

years or at 1 percent \$558 billion over 10 years. That money has already been designated to pay for benefits for future retirees, not to mention the fact that we do not have \$1 trillion left because it has been spent on the tax issues.

One option affected seniors' benefits to such a degree that the Wall Street Journal wrote, "Benefit options would be changed in so many ways that grandma's head would spin." The President's guidelines also leave only one option for supporters of privatizing Social Security, and that would be to cut seniors' Social Security benefits.

Why in the face of a recession and the impending retirement of baby boomers would we take the money to be paid to future retirees and gamble on it? I ask the American people that question. I hope we stay tuned for this debate on privatization and we say "no" to privatization.

The SPEAKER pro tempore (Mr. JEFF MILLER of Florida). Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LOFGREN) is recognized for 5 minutes.

(Ms. LOFGREN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

IMPACT OF SOCIAL SECURITY PRIVATIZATION ON AFRICAN AMERICAN WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) is recognized for 5 minutes.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to address the devastating impact that privatizing Social Security would have on women, most especially African American women.

Social Security is particularly important to women, especially in my home State of Texas. Without these vital retirement benefits, 564,000 women in the Lone Star State would be classified as poor according to a report released by the Senate for budget policy and priorities.

Currently, Social Security benefits are progressive, that is, those with low wages receive a larger percentage of benefits relative to their earnings than higher-income individuals do. This system of progressivity, combined with a cost-of-living adjustment that increases benefits every year, strengthens the safety net for those who are the most economically disadvantaged.

Privatization flows from concerns that many people have about the fu-

ture of Social Security. Some of those concerns are founded and some may not be. We are all well aware that as the post-war baby boom generation ages, the numbers of retirees relative to the number of workers will increase. These are facts that cannot be changed. However, modest changes implemented immediately can give people time to plan for the future and would take us a long way toward resolving the issue.

Privatizing Social Security is the most radical change, and it assumes that there is magic in diverting some portion of the current Social Security payroll taxes into the private markets. I hope that people who have money in the private markets understand what happened in the last year or so. Most privatization plans propose to strip a few percentage points off the Social Security payroll taxes and divert them to the private individual investment accounts. Most people happily focus on the vision of a few dollars a month growing into millions of dollars over time. Just ask me and a few others who have put small amounts of money on the market, that is lost. Unfortunately, this is a dream and not a reality as we have witnessed in the common stock market.

There are three very important things that should be considered when privatizing Social Security benefits: first, the huge cuts in benefits which would be required under the privatization plans, most as large as a 60 percent cut in Social Security benefits. For people with large savings from other sources, that may not seem like much; but for most Americans, it would be a drastic reduction in the protections they have come to rely on. That means many of the women of which I speak depend solely on Social Security as their retirement pension income.

Next, privatization would be a major change in who bears the risk of saving for retirement. Privatization would shift nearly all of the risk to the individual. People who are unwise or unlucky in their investments would suffer. We saw many examples of this in the recent stock market failures.

Finally, privatization would increase the Federal deficit by more than \$1 trillion over the next 10 years. Taking a mere 2 percent of payroll taxes away from the trust fund would double or triple the size of the deficit. This effect is what some people trivialize as transition costs. I do not believe it is trivial, and given the other concerns which privatization raises, I think we should look long and hard before we lapse and leap into the wrong direction.

How do African American women fair in privatization proposals floating around in the country? Not good at all. Although black women typically live longer lives, their lifetime earnings are usually much lower than their white counterparts. Under privatization, this lower level would mean black women would be forced to live longer on a

smaller amount of money, and they cannot get by with what it is now. They have to make a choice between food or medicine.

Hugh Price, president of the National Urban League, and Julian Bond, chair of the National Association for the Advancement of Colored People, wrote an editorial in the New York Times on July 26, 2001, addressing African American women and Social Security. They found that guaranteed government assistance is essential to the African American community. While African Americans make up only 12 percent of the general population, they make up 17 percent of all Americans receiving Social Security benefits and 22 percent of all children's survivor benefits.

At this point I will insert my entire statement into the RECORD.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to address the devastating impact that privatizing Social Security will have on women, especially African American Women.

Social Security is particularly important to women, especially in my home state of Texas. Without these vital retirement benefits, 564,000 women in the Lone Star State would be classified as poor, according to a report released by the Center for Budget and Policy Priorities.

Currently, Social Security benefits are progressive; that is, those with low wages receive a larger percentage of benefits relative to their earnings than higher income individuals do. This system of progressivity, combined with a cost-of-living adjustment that increases benefits every year, strengthens the safety net for those who are the most economically disadvantaged.

Privatization flows from concerns that many people have about the future of Social Security. Some of those concerns are founded and some are not. We are all well aware that as the post-war baby boom generation ages, the number of retirees relative to the number of workers will increase. These are facts that cannot be changed. However, modest changes, implemented immediately, can give people time to plan for the future and would take us a long way toward resolving the issue.

Privatizing social security is the most radical change, and it assumes that there is magic in diverting some portion of the current social security payroll tax into the private markets. Most privatization plans propose to strip a few percentage points off the Social Security payroll tax and divert them to private individual investment accounts. Most people happily focus on the vision of a few dollars a month growing into millions of dollar over time. Unfortunately, this is a dream and not reality, as we have witnessed in the current stock market.

There are three very important things that should be considered when privatizing Social Security benefits. First, the huge cuts in benefits which would be required under the privatization plans, most as large as a 60 percent cut in Social Security benefits. For people with large savings from other sources, that may not seem like much, but for most Americans, it would be a drastic reduction in the protections they have to come to rely on.

