR with China.

The word has got to go out loud and clear to companies like Wal-Mart, GE, GM, IBM and dozens more, as well as the U.S. Chamber of Commerce, that they cannot keep sending America's future to China. Trade is a good thing, but must be based on principles that are fair to American workers. The U.S. Congress can no longer allow corporate America to sell out the middle class and move our economy abroad.

It is not acceptable that Jeff Immelt of General Electric, the CEO, says, "When I am talking to GE managers, I talk China, China, China, China, China."

It is not acceptable that Thomas Donahue, the CEO of the U.S. Chamber of Commerce "urges" American companies to send jobs overseas.

It is not acceptable that Bill Gates, the wealthiest man in America, tells us that Communist authoritarian China has created "a brand new form of capitalism, and as a consumer it's the best thing that ever happened."

We need to repeal PNTR to China.

SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Ms. HERSETH) is recognized for 5 minutes.

Ms. HERSETH. Mr. Speaker, I rise today to discuss Social Security and the current efforts to fundamentally change the nature of this important retirement security and collective insurance program. I want to focus specifically on the impact of these efforts with respect to younger workers.

For years, my generation has been told that Social Security would not be there for us when we reach retirement age. We have been told that we are fools to count on expected Social Security benefits when planning for our own retirement; and lately we have been told that if we divert a portion of our contributions into private accounts it will somehow shore up Social Security's balance sheet while improving the return on our investment.

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But those claims simply are not supported by the facts.

Make no mistake, the Social Security program faces some challenges over the next 50 to 75 years. There are a number of proposals currently being developed to try to address these problems while encouraging private savings. And I am committed to working in a bipartisan manner to support smart targeted solutions that are fiscally sound; that do not require slashing of scheduled benefits; and that do not add to the Federal deficit. But I have serious concerns with any proposal, including that of the administration, to privatize or establish personal accounts within Social Security.

First, such proposals require substantial mandatory benefit cuts to retirees; and, second, they require massive amounts of borrowing to finance the transition costs, a fiscally irresponsible plan at a time of record deficits. Despite claims to the contrary, these benefit cuts will be particularly significant to younger Americans.

The Social Security System's own actuaries estimate that the average 48-year-old will see his or her benefits reduced by 10 percent if the privatization plan is implemented. The average 18-year-old can expect a 33 percent, and by some estimates a 40 percent, reduction in benefits by the time they retire in 2052 with this risky privatization plan. The average 28-year-old will see his or her benefits reduced by 26 percent.

As a member of our Nation's younger generation of workers, I know we can do better, and I know that my generation and younger generations will not be duped into believing that Social Security faces a crisis, especially as the details of privatization plans and the structuring of proposed private accounts are made clearer.

Rather than slashing the benefits of those who are at the beginning of their careers, we should empower them to take control of their retirement security in order to enhance private savings and give them the tools to manage their financial futures with confidence and certainty. Rather than add trillions to a growing national debt, a debt