

and Pensions, Subcommittee on Education and Early Childhood Development, be authorized to hold a hearing during the session of the Senate on Tuesday, April 5, 2005 at 9:30 a.m. in SD-430.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Tuesday, April 5, 2005, at 9:30 a.m. in room 562 of the Dirksen Senate Office Building to conduct a hearing on S. 113, a bill to modify the date as of which certain tribal land of the Lytton Rancheria of California is deemed to be held in trust.

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

COMMITTEE ON THE JUDICIARY

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Tuesday, April 5, 2005 at 9:30 a.m. on "Oversight of the USA PATRIOT Act." The hearing will take place in the Hart Senate Office Building room 216.

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

Witness List

Alberto Gonzales, United States Attorney General, Department of Justice, Washington, DC; and Robert S. Mueller III, Director, Federal Bureau of Investigation, Department of Justice, Washington, DC.

SELECT COMMITTEE ON INTELLIGENCE

Mr. LUGAR. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on April 5, 2005 at 2:30 p.m. to hold a closed hearing.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia be authorized to meet on Tuesday, April 5, 2005 at 10 a.m. for a hearing entitled, "Monitoring CMS' Vital Signs: Implementation of the Medicare Prescription Drug Benefit."

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

SUBCOMMITTEE ON SURFACE TRANSPORTATION AND MERCHANT MARINE

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation/Merchant Marine be authorized to meet to conduct a hearing on Tuesday, April 5, 2005 at 10 a.m. on Highway, Motor Carrier, and Hazardous Materials Transportation Safety, and Transportation of Household Goods in SR-253.

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

PRIVILEGE OF THE FLOOR

Mr. BURNS. Mr. President, I ask unanimous consent that privilege of the floor be granted to Rexon Ryu, a detailee with Senator HAGEL's office, during consideration of S. 600, the State Department authorization bill.

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

Mr. LUGAR. I ask unanimous consent that Jennifer Gergen and Joseph Bowab, two detailees from the State Department who are serving with the Foreign Relations Committee staff, receive floor privileges during consideration of S. 600.

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

Mr. DURBIN. Mr. President, at the request of Senator LIEBERMAN, I ask unanimous consent that Andrew Young, a fellow in his office, be granted the privilege of the floor during the consideration of the State Department authorization and all votes thereon.

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

AUTHORITY TO APPOINT A COMMITTEE

Mr. KYL. Mr. President, I ask unanimous consent the President of the Senate be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of the House of Representatives to escort His Excellency Viktor Yushchenko, President of Ukraine, into the House Chamber for the joint meeting tomorrow.

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

ORDERS FOR WEDNESDAY, APRIL 6, 2005

Mr. KYL. Mr. President, on behalf of the leader, I ask unanimous consent that when the Senate completes its business today, the Senate stand in adjournment until 9:30 a.m. on Wednesday, April 6. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then resume consideration of calendar No. 48, S. 600, the State Department authorization bill, provided that the time until 10 a.m. be equally divided between the chairman and ranking member, provided further that at 10 a.m. the Senate proceed to the vote in relation to Biden amendment No. 286 as provided under the previous order.

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

Mr. KYL. Mr. President, I further ask unanimous consent that immediately following the vote tomorrow morning, the Senate stand in recess until 12 noon so that the Senate may proceed as a body to the House Chamber for a joint meeting to hear an address by Ukrainian President Yushchenko.

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

PROGRAM

Mr. KYL. Mr. President, tomorrow the Senate will resume debate on the State Department authorization bill. The leader has announced that under the previous order, we will vote in relation to the Biden amendment at 10 a.m., and that will be the first vote of the day.

Following that vote, the Senate will continue working through amendments to the bill. There are six additional amendments currently pending, and it is the leader's hope that we can work out time agreements on these, plus any other amendments offered tomorrow.

Again, we will have an abbreviated week due to the events at the Vatican. It is the leader's intention to complete action on the State Department reauthorization bill this week. Therefore, it is paramount that we make strides on this bill during tomorrow's session. Senators should expect rollcall votes throughout the day and into tomorrow evening.

ORDER FOR ADJOURNMENT

Mr. KYL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment following the scheduled debate with respect to Social Security.

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

SOCIAL SECURITY

Mr. KYL. Mr. President, let me make a couple of comments and then I will yield to Senator DORGAN a couple of minutes as respective chairmen of the policy committees of both parties to describe what is going to happen briefly.

Sometimes, people watching C-SPAN will see a lone Senator giving a speech on the floor of the Senate and that passes for debate, and they ask, Where is the debate? Where is the joinder of the issues with one side asking the other a question and one side responding to the other's questions?

As a result of the fact that we don't have enough of that real debate in the Senate, what Senator DORGAN and I and our respective parties have agreed to is to conduct real debate, such as high school or college debates that many are familiar with, where there is a set time—in this case, 70 minutes—and each of four speakers, two on the Republican side and two on the Democratic side, have a few minutes, in this case 6 minutes, to make a presentation. Then when those presentations are over, each will ask the other questions. They will take a minute to ask the question with 2 minutes to respond; then, when the questions are over, there will be a brief summing up period

of time. That can allow the positions of the parties to be articulated well and yet permit an exchange of rebuttal and surrebuttal, which actually enables the parties to question each other, to challenge each other's premises and then to respond; in effect, conduct a real debate. The exact time limits are known to the parties.

At this time, I ask unanimous consent, without reading the agreement which has been agreed to by both parties respecting the relative time and order of presentation, that the agreement be deemed read and agreed to, and that it be deemed self-executing in the event that either Senator DORGAN or I should not be on the floor for purposes of yielding time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. KYL. Mr. President, for the next 70 minutes, as soon as Senator DORGAN is done with his preliminary comments, we will conduct this debate on the subject of Social Security. I invite those who are watching C-SPAN, as well as our colleagues, to tune in here because this may be one of the few real debates that we have until this subject actually is taken up on the floor of the Senate.

Finally, the subjects are chosen by mutual agreement, and we hope to have more of these debates this year and the following year, conducted roughly in this same kind of format so we can engage on other subjects as well.

I yield to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I thank the Senator. We are the chairmen of our respective policy committees, Republican and Democratic parties. We have on previous occasions decided to arrange some debates on the floor of the Senate about some significant issues. I participated in previous debates. For this evening, however, the debate will occur between Senator DURBIN and Senator STABENOW on the Democratic side, Senator DEMINT and Senator SANTORUM on the Republican side. This debate is about Social Security, the larger issue, and also the merits of private accounts in Social Security.

I assume this will be a spirited discussion because it is a discussion that has been moving around the country at a very significant pace in recent weeks. It was said once that when everyone in the room is thinking the same thing, no one is thinking very much. I happen to think debate strengthens this democracy of ours.

