

any anticipated surplus for paying down debt, strengthening Social Security and Medicare, and providing some tax relief for our citizens.

I think we are on the threshold of greatness in being able to announce to the people that, yes, both sides of the aisle can take credit, because \$356-billion of the debt has been retired in the last 3 years of this Congress's existence.

Now, that is a monumental achievement in as much as now the interest that was going to be paid on that \$356 billion can now be used to fund and strengthen Social Security, fund and strengthen Medicare and, yes, provide prescription drugs.

So before people who are listening to our voices get scared by TV ads suggesting that some party is going to do more for them than the other, at least listen to the facts at hand and recognize that I believe so many people in Congress on both sides of the aisle are in fact striving to provide the coverage to make certain our seniors have the drugs they need that they may not be able to afford; but thankfully for the pharmaceutical industry, which has brought some miraculous drugs to the forefront, we will provide a way to provide them cheaper, more affordably and more accessibly.

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

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

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

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

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

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

UNIFIED BUDGET

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

Mr. BARTLETT of Maryland. Mr. Speaker, I just wanted to spend a few minutes talking about some terminology associated with the debt. There are a lot of terms that are used.

I hear terms like the "public debt," the "trust fund debt," the "national debt." The other day I heard someone say "Federal debt."

What are all these debts, and how do they relate to each other?

Before we can talk about debt, though, we have to talk a little bit about the balanced budget and what the balanced budget means.

The budget that we had hoped to balance and have balanced, as a matter of fact, is the unified budget. The unified budget is all the money that comes into Washington and all the money that leaves Washington, and that budget is balanced.

But about 10 percent of the money that comes into Washington should not be Washington's money to spend because a big percent of that is monies that come from the American people taken from them presumably to be put in trust for them.

The two biggest trust funds are the Social Security trust fund and the Medicare trust fund.

But in the unified budget, which looks at all the money that comes into Washington and all the money that leaves Washington, we take that trust fund money, we took it all up in the lockbox for Social Security and now the lockbox for Medicare, we took all that money and spent it.

And what is in the trust fund is not money. There are IOUs in there. And it is a very special IOU. It is an IOU; it is a non-negotiable U.S. security.

1430

Although the Social Security trust fund should have about \$900 billion in it and the total trust fund should have roughly double that in it, there is in fact no money in the trust funds. All that is in the trust funds is IOUs.

In the past years when we were running a \$300 billion deficit, the real deficit in terms of accounting for the trust funds which we took and spent, the real deficit would have been about \$160 billion more than that.

What we have done is just phenomenal. At the beginning of this administration, the President never thought that we could balance the budget, and he was showing \$300 billion deficits which were really \$460 billion deficits if we account for the trust fund. He was showing those out as far as the eye could see. When we balanced the unified budget, the total debt, the national debt, continued to go up. If you will look at national debt figures, you will see that they went up.

Now, let us come to the debt and what we are doing today. What we are doing today is paying down the publicly held debt. The publicly held debt is the Wall Street debt. It is the debt which is owed to people who have bought bonds and securities, government bonds and securities and so forth. That publicly held debt represented, or it did until we started paying it down, we are now paying it down, represented about two-thirds of the total debt and the other debt was the trust fund debt. We are now paying down the publicly held debt but we are doing that largely with moneys from the trust funds, so as we pay down the publicly held debt, we are accumulating an equivalent

amount of trust fund debt, which would mean that, all things being equal, the national debt or the total debt would stay at exactly the same figure. But all things are not equal and the truth of the matter is that at least for the next couple of years or so, the national debt, which is the total debt, will continue to go up a little. If this roaring economy continues, we will in fact have a true surplus and the total debt, the national debt, will begin to go down.

What we are doing is very advantageous and it is what we ought to do, because as we pay down the publicly held debt, the Federal Government is competing less for dollars, which means that interest rates will drop, and we expect interest rates to drop by about 2 percent. That is great good news if you are buying a home or buying a car or putting your kid through college. But the flip side of that is that as we pay down that publicly held debt, we are, and by law we can do nothing else but invest the moneys in these nonnegotiable U.S. securities.

We are driving up the trust fund debt. That trust fund debt now becomes a liability. We will not have to pay that. I will not. But my kids and my grandkids are going to have to pay that money. And starting about 2012 or 2013 or 2014 depending upon your projections the way our economy is going, not enough money will come in Social Security to meet the obligations, and we are going to have to go to the trust fund. There is no money there. There is only IOUs there. And so we are going to have to borrow the money to make good on that. It is great good news for the present, but we must really do something about Social Security or it is not all that great good news for our children and our grandchildren.

H. RES. 587, EXPRESSING THE IMPORTANCE OF THE U.S. RELATIONSHIP WITH THE PEOPLE OF OKINAWA

The SPEAKER pro tempore (Mr. NEY). Under a previous order of the House, the gentlewoman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I urge my colleagues to support H.R. 587, which expresses the appreciation of the United States to the people of Okinawa for hosting U.S. defense facilities, commends the Government of Japan for choosing Okinawa as the site of the recent summit meeting of the G-8 countries, and urges the President to work with the leaders of Japan to implement a joint U.S.-Japan education initiative.

In his speech at Peace Park in Okinawa, Japan, on July 21, 2000, President Clinton noted that he was the first American president to visit Okinawa in 40 years. He also acknowledged the vital role that Okinawa plays in hosting more than 50 percent of America's forces in Japan on just 1 percent of its land mass.

We know the tremendous impact that the presence of American troops has had on Okinawa's society and economy. Some 24,000 troops are headquartered there and military