

Set 1: deficit, deduct, balanc, budget, cut, trillion, revenu, add

Set 2: social, secur, trust, surplus, fund, promis, benefit, retir

Set 3: republican, democrat, togeth, commiss, polit, done, bipartisan, senat

Set 4: energi, coal, gas, oil, clean, land, technolog, wind

MODERATOR Mr. President, the next question is to you. We all know that Social Security is running out of money, and it has to be fixed. You have proposed to fix it by letting people put some of the money collected to pay benefits into private savings accounts. But the critics are saying thats going to mean finding \$1 trillion over the next 10 years to continue paying benefits as those accounts are being set up. So where do you get the money? Are you going to have to increase the deficit by that much over 10 years?

GEORGE W. BUSH First, let me make sure that every senior listening today understands that when were talking about reforming Social Security, that theyll still get their checks. I remember the 2000 campaign, people said if George W. gets elected, your check will be taken away. Well, people got their checks, and theyll continue to get their checks. There is a problem for our youngsters, a real problem. And if we dont act today, the problem will be valued in the trillions. And so I think we need to think differently. Well honor our commitment to our seniors. But for our children and our grandchildren, we need to have a different strategy. And recognizing that, I called together a group of our fellow citizens to study the issue. It was a committee chaired by the late Senator Daniel Patrick Moynihan of New York, a Democrat. And they came up with a variety of ideas for people to look at. I believe that younger workers ought to be allowed to take some of their own money and put it in a personal savings account, because I understand that they need to get better rates of return than the rates of return being given in the current Social Security trust. And the compounding rate of interest effect will make it more likely that the Social Security system is solvent for our children and our grandchildren. I will work with Republicans and Democrats. Itll be a vital issue in my second term. It is an issue that I am willing to take on, and so Ill bring Republicans and Democrats together. And were of course going to have to consider the costs. But I want to warn my fellow citizens; The cost of doing nothing, the cost of saying the current system is ok, far exceeds the costs of trying to make sure we save the system for our children.

MODERATOR Senator Kerry?

JOHN KERRY You just heard the president say that young people ought to be able to take money out of Social Security and put it in their own accounts. Now, my fellow Americans, thats an invitation to disaster. The CBO said very clearly that if you were to adopt the presidents plan, there would be a \$2 trillion hole in Social Security, because todays workers pay in to the system for todays retirees. And the CBO said — thats the Congressional Budget Office; its bipartisan — they said that there would have to be a cut in benefits of 25 percent to 40 percent. Now, the president has never explained to America, ever, hasnt done it tonight, where does the transitional money, that \$2 trillion, come from? Hes already got \$3 trillion, according to The Washington Post, of expenses that hes put on the line from his convention and the promises of this campaign, none of which are paid for. Not one of them

are paid for. The fact is that the president is driving the largest deficits in American history. Hes broken the pay- as- you- go rules. I have a record of fighting for fiscal responsibility. In 1985, I was one of the first Democrats — broke with my party. We balanced the budget in the 90s. We paid down the debt for two years. And thats what were going to do. Were going to protect Social Security. I will not privatize it. I will not cut the benefits. And were going to be fiscally responsible. And we will take care of Social Security.

MODERATOR Let me just stay on Social Security with a new question for Senator Kerry, because, Senator Kerry, you have just said you will not cut benefits. Alan Greenspan, the chairman of the Federal Reserve, says theres no way that Social Security can pay retirees what we have promised them unless we recalibrate. What hes suggesting, were going to cut benefits or were going to have to raise the retirement age. We may have to take some other reform. But if youve just said, youve promised no changes, does that mean youre just going to leave this as a problem, another problem for our children to solve?