I recall several years ago I picked up the Washington Post and there was a big debate going on about something very controversial, and someone was quoted in the Washington Post. They said, This whole thing has degenerated into a debate about principles. I read that, and I guess that is why I came

here. I hope so. I hope that is what debate is about.

Tonight, we will one more time begin a discussion and a debate, in this case on a subject that is very important in this country. I thank the two Republicans and the two Democrats, distinguished colleagues, who have agreed to participate in this debate. As my colleague Senator KYL indicated, this debate will be self-executing. The rules are known to all participants.

With that, let me turn this debate period over to the participants who have agreed to begin.

The PRESIDING OFFICER. The majority leader or his designee is now recognized for 6 minutes.

Mr. SANTORUM. Thank you, Mr. President. I thank both chairmen for structuring this debate.

I am here to talk about the problems confronting the Social Security system. Then my colleague Senator DEMINT will talk about in more detail the solutions we are putting forth—many of us on the side of the aisle are putting forward.

The problem with Social Security is it is driven by demographics. Social Security is a pay-as-you-go system. That means the people working pay into the system for those who are retired. The system worked well when you had a lot of people working and only a few people retiring. But that has fundamentally changed over the years. As a result of that change, what you see in the red line is a dramatic increase in taxes—from 2 percent, which is what the tax was on Social Security in 1936, now up to 12.4 percent. It was 2 percent on the first \$3,000 you made. That is the green bar. Now it is up to 12.4 percent of the first \$90,000 you make. If you are working in the system now, that is when you start, high based; in other words, almost every dollar most people make is going to be taxed at a very high rate.

This is a big tax burden on future generations of America as we stand today. But this tax right now doesn't pay for the benefits that are going to be provided for future generations. Why? Demographics are changing.

The first thing to happen is the fact that we are not having as many children. There are some exceptions to that. But we are not having as many children as we had in previous years. You see the baby boom generation, 6.3 children of women of childbearing age. We are now going to be below a sustainable birth rate. But for immigration, we would be losing population in America.

We see a gradual decline in the number of workers going into the system. That is No. 1.

No. 2, we have a problem—a good problem. People are living longer. Life expectancy at the time Social Security started was age 61. Truly, at the time, Social Security was an old-age program. What does that mean? It was for people who could no longer work. People didn't live to age 65 back in 1936.

Now we are seeing seniors living to age 77, and increasing 1 month every 2 years.

What we are going to be asking future generations of Americans to do—these workers, fewer of them—is to support seniors up to almost one-third of their lifespan in "retirement" on Social Security.

People are living longer, fewer people paying benefits, and the final big blow to the demographic perfect storm is the number of people turning 65.

If you look back over the last 40 years, back and beyond 1982, the average number of people turning 65 in America was 2 million. When boomers start to retire, as you can see in the year 2011, the average going out over the next 40 years is going to be 4 million people. We are going to double the number of people retiring, and they are going to be living longer, and fewer people are coming into the workplace to pay for those benefits. As a result of this combination of three factors, we see this very important distinction. This is what is driving the personal accounts. That is what is driving the need for changes in the Social Security system. It worked fine when you had a lot of people paying 42 to 1.

Now we have a system where almost one person is paying for one person in retirement; it is two to one. Franklin Roosevelt would never design a system where workers were paying for retirees if you only had two workers paying for one retiree. No one designing a system today would design a system with demographics looking like this. In a sense you are almost paying for one person's retirement.

If you do that, anyway, why not have a personal account? Why not have the money paid to you and accrue that money over time, earn interest, have the miracle of compound interest being used to benefit from the taxes you are paying, instead of simply paying it to someone who is getting a transfer payment from you as you work today.

Franklin Roosevelt was right; Members never thought a Republican would say that. He was right to design a system such as this because it made sense. There was a very small burden on taxpayers. But we have changed. America has changed. And as a result of that change we need to look at the system differently.

Here is what happens now because of this demographic. Huge deficits in the future. Why? Fewer people paying and more people retired live longer. We have a short window of 10 or 12 years when we are paying more into the system than we need to pay benefits.

Why don't we lockbox that? How do you lockbox it? You can't lockbox it. Every Senator I have ever talked to says the money goes to pay for other Government programs. The answer is right. How do we lockbox it? Put it into personal savings accounts for their benefits in later years. That is how you lockbox Social Security today. That surplus that is there right

now, put it into personal accounts. If we don't do that, we will have a cashflow problem in our ability to pay benefits. We cannot pay benefits with IOUs. The President showed that today in Parkersburg, WV. You have to pay benefits with cash. That is the cash deficits we will be running in the Social Security Program alone: \$63 billion in 10 years, \$250 billion cashflow. What does that mean? Someone will have to pay more in taxes in 10 or 15 years, someone will get less benefits, or we will have huge borrowing to pay current benefits—not doing anything about saving money, not doing anything about having a better benefit, just to pay the current benefits being promised and that we cannot deliver on.

The PRESIDING OFFICER. The Senator's time is expired.

The Senator from Illinois.

Mr. DURBIN. I thank my colleagues.

Sometimes by accident the Senate lapses into something which perilously resembles debate. This may be one of those moments.

For those who are following it, welcome to the Senate as I hoped it would be. I congratulate my colleagues on the Republican side and my colleague Senator STABENOW for engaging in this debate.

The first question the American people ought to ask is a very basic question: Congress, if you did nothing, if you didn't change one word in the Social Security law, how long would the Social Security system make payments to every retiree with a cost-of-living adjustment every single year? To listen to my colleague from Pennsylvania, it sounds as though doomsday for Social Security is right around the corner. But the professionals tell us it is 35 to 45 years away; 35 to 45 years if we do nothing.

President Bush and Senator SANTORUM and others have said, but what about beyond that date? That is a legitimate challenge to all of us. When I came to Congress in 1983, I faced that challenge on a bipartisan basis. We met that challenge. We extended the life of Social Security for 59 years with commonsense changes. That is what we should do again.

Yet the President comes to us and proposes privatization. Now I have said it. I said the word which drives the Republicans into a rage. They don't want to use "privatization." It is as Senator Bumpers said, they hate privatization like the devil hates holy water. But the fact is when the Cato Institute dreamed up this scheme, that is exactly what they called it.

So now the Republicans have a softer side of privatization; they call it personal accounts. But it comes down to the same thing. If you are going to take money out of the Social Security trust fund to invest it in the stock market, the first and obvious question you have to ask is, does this strengthen Social Security? The President has already answered that question: It

doesn't. It weakens Social Security. It means the Social Security trust fund will run out of money sooner. That is obvious. You are taking money out of the trust fund.

What else does it do? It forces you to cut benefits for Social Security retirees. There is less money in the trust fund. You cannot pay out as much in a pay-as-you-go system. That is fairly obvious.

How would they achieve that? The White House memo that was released said they would move to this new price index. Wage index to price index does not mean much to the average person until you sit down and ask, what does that mean in realistic terms? So we ask, what does that mean for today's retirees? What if we had dealt with a price index instead of a wage index?