Next, privatization would be a major change in who bears the risk of saving for retirement. Privatization would shift nearly all the risk to

the individual. People who are unwise or unlucky in their investments would suffer. We saw many examples of this in recent stock market falls.

Finally, privatization would increase the Federal deficit by more than a trillion dollars over the next ten years. Taking a mere two percent of payroll away from the Trust Fund could double or triple the size of the deficit. This effect is what some people trivialize as "transition costs." I do not believe it is trivial, and given the other concerns which privatization raises, I think we should look long and hard before we leap in this direction.

How do African-American women fare in privatization proposals currently floating around in Congress? Not good at all.

Although Black women typically live longer lives, their lifetime earnings are usually much lower than their white counter-parts. Under privatization, this lower level would mean black women would be forced to live longer on a smaller amount of money.

Hugh Price, President of the National Urban League and Julian Bond, Chair of the National Association for the Advancement of Colored People, wrote an editorial in the New York Times, on July 26, 2001 addressing African American women and social security. They found that guaranteed government assistance is essential to the African American community. While African Americans make up only 12 percent of the general population, they make up 17 percent of all Americans receiving Social Security benefits and 22 percent of all children's survivors benefits. However, the Administration has been unclear on how disability and survivor benefits would continue to be funded.

A study by the National Urban League counters assertions made by the Administration that African Americans will benefit from private accounts bequeathed to their relatives. According to the study, the typical African American man dying in his thirties would only have enough in his private account to cover less than two percent of the survivor's benefits under current law. This also has a devastating impact on African American women as survivors.

Members of Congress must be fiscally responsible when it comes to making decisions regarding Social Security. Fiscal responsibility entails looking at the whole picture and seeing the effect it may have on all individuals in society. I urge my colleagues to make this the inclusive America we continue to represent to the world and ensure that Social Security proposals give everyone some comfort in life!

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

(Mr. LANTOS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ENSURING THE SAFETY OF AIR TRAVEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

Mrs. MCCARTHY of New York. Mr. Speaker, tonight I have been listening

to my colleagues, and they are talking about privatization of Social Security. I am actually here to speak about the attempts to privatize our air traffic controllers.

I do not know why everyone keeps thinking that privatizing is the best thing in the world. When I started working down here in Washington, I have to fly a lot, and with that, I certainly see what goes on in our airports; but I also had the opportunity to spend time in the tower.

I spent time at JFK Airport in New York; and it just so happened when I was there, a terrible storm came in, and what happens an awful lot of times in our towers, with the equipment that they are using, it fails and yet our traffic controllers were right there and were using the equipment or the hand stuff that they have used for 20 years; and to watch these men and women work, they are absolutely wonderful.

When we start talking about privatization, this is not the answer. We have dedicated people keeping our skies safe, and if anybody needs any reminder about that, think about September 11. Our air traffic controllers around this Nation landed over 5,000 planes within a certain amount of hours without any kind of incident. Think about that.

My concern also is if we are going to think about privatizing our air traffic controllers, is it going to be a bottom line. These are dedicated people. I spend time with them because they are always saying the equipment is not working. This past weekend we read about the FAA putting new equipment into some of our airports, and then they are the first ones to say it has got bugs in it. We are going to put it in anyway, and we are going to work the bugs out. I personally would rather have the men and women of air traffic controllers working the bugs out before they have to lean on using it.

With that, my colleagues on this side of the aisle and hopefully the other side of the aisle will work to make sure we do not privatize our air traffic controllers. It is not the answer, and it is not cost efficient. The men and women that serve this country, keeping our planes safe and keeping us all safe, certainly deserve, and by the way, if we start looking at trying to get people to work in New York and certain other areas of the country, they do not want to go there. They just do not want to go there because the work is so hard, and yet our people are there every single day, minute by minute, watching every single plane in this country; and the only thing that they are concerned about is the safety of their citizens that are in the planes.

We should do everything, everything in the world to make sure that we do not privatize. As I said earlier, privatizing everything is not the answer to the problems that we are facing. What we should be doing is having better working conditions for these men and women and giving them the equipment that they need.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mrs. MEEK) is recognized for 5 minutes.

(Mrs. MEEK of Florida addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

AIR TRAFFIC CONTROLLERS

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

Ms. MCCOLLUM. Mr. Speaker, today, like so many other Americans, I boarded a plane and I arrived safely at my destination. This is what the American people expect when they board a plane: safety, security, and the guarantee of a safe landing at the end of the flight.

The American people hold the Federal Government accountable and responsible for the safety of our skies. Homeland security has become our Nation's top priority.

On the same day that the administration proposed a Department of Homeland Security, President Bush also issued an executive order weakening the security of our skies by removing the air traffic controllers from the Federal Government. President Bush's action opens the door to privatizing this vital air safety role and risks placing corporate profits ahead of public safety.

For this administration to declare air traffic controllers no longer an essential component of our Federal homeland security system undermines America's faith in air safety.

In the few short hours after the attacks of September 11, air traffic controllers guided hundreds of thousands of Americans out of the skies to safety. Their heroic actions saved countless lives. Their dedication and professionalism should be honored just as we honor firefighters, police officers and emergency first responders who also performed heroically on September 11.

The role of air traffic controllers in homeland security is vital every day and should never be discounted or weakened. The American people have an expectation that our skies are safe. The Federal Government and air traffic controllers, as employees, are responsible for providing that safety. Unfortunately, this executive order undermines air safety and weakens our homeland security, and it should be rescinded.