The yellow line on the chart suggests current law; the red line price indexing. What it tells us is 20 or 30 years from now, under the President's approach, we would see a 40-percent cut in benefits paid to Social Security, forcing millions of seniors below the poverty line. That is part of privatization. The other part, the part which they hate to talk about, is that as you drag these trillions of dollars out of the Social Security trust fund, the only way to make it up is to add it to our national debt, \$2 trillion to \$5 trillion of national debt over 20 years, debt that is financed by Japan, China, Korea, and Taiwan, debt our children would carry.

So there we have the perfect storm. All three have come together: A privatization plan that doesn't strengthen Social Security but weakens it; a privatization plan that is going to cut benefits dramatically in the outyears; and a privatization plan that is going to create a deficit of \$2 trillion to \$5 trillion.

If we moved to the President's plan immediately, the Social Security system would go bankrupt even sooner, be insolvent even sooner. How can that be the right approach?

Now, let's get down to the politics of this situation. This is all about choices. We have made some choices. We had a vote as to whether we were going to cut taxes in America or save Social Security. Look at these Bush tax cut votes where we asked our Republican friends who wanted to join us in saving Social Security, are you willing to sacrifice a penny in tax cuts to make Social Security stronger. Time after time after time, to amendments offered by Senator BYRD, Senator HARKIN, Senator CONRAD, Senator REID, Senator Hollings, they have said no, we would prefer tax cuts even for the wealthiest people in this country rather than to strengthen the Social Security trust fund. The reason the Social Security trust fund may be in peril in the outyears is we have taken so much out of it to finance tax cuts.

I have a chart which shows what the tax cuts mean, the Social Security shortfall and the cost of other adminis-

tration politics over the next 75 years. The Social Security shortfall is about the same as the President's tax cuts for the top 1 percent of Americans. If we took the money we are giving in tax cuts to the wealthiest people in America and put it back into the Social Security system, we would not be having this debate. We would be talking about other issues that are equally if not more important.

Look at this chart. As a percentage of gross domestic product, Social Security will be at 48 percent in the year 2075. Look at Medicare and look at Medicaid. As we talk about this light at the end of the tunnel, 35 or 45 years from now, there is a locomotive looming, about to run over us, called Medicaid and Medicare and cost of health insurance.

So why aren't we sitting down on a bipartisan basis as we did in 1983, working out commonsense solutions that don't privatize Social Security, weakening it, cutting benefits, creating a massive debt for our children? Why don't we work on a bipartisan basis to make it stronger?

The PRESIDING OFFICER. The Senator's time is expired. There is 6 minutes for the minority.

The Senator from Michigan is recognized.

Ms. STABENOW. First, thanks to my colleagues on both sides of the aisle for arranging in this incredibly important debate, Senator KYL and Senator DORGAN, for bringing us together in this way.

Social Security is a great American success story. Senator DURBIN and I, while we were not around when it was created, are very proud of the fact that we as Democrats led the way to create a great American success story. Our goal today is to keep the security in Social Security. That is the fundamental issue, I believe, for each American family.

We are very proud of the fact that Social Security is a great American success story because prior to Social Security, half of the seniors in our country, half of older Americans, were in poverty. Today it is about 10 percent. We still need to work on the 10 percent but this is a great American success story. We want to make sure nothing is done to unravel this.

It is important we have this debate, though, and we talk about the fact that Social Security is America's insurance policy. It is our families' insurance policy because it is more than just retirement, which is so critical. But it is also a disability policy. Most of us do not have a private disability policy. In fact, 75 percent of us do not. It is a disability policy; it is a survivors policy.

Heaven forbid if mom or dad lose their life, where they are not there to care for their children. In fact, in my husband's own family, when he was 10 years old, his father died. His mom was older and not well, and he and his mom literally survived on Social Security.

This is a great American success story. Anything we do that pulls dollars out of an insurance policy will cut those who are left. No matter how forcefully the President or our colleagues say that somehow some folks can be protected, when you pull dollars out of an insurance system, it is not possible. I think it is very important for us to understand that as well.

Also, we can each have our own opinions but not our own facts. There are a couple of different numbers floating around, but I would suggest to you that the folks whom we are obligated to look to, the Congressional Budget Office—the folks where nobody is appointed by the President, such as the Social Security trustees—those who are the nonpartisan folks we refer to all the time, they tell us, as has been said, that the trust fund can pay 100 percent of its obligations until 2052, and after that, if nothing was done, it would be about 80 percent, maybe 78, 80 percent the trust fund could pay.

There is no question there is a gap, and we are here to say we want to work with you to address that gap. That is what we ought to be doing.

What we know, and the President has already admitted, as have others, is the privatization scheme proposed does nothing to fix this; nothing. It does not add a day, does not add an hour to 2052. In fact, it makes it worse.

There is a solution. In fact, there are a number of things we can talk about. But 2 weeks ago we had a vote on the floor on the budget resolution. This was a vote based on an amendment that Senator KENT CONRAD and I had to put Social Security first. I know people are concerned about Social Security, those who support continuing it. But the reality is, we had a vote 2 weeks ago on an amendment that simply said, before we permanently extend tax cuts predominantly to those most blessed in our country, who are the least worried about Social Security, or before we add new mandatory spending, we should secure Social Security first.

It is staggering when we look at the differences in values and priorities in this Congress and with the administration. Mr. President, \$3.7 trillion is a lot of money; \$3.7 trillion would secure Social Security for 75 years. That is, what, a third, a third maybe, of what we are going to be asked to vote on later this year and beyond to extend tax breaks predominantly for the wealthiest Americans for 75 years.

What are our values? What are our priorities? What does this say about us as a country? We can easily, by putting Social Security first, fill that gap for 75 years. And I believe we ought to do it.

Specifically, on why privatization is something that does not make sense. Privatization does three things we are concerned about: It increases the national debt drastically; it increases administrative costs; and it adds deep benefit cuts. No matter who says, "We'll protect this group or that

group, these folks will be OK," if you take money out of the insurance system, everybody gets cut. That is the reality.

The first thing is the budget deficit, the deficit for the country. When we look at what is happening right now, it is astounding. We have the largest Federal deficit right now in the history of the country. We should all be extremely concerned about it. It is \$4.6 trillion, projected. This adds, over 20 years, another \$4.9 trillion. It more than doubles the national deficit in order to do privatization.

One of the things I am particularly worried about, both as a member of the Banking Committee and a member of the Budget Committee, is who is buying that debt? Who is buying that debt from us? This is at a time when we are concerned about national security and trade deficits and what is happening around the world.

Well, the top two folks buying it are Japan and China. But can you imagine, South Korea and OPEC own some of our deficit. What happens when we add more to that deficit? And what happens when foreign countries buy more and more of our debt? This is a bad idea to add more to our debt.

Let me add a couple of points.

The PRESIDING OFFICER. The Senator's time has expired.

Ms. STABENOW. I will do that later. Thank you.

The PRESIDING OFFICER. The majority is now recognized for 6 minutes.

The Senator from South Carolina.

Mr. DEMINT. Thank you, Mr. President. I thank my colleagues as well.

This is a great opportunity to discuss such an important program. I appreciate all three of my colleagues who have spoken who have stressed how important it is that we keep the promise of Social Security. We have heard a lot of numbers and different information. If I could, I would like to try to make it a little simpler so at least I could understand it.

I am reminded, as I hear some of the information, of a TV commercial I have seen that the AARP has sponsored. Some of you may have seen that commercial. The Presiding Officer may have seen it as well. In the commercial they have a wrecking ball that is tearing down a house and a Caterpillar tractor tearing down the walls and a family fleeing, and they are saying: This is what the President is trying to do to our Social Security system, to tear it down completely when all it takes is a few simple adjustments.

I think the real truth here is the house is more like one I saw on the news during the rains and the mud slides in California: a beautiful big house sitting on the mountainside, and from the front it looked perfect. It was perfect in the inside. The roof was perfect. It did not leak. But when you looked around the back, from the air with a helicopter, you could see that half of the foundation had been washed away, and it was precariously perched

there on the side of the mountain. But it looked perfect from the front. A few hours later they showed a clip from the air where the whole house went down the side of the mountain.

Unfortunately, what we have happening today is we have a Social Security program that has worked, and it looks good, just like that house, but the foundations have been eroded for many years, and we are coming to the point where we have to rebuild those foundations.

I appreciate what the President is doing. This President has been willing to confront the most difficult issues of our generation. He has confronted terrorism head on. He is the world leader now in exporting freedom and democracy. He has taken the education issue on, recognizing we were leaving children behind, and made it more accountable. He saw that seniors were not able to buy prescriptions, and he has worked with the Congress to make sure they could. He sees that Social Security is like the house on the cliff and that we need to fix it.

Now, I am afraid my Democrat colleagues and the AARP and some other groups are still showing people around the house and telling them it looks fine. And it does. But, folks, the real truth is, the foundation of our Social Security system has been eroded. The President is trying to show us the truth, that we need to rebuild the foundation.

Senator SANTORUM painted a clear picture. The foundation of our current Social Security system was based on a lot of workers and few retirees, a lot of workers putting in \$60 or less a year. Today, we have the average family putting in over \$5,000 a year. The problem with that foundation and why it is being washed away by today's demographics is there is no savings. We have not saved 1 penny. Even though the average American family puts in over \$5,000—some dual-income families over \$15,000 a year—we are not saving any money in the Social Security system.

I am afraid while the trust fund is a nice idea, it is no more real than Santa Claus or the Easter Bunny. The President today pointed out that the trust fund is simply a file cabinet with a bookkeeping record of how much the Federal Government has borrowed from Social Security. This money was being borrowed before our tax cuts. It is being borrowed today. This year, there is \$75 billion in Social Security surpluses. It is being spent. And if we had not had the tax cuts, it would have all been spent because there is no way in our current Social Security system to save real money. That is all the President is talking about, rebuilding the foundation of our Social Security system with real savings. And that is what we are trying to do.

I will put up a chart. I want to point something out that is very important. So much has been said that we are taking money out of the Social Security system. But what we are doing with

personal accounts is welding them to the current Social Security system.

As you will see with the first bar on the chart, this year, in 2005, all of the benefits to today's retirees are being paid from the current system. But what we are proposing, since the current system is running out of money, is to begin to add personal savings within the Social Security system. By 2025, over half of the benefits that will be paid—and it is important to see that the benefits will be the same—will be paid in part by personal savings and in part by the traditional system.

Now, by the time my children retire, in 2045, all of the benefits will be paid from a funded Social Security system, from real savings, and people will actually get better benefits in the future than they do today.

Let me point out on a second chart, it is important to recognize no money is going out of the system. It is all part of a system that has a new foundation of real savings.

This is something we require of every corporation in the country that offers a pension plan, that they have real money in it. That is what we need to do to Social Security.

One of the benefits of this—in addition to structuring a program where we can guarantee benefits; we don't change disability; survivors benefits can be even better—is the average American worker, if you look at 2035, average median income at 35, it is already close to \$400,000 that they can work with their current system. The benefit there is that if you die before you are 65 instead of today when you have nothing, it is left to your heirs. It is part of your estate. More people can inherit wealth.

We can continue to talk about this as we go through the questions and answers.

The PRESIDING OFFICER. The minority is now recognized and has 1 minute to pose a question.

Mr. DURBIN. Mr. President, I will ask the first question. If you take up to 2 percent out of the Social Security trust fund—and it is a pay-as-you-go system—it is clear you don't have enough money to pay the benefits. The White House memo suggested that the way to deal with this is to reduce the amount of benefits paid to Social Security retirees. So I would like to ask my Republican friends if they support the White House memo that called for the price index that would cut benefits for Social Security retirees in years to come up to 40 percent.

Mr. SANTORUM. I would answer that and say that as you see, we have a surplus right now that can be used to fund these accounts for the next 10 years. After that we run a deficit in the Social Security Program, and we would have to come up with a way of financing that deficit.

What the President has suggested is that with Social Security, if we fix it the old-fashioned way, the way you did in 1938, which was increase taxes and

cut benefits, workers would be paying more and getting less. With personal accounts, you have the opportunity of getting more because you use the compound interest, you use the miracle of the markets, and a balanced investment portfolio that is being used by pension funds all over the country to fund their accounts. And so what we would suggest is you initially use the surplus money and then you balance for future workers—again, no reduction in benefits today, but you balance for future workers.

What the President has talked about is a promise, a lower promise of benefits but a better opportunity for a return because you have the personal savings accounts which can exceed the promised benefit. So you have at least the opportunity to do as well as the current system promises but cannot pay—promises but cannot pay—and you have the opportunity of not having to have future tax increases, again, because you are able to compensate with the amount of money that is earned in these accounts, again, because of the compounding of interest and because of the diversified portfolio of investments you have.

To me, this is a balanced approach. It takes the good part of the Social Security system which is the security of having money go into this old system, keeps that in place for about two-thirds of the money, and a third of the money will be able to offset what would have to be a future reduction of benefits with the growth in the personal account.

The PRESIDING OFFICER. The time of the Senator has expired. The majority is now recognized for 1 minute to ask a question.

Mr. SANTORUM. I thank the Chair. I would like to ask a question about the 6 percent of the workforce that does not participate in Social Security. They are State and local workers. My first question is, Do you support requiring—just as you did in 1983 by requiring Federal workers to participate in Social Security—those State and local workers to participate in Social Security? And if you do not, then why would you deny current workers who are in the Social Security system the opportunity to have a personal account like those workers do and allow them to continue to have their funded pension system and funded Social Security system, not allow current workers to have at least a partially funded Social Security system?

Mr. DURBIN. I might say that many of these people are teachers and firefighters and policemen who pay into their pension systems. They understood the arrangements when they went in and usually pay as much or more than Social Security requires. And for us to now change their system and bring them into Social Security fails on two counts. First, it doesn't solve the Social Security solvency problem. It is worth about 20 percent of the total that we are dealing with. And

second, it is going to demolish their own pension plans. So you are going to find these people who are being interrupted into their current employment paying into pension plans who will now either pay more into Social Security and/or less into their pension plans.

Is that what we want to achieve? Do we want to take pension plans that people paid into for a lifetime and weaken them? Is that our way to solve the Social Security crisis? I don't think so. I listened to my friends on the Republican side likening the Social Security trust fund to Santa Claus, the Easter Bunny, and a file cabinet. They may not recall it, but it hasn't been that long ago, 6 or 7 years ago, when we generated surpluses in the Federal budget. The Social Security Program was stronger. We were borrowing less money from it.

Since President Bush arrived we have borrowed \$800 billion out of the Social Security trust fund. The so-called file cabinet has been very generous to the President when he wanted to finance his tax cuts. If he hadn't given tax cuts to the wealthiest people, that file cabinet would have been full of money for Social Security recipients, lengthening the life of this program.

Also, this whole thing about the miracle of the markets,

I commend my colleague from Pennsylvania. Thank you for finally saying the words. You said we are talking about lower benefits but the opportunity to do better. That is what it is all about. So there is a guarantee of lower benefits to Social Security and the possibility of making more money on your investment.

Does the phrase "past performance is no indication of future results" ring a bell? That is what you see at the bottom of every ad for stocks and bonds and mutual funds. There is risk involved. Some may profit, others may not.

The PRESIDING OFFICER. The minority now has 1 minute to pose a question of the majority. The Senator from Michigan.

Ms. STABENOW. Mr. President, to follow up on the fact that we are hearing that there is no money in the trust fund, I am quite shocked to hear that because back in the 1980s, when the decision was made to come together, President Reagan, based on Alan Greenspan's commission, with Bob Dole and Tip O'Neill, they came together and on purpose designed a system to create surpluses for all of us baby boomers so there would be more dollars available in a surplus. And, in fact, what the President looks at, of course, just like when you go to a bank, you don't look in and just see dollars because there are investments being made and so on.

In the Social Security trust fund, individuals have been given secured bonds, the equivalent of a secured bond, an IOU, each one of us as individuals, with the full faith and credit of the United States behind it.

My question is this: We are giving those same kinds of assurances to those who buy our foreign debt, that we have the full faith and credit of the United States behind it. Would you suggest that we would pay China back and Japan back and our foreign creditors before we would pay back the people of America who have paid into the Social Security trust fund and have been given a secured IOU?

Mr. DEMINT. An excellent question. Those are legal obligations of the Federal Government which we have to honor. But the Supreme Court has said Americans have no legal right to a Social Security benefit. It is not their money. They don't own it. Unfortunately, the Social Security trust fund could not write one check to a Social Security retiree today. There is no money.

The only place the money can come from for the trust fund is if it comes back from the general fund to the trust fund. In other words, these cash deficits that we have talked about are the money that has to come out of the General Treasury, out of our education fund, our transportation fund, out of our military, in order to pay these IOUs that are in this so-called trust fund. And we don't have the money to do that.

And the talk of tax cuts hurting the Social Security trust fund, I am afraid, is ridiculous. The money was all being spent anyway. If we had not had a tax cut, more would have been spent. This year there is \$75 billion in a Social Security surplus that we are spending.

My question to the Senator is, would the Senator support a proposal that actually saved the Social Security trust fund—that is all we do—save the money that is surplus between now and the time that runs out in 2017—and that is when the program is in trouble because that is when we have to start pulling money out of the general fund. But my question to both of my Democratic colleagues is, would they support a proposal to save the Social Security surplus today?

Ms. STABENOW. Mr. President, first I say to my friend and colleague, I am shocked to hear him say the people of America who have paid into the Social Security trust fund, the baby boomers, do not have a secured obligation by all of us. Is the Senator saying whether it is moral or whether it is legal, or is he saying we do not have to pay those benefits? He is actually saying that for the folks who have paid in as baby boomers that we are not obligated to pay those benefits?

Mr. DEMINT. That is what the Supreme Court—

Ms. STABENOW. I want to make it clear that we Democrats believe with all our hearts and souls we have a responsibility to pay and we will pay those obligations. To somehow say that it is different to pay a foreign country than it is to pay our own people the obligations when they are both secured obligations—this is not some-

thing written down on a little piece of paper. This is a secured obligation with the full faith and credit of the United States of America behind it.

So I ask my colleague in return, the simple thing to do here, the very simple thing to do would be to go back and vote again on simply making a policy statement. Why didn't my colleagues, either of my colleagues, vote to say "put Social Security first," let's make sure we secure the obligation, keep it secure for 75 years, and then we can give 70 percent of the tax cuts; to say to those most blessed in this country, will you take 70 percent of \$11.6 trillion rather than 100 percent so every single person cannot only have retirement, but have a disability policy, have survivor benefits?

Isn't that based on the great values of America in terms of paying into a system, knowing it is going to be there, working hard all your life and creating a way for people to care about each other and have community? To me this would be the easiest thing, and we could do it tomorrow if we had the votes to do it.

Mr. SANTORUM. Mr. President, I suggest the chart is not accurate. According to the Congressional Budget Office, extending the tax cuts would cost about .7 percent of the gross domestic product between now and 2050, whereas the Social Security deficit is 1.4 percent of GDP. Even if we repeal all the tax cuts, not just on the wealthiest but on everybody that we provided—that is child credit, that is marriage penalty, all of those things—if you take all of those tax reductions the President has put forward, they only make up half, according to the Congressional Budget Office, of the shortfall. It does not solve the problem, No. 1, and it also would be mixing apples and oranges.

We have never in the history of this system had a general fund tax transfer to Social Security. We have always funded Social Security within the Social Security system through payroll taxes, and I showed the increases of taxes over time. So now we are talking about something fundamentally different. We are talking about general fund revenue to fund Social Security. I do not think most people would see that as an insurance policy anymore. I think they start to see it as a transfer program looking more like a welfare program than what has historically been a social insurance program.

I do not think we want to head down that road. I think we want to keep the integrity of the Social Security system in place. That is why what we are suggesting, which is personal retirement accounts, where the money stays in the system—there is a lot of talk saying you are taking money out to put in these accounts. Remember, these accounts pay Social Security benefits. The money stays in the system. It does not come out of the system. It is used as a way of actually saving and capturing this money that right now is

going to the Federal Government to spend, and in exchange we are getting this IOU.

Is the IOU an obligation to pay? Yes. How does the Government pay benefits? It pays benefits on the ability to take either tax revenue or borrow money and pay out benefits.

What we are suggesting with this chart of showing the cashflow problems is the deficits are going to be huge in the future, and that is going to be a problem of cash-flowing benefit payments in the future. It is not that we will not pay them; it is the deficits are going to be huge.

The PRESIDING OFFICER. The Senator's time has expired. The majority has 1 minute to pose a question to the minority.

Mr. SANTORUM. Mr. President, I ask either of my colleagues, they have heard of the solution we have put forward, and I guess the question I have is, the Senator from Illinois suggested we can fix it the way we fixed it in the past. The way it was fixed in the past is we raised the payroll tax from about 10.4 percent to 12.4 percent and we raised the base and indexed it. And then secondly, we increased the retirement age from 65 to 67. Also, we taxed benefits for the first time on higher income individuals. We taxed benefits, increased the retirement age, and we raised taxes.

So my question is: If my colleagues do not want to go the personal account route, and if they accept at some point—pick the time—at some point there will be a shortfall in the system, how are we going to solve this problem? What tax are we going to increase or by how much? How much are we going to cut benefits, or how much are we going to tax benefits?

Mr. DURBIN. Mr. President, I think it is an honest question, and it is one we should face honestly. The last time we did, in 1983, Mr. Greenspan's commission came up with a list of recommendations and said: Choose from this chart and you will lengthen the life of Social Security dramatically.

Finally, we came up with a package, as the Senator from Pennsylvania described. A final vote in the House of Representatives included 81 Republicans voting with 158 Democrats. When it came to the Senate, there were more Republicans than Democrats supporting the Greenspan Commission proposal.

Yes, it gets down to basic math, and that is what troubles me about some of the statements made by my colleagues on the floor. It seems we think we can defy the laws of gravity and the laws of mathematics, and it simply gets down to this: If you want to strengthen a program such as this, you are either going to raise taxes, cut benefits, or find some new way to generate money into that system. My colleagues' program is not a way that puts money into the system. It takes money out of the system that then can be invested, that may have a good return, and if it

has a very good return, you are going to be the winner. If it goes soft on you, if you happen to have a bad investment, you are a loser. You have fewer benefits under Social Security, less money from your investments. The risk is there.

But I think we need to get down to basics. The Senator from South Carolina suggested earlier that we might as well have tax cuts; otherwise, we will spend the money. But in the years when we were generating surpluses under President Clinton, before President Bush was elected, we had the largest increase in longevity in Social Security in modern history. In a matter of 3 years, as we are building up surpluses, not spending the money on tax cuts or new programs, Social Security is getting stronger by 8 years because we are being fiscally responsible.

Now with President Bush, with the largest deficits in the history of the United States brought on by a Republican President and a Republican Congress, Social Security is going the wrong way. The latest estimate says it has lost a year in solvency. They are connected.

You cannot take the money and overspend on programs or on tax cuts and not have a negative impact on the Social Security trust fund.

The PRESIDING OFFICER. The minority has 1 minute to address a question to the majority.

Ms. STABENOW. Mr. President, given the fact the President has indicated that the privatized accounts do not solve the solvency problem for Social Security, and given the fact that at this point colleagues have said they are not interested in putting Social Security first before additional tax cuts or new mandatory spending, what would my colleagues' proposals be at this point? Assuming the privatized accounts, as has been said—that is a philosophical difference; folks may or may not wish to privatize Social Security, but it does not add a day to the solvency of the Social Security trust fund.

I ask my colleagues, what would your proposals to protect and secure Social Security be for the future?

Mr. DEMINT. Mr. President, I appreciate the question because I actually do have a proposal. The fact is, if you add personal savings within the current system, you do fix the system permanently. The example on this chart is while right now the traditional benefits are paying 100 percent of our promise, and Social Security is a promise we need to keep—Republicans are committed to it, and the President is, and that is why we are looking at this house that is on a cliff. We want to figure out how to build a foundation that will keep it there for our children and grandchildren.

But if we allow personal accounts to work with the traditional system, when we get out to the year 2045, we not only have a permanently solvent system, we have one that is completely

funded. In other words, it would meet the legal criteria of pension plans today.

I think all of my colleagues know that if corporate America asked us to set up a plan such as Social Security where we take workers' money today, we spend it all, and then we try to pay benefits out of future revenues, we would say no and we would probably put them in jail.

The plans we are talking about eliminate risks. They guarantee a future benefit and they are slanted toward giving the poor a better deal than they have had under the current system. We can design a Social Security system with personal accounts that eliminate risk and help the poor more than this current program and make the program permanently solvent.

My question back to the Senator would be, if the Senator is not for personal accounts—and I guess if the Senator is thinking the trust fund is going to pay benefits after 2017 even though last week the Social Security actuaries in their report said in 2017 payroll taxes will no longer be enough to pay promised benefits, so we will have to start pulling money from the general fund—my question to the Senator is if the Senator does not want to put personal accounts into the system, which we continue to stress we are not taking money out, we are adding new money to the Social Security system, we are saving it in personal accounts, we are welding it to the traditional system so that it will be stronger in the future, how is the Senator going to fix Social Security and pay benefits in 2018?

Ms. STABENOW. With all due respect, I am trying to figure out the new math in my head because the math that the Senator is talking about certainly does not add up to anything that I have seen. I would encourage folks who are watching to go to democrats.gov and use the calculator based on a 6-percent rate of growth that some financial folks put together where they can put in their date of birth and their average yearly earnings and find out for themselves how they would do. So far we have not found anybody who does better under these privatized accounts.

So when one is talking about what we ought to do, we need to start with the reality that the privatized accounts turn Social Security from a guaranteed benefit into a guaranteed gamble, No. 1. Secondly, there is nothing in what the Senator is talking about that has a relationship to what we are hearing about these private accounts.

I said to Secretary Snow in a committee hearing that I understand folks have to pay some of this back, so let me give an example. My daughter is 25. Let us say I give her \$1,000. At retirement I tell her I want the \$1,000 back, 3-percent interest, plus inflation. Is that what you are talking about? And he basically said yes. He did not disagree with that.

What we are seeing is a lot of hocus-focus, a lot of where is the pea on the table moving things around. Of course, we have nothing specifically in writing yet from the President, which is one of the problems. But what we are seeing is a lot of talk that does not have a relationship to reality. The reality is that for the first time, in 2017 we begin to dip into the surplus that the Senator and I have been paying into as baby boomers all of our working lives. It is a commitment. It is a secured obligation and we are going to pay that to folks.

So the question is, what happens in 2052 when that surplus is no longer available? And if we can take privatization off the table, the Senator has very willing and able colleagues on this side of the aisle who want to work with the Senator to do those things that will secure it for the future.

The PRESIDING OFFICER. The Senator's time has expired.

The minority now has 1 minute to pose a question to the majority.

The Senator from Illinois.

Mr. DURBIN. President Bush created a commission that was stacked to be for privatization and personal accounts, but notwithstanding that the closest option to what the President has described, option 2 from that Commission, says in the first 10 years \$2 trillion would be added to the national debt, in the second 10 years \$4.9 trillion to the national debt. We have asked the administration repeatedly how are they going to deal with doubling America's national debt, doubling our indebtedness to the rest of the world. How can they believe America will be stronger in years to come when America's mortgage grows and America's mortgage holders, Japan, China, OPEC, Korea, and Taiwan, if they end their love affair with the dollar, will sink us by demanding higher interest rates to continue to finance our debt? How can this be fiscally conservative, I ask my Republican friends?

Mr. SANTORUM. I thank the Senator. This is really an interesting question, and I think everyone admits that there is a gap between the amount of money coming in and the amount of money that we are going to need to pay, and that is shown by this cash deficit. The fact is, we have to somehow or another in Social Security bring these two lines together. I think everyone would agree that is the option.

Right now, the shortfall over the life of the program is \$11 trillion between the revenue line and the benefit line—the benefit line being up here, the revenue line down here. How do we bring those lines together, and how do we keep it solvent in the future?

What the President suggested is that if we do some—let us assume it is all borrowing. We cannot make any spending cuts. We borrow up to—again, according to Alan Greenspan—\$1 trillion to \$2 trillion over the next 15 to 20 years to prefund Social Security, just like we prefund every other retirement system

in America. In fact, they are required by law to prefund. We put the money into a diversified portfolio of investments and then that borrowing at the beginning creates an elimination of the \$11 trillion long-term problem. So I would ask, is a \$2 trillion investment now worth saving \$11 trillion and making the system permanently solvent in the future?

I would answer that question with a resounding yes, and we put the Social Security system on stable funding forever and have it supported by ownership. Of course, we all know ownership has its privileges. One of the things is it can be passed to the next generation. One can do better than the current system promises and cannot pay for. Let me repeat that. The promised benefits we cannot pay for for my generation and for future generations of Americans.

What we want to give is ownership to future generations. We want to give them a good chance. This gamble—go to every union pension plan and tell them their union is gambling.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SANTORUM. Now my question. I asked this question, Senator DEMINT asked the same question of both of my colleagues, and in neither instance did we get a response. So I will give my colleagues one last try. We asked, what would my colleagues do, what is their plan? I just want to get the transcript. In neither case did either my colleague from Michigan or my colleague from Illinois put forward specifically what increases in taxes do they recommend, what reduction in benefits do they propose, or how much are we going to tax existing Social Security benefits to make up the shortfall. Pick the date as to when my colleagues want to solve the problem, whether they want to wait until 2018 or 2042 or 2052, whatever the case may be. How are they going to solve this problem that at least some on their side of the aisle admit exists?

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. I will answer that for my colleague. As Senator DURBIN just said to me on the side, it will not be privatization, and that is absolutely true. The American people, American families, can absolutely count on the fact that it will not be privatizing Social Security.

I would argue that the amendment we put up 2 weeks ago that simply says in the overall budget process, which is the value system for our country, the blueprint, is represented in what we do in our Federal checkpoint. The reality is, if we said we were going to take about 30 percent of what is being given over the next 75 years to those most blessed in this country, who are not worried about Social Security or Medicare or other kinds of opportunities, if we just ask them to take a little bit less, we would be able to secure Social Security for 75 years.

The other thing I would say about the issue of asking folks about pen-

sions, we have all been told by our folks that retirement is about a three-legged stool: Social Security, pension, and savings. When it comes to savings, the risk is with us to save. I believe we ought to create more opportunities for that. When it comes to pensions today for workers, it is becoming more of a risk for the worker, not a defined benefit but a defined contribution.

The leg of the stool that has been secure, that we will fight to keep secure, is Social Security. I will never forget people working for Enron who came into my office 2 years ago, men in their fifties who worked all their lives and played by the rules and invested in their company, and one man with tears in his eyes said to me: Thank God for Social Security. It is the only thing I have left, and I never thought I would be in this situation.

Social Security is not a 401(k). It is not meant to be a pension system. It is America's families' life insurance policy, retirement disability, and survivor's benefits. It has worked now for years and years. The issue is how do we keep it going.

The PRESIDING OFFICER. The Senator's time has expired. The minority now has 2½ minutes to close.

The Senator from Illinois.

Mr. DURBIN. Thank you, Mr. President, and thank you to my colleagues for taking time for this debate. I don't know how much we have lit up the place with our brilliance, but at least we did our very best to explain our points of view.

My colleague from South Carolina uses an interesting analogy of the house sliding off the hill. What they have suggested for that house that is starting to slide off the hill in privatizing Social Security is, before it slides off the hill, let's rip the roof off and start a fire in the kitchen. That is what privatization does. It doesn't create a stronger foundation for Social Security or for that house. It makes it weaker. It weakens Social Security, it cuts benefits, it drives more seniors into poverty, and it creates \$2 trillion to \$5 trillion more in debts.

If you want to make that house stronger, you have to backfill. You have to take the money you took out of the Social Security trust fund, money you took out for tax cuts, money you took out for things we couldn't afford to pay, money that has driven us into the deepest deficits we have ever seen in America under this President. That is how you backfill a foundation to save this house on the hill.

This debate is not about solvency. I think we know now that it is about the legitimacy of Social Security. I believe in it. Most Americans believe in it. It is a safety net we have counted on for almost 65 years and we will continue to count on.

But some of my friends on the Republican side see the world much differently. They have what they call the so-called ownership society. If you can

just own it, then it has to be great. The model of the ownership society is, just remember, we are all in this alone.

But we are not in this alone. When Franklin Roosevelt created Social Security, he said the American family, all workers, will contribute through their payroll to make sure, if all bets fail, if your pension system fails, if you don't have enough in savings, you can always count on Social Security. That, he said, is what the American family needs.

They need it today more than ever. Pension systems are failing. These corporations are going bankrupt and throwing their shareholders and retirees and employees to the wolves. We cannot do the same with Social Security.

We ought to be able to stand together and make even difficult choices, as we did in 1983, when a larger number of Republican Senators joined Democratic Senators to find a bipartisan solution. Privatization is not the answer. Ripping the roof off that house and starting a fire in the kitchen is not going to make it any safer.

The PRESIDING OFFICER. The majority is now recognized for 2½ minutes to close. The Senator from South Carolina.

Mr. DEMINT. Thank you again. I have enjoyed this tonight. Our talk, I guess, has gone in some interesting directions. My opinion is that Social Security is now too expensive to be just an insurance policy. When Americans paid \$60 a year when the program started, yes, maybe it was an insurance policy. But today, with Americans averaging over \$5,000 a year, for many it is their only savings plan. We cannot assume that the average American can save, after we take 12.5 percent of their income, additional money for retirement. We have to transform Social Security into a program that is not only secure but helps people create real savings to build a foundation of the program.

We are as committed to Social Security as you are. In fact, we wouldn't be here talking today if Social Security was secure. In fact, we see that it is running out of money, and the best way to fix it is to save some of the money that we are putting into Social Security.

I know there are plans that don't put people at risk because I have one and several other Republicans do. The plan I have introduced, which has been scored by the Social Security Administration, guarantees that no American will ever receive less from Social Security than is promised by the current system. It gives the poor larger accounts. It reduces the deficit for Social Security by two-thirds. It is a program that makes every American a saver and investor.

In this country today, with so many Americans who do not own anything, the opportunity to own something, and for that ownership to grow in wealth so that they can participate in a country



as our economy flourishes, this is what Social Security can be in the future—just as secure, but it can contain real savings for the first time.

That is all we are asking today. Let's not cut benefits. We don't want to cut benefits. Let's not raise taxes. The problem with Social Security is that the foundation does not include real savings, and that is what we are proposing. Let's save Social Security with real savings.

The PRESIDING OFFICER. The minority is now recognized for 2½ minutes to close.

Ms. STABENOW. Mr. President, I thank you and my colleagues very much. This is an important debate, and I appreciate being able to participate in it.

The President's privatized accounts, we know, will do three things, and that is why my colleagues and I are opposed to the privatized accounts.

First of all, they will greatly increase the national debt. In fact, do you know what folks are going to own with this? Seventeen thousand dollars more in debt for every man, woman, and child in the United States. That is what they are going to own. It is a lot more debt and a lot higher interest rates as a result of this plan. This is a bad idea.

The other thing that doesn't make any sense to me is that right now Social Security, which is retirement—and we do have a secured obligation to make sure that we pay it, but it is retirement, disability, and it is a life insurance policy. For that we pay about a half a percent in administration. On average we are told that it could be upwards of 20 percent, maybe 10, maybe 25, but we are told by the experts, 20 percent in order to administer an annuity or other kind of private account.

One of the things I find interesting is that among folks who are really pushing for this idea around here are those folks who would be paid to administer these accounts. I understand we now have something like five financial services lobbyists for every one Senator now here on Capitol Hill. Certainly there are folks who will make a lot of money from this, but it is wrong. This system works right now and we pay a half a percent.

The final thing I would say is it is estimated that the average person over 20 years, the average retiree, will lose \$152,000 under the approach the President is talking about. This is wrong. This is not better for people. This is, in fact, worse.

I agree with my colleagues, and in fact let me also say I would welcome folks going to my Web site or any of my colleagues' Web sites to learn more about Social Security and the facts. We do need to be working together, not only to secure Social Security for the future past 2052, but we also need to work on those other ideas that create opportunity for people. One of my great concerns is that one-third of the cuts proposed by the President in the

budget are in education. That is opportunity. That is the opportunity for ownership in the future. Why don't we focus on jobs and health care and those things immediately that need to be addressed?

We welcome those debates as well and we welcome working with our colleagues to keep the security in Social Security.

The PRESIDING OFFICER. The time of the Senator has expired. The majority has 2½ minutes to close. The Senator from Pennsylvania.

Mr. SANTORUM. I thank my colleagues from Illinois and Michigan, and my colleague from South Carolina and my colleague in the chair on this debate. I think it was a good and spirited debate. Hopefully, we added a little light to the issue. Let me try to focus a little bit.

The Senator from Illinois used a quote: We are not in it alone. If you are a 20-year-old today, you are feeling pretty lonely because there are only two of you going to be paying for every one retiree. When FDR said that, there were 42, and he could say we are not in it alone. You are pretty close to being in it alone today, and that is why we need a different system, a system that prefunds, that actually uses the money, the surplus today, and saves it for future retiree benefits.

We are not taking money out of the system. We are putting the money, instead of for the Government to spend and giving an IOU to replace it, we are putting it in real assets that will be real benefits when real workers really retire.

Second, I want to comment on the cost of administering the program. The cost of administering the program has been estimated by the Congressional Budget Office, not at 20 percent—I can maybe understand the difference—it is 20 basis points. That is .2 percent, not 20 percent. It is 20 basis points, which is .2 percent of the amount of money. So I believe that is a dramatic difference. It is actually less expensive to administer this system than to administer the current Social Security system.

The other thing I would like to mention, if we can go to the next chart, three times we asked the question, How are you going to fix the Social Security system? The only answer we got was to repeal the Bush tax cuts which, of course, does nothing to the Social Security system because that money is not paid to the Social Security system. So repealing the Bush tax relief would simply put more money in the general fund, but it would have no impact at all, no actuarial impact at all on the Social Security system. So when the Senator from Illinois said we had to make difficult choices in 1983, that may have been the case in 1983, but so far we have not heard word one of the difficult choices that the other side would like to present to the American people.

Several Republicans have come forward with plans, plan after plan after

plan of details of how we are going to save this program, and all we have gotten from the other side is sniping at the plan that we put forward and no answers. If we do not solve the problem—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SANTORUM [continuing]. Of what the promised benefits are, we are looking at taxes of 18 to 20 percent if we wait until 2041 or later. That is not a plan fair to future generations.

The PRESIDING OFFICER. The Senator's time has expired.

#### ORDER OF PROCEDURE

Mr. SANTORUM. I ask unanimous consent there now be a period for morning business with 10 minutes equally divided between Senators CORNYN and DURBIN, and following the use or yielding back of the time, the Senate stand in adjournment as under the previous order.

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

The Senator from Texas.

#### COURTHOUSE VIOLENCE

Mr. CORNYN. Mr. President, thank you. I appreciate the opportunity for Senator DURBIN and me to speak for a few minutes.

The purpose for my rising is to follow up on some remarks I made yesterday, Monday, on the floor of the Senate. The full transcript of those remarks, which has to do with judges and recent decisions of the U.S. Supreme Court is available, of course, in the CONGRESSIONAL RECORD, but it is also available on my official Web site for anybody who would care to read it.

As a former judge myself for 13 years, who has a number of close personal friends who still serve on the bench today, I am outraged by recent acts of courthouse violence. I certainly hope no one will construe my remarks on Monday otherwise. Considered in context, I don't think a reasonable listener or reader could.

As I said on Monday, there is no possible justification for courthouse violence. Indeed, I met with a Federal judge, a friend of mine in Texas, this past week to make sure we are doing everything we can to help protect our judges and courthouse personnel from further acts of violence. And like my colleague from Illinois, I personally know judges and their families who have been victims of violence and have grieved with those families. But I want to make one thing clear. I am not aware of any evidence whatsoever linking recent acts of courthouse violence to the various controversial rulings that have captured the Nation's attention in recent years.

My point was, and is, simply this: We should all be concerned that the judiciary is losing respect that it needs to serve the interests of the American people well. We should all want judges