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Senate

The Senate met at 1 p.m. and was called to order by the Honorable E. BENJAMIN NELSON, a Senator from the State of Nebraska.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

This week, as we celebrate Jewish Heritage Week, we pray for the Jewish people and for the crisis in the Middle East. My prayer is taken from the Jewish Book of Service, Daily Prayers. Let us pray.

We gratefully acknowledge that You are the Eternal One, our God, and the God of our fathers evermore; the Rock of our life and the Shield of our salvation. You are He who exists to all ages. We will therefore render thanks unto You and declare Your praise for our lives, which are delivered into Your hand and for our souls, which are confided in Your care; for Your goodness, which is displayed to us daily; for Your wonders and Your bounty, which are at all times given to us. You are the most gracious, for Your mercies never fail. Evermore we hope in You, O Lord our God. Amen.

PLEDGE OF ALLEGIANCE

The Honorable E. BENJAMIN NELSON led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 15, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable E. BENJAMIN NELSON, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. NELSON of Nebraska thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to exceed beyond the hour of 2 p.m. with Senators permitted to speak for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. REID. Mr. President, as the Chair has announced, there will be a period of morning business until 2 p.m. Senator DORGAN, by virtue of a previous order, is going to use 30 minutes of that time. At 2 p.m., the Senate will resume consideration of the Border Security Act. There will be a rollcall vote this afternoon at 5:30 in relation to the Border Security Act or an Executive Calendar nomination.

MEASURE PLACED ON CALENDAR—H.R. 1009

Mr. REID. Mr. President, I understand H.R. 1009 is at the desk and is due for its second reading.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. REID. I ask that H.R. 1009 be read for a second time, and then I object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. The clerk will read the title of the bill.

The legislative clerk read as follows:

A bill (H.R. 1009) to repeal the prohibition on the payment of interest on demand deposits.

The ACTING PRESIDENT pro tempore. Objection having been heard, the bill will be placed on the calendar.

PRESCRIPTION DRUGS

Mr. DORGAN. Mr. President, last week a number of pharmaceutical companies announced a new program by which some Medicare enrollees, particularly those at the lower income levels, will be able to access prescription drugs at a lower price. Let me compliment them for that. These companies are certainly moving in the right direction by recognizing that price is a very serious problem for a lot of Americans with respect to prescription drugs. The companies that founded Together Rx are Abbott Laboratories, AstraZeneca, Aventis Pharmaceuticals, Bristol-Myers Squibb Company, GlaxoSmithKline, Johnson & Johnson, and Novartis Pharmaceuticals Corporation. Pfizer and Eli Lilly have separate programs that they have already announced. I think it is a step forward, and I compliment these companies.

We have much more to do, but having been very critical of the prescription drug manufacturers for price increases, let me say thanks for these programs because they will benefit a good number of lower income senior citizens.

However, let me describe one of the problems that still exists. This chart is of a Washington Post article, from within the last month, ''Prescription Drug Spending Rises 17 Percent in the Last Year.'' There have been double-digit increases year after year after year after year for prescription drugs.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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Taking a prescription drug is not a luxury. It is a necessity. Prescription drugs can only save lives if you can afford to access them.

We talk a great deal about senior citizens and the need to help them by adding a prescription drug benefit to the Medicare Program. We do that because senior citizens are about 12 percent of America's population, but they take one-third of all the prescription drugs. Many senior citizens are taking five, eight, and ten different kinds of prescription drugs. The price increases that have been occurring have been devastating, not just to senior citizens but to all Americans trying to access the supply of prescription drugs they need.

It is useful to understand that the debate about access to prescription medicines is not just a theoretical one. From time to time, I have described to my colleagues the experience I have had holding town meetings and hearings across North Dakota and the country on prescription drug prices. The issue of the pricing of prescription drugs is a very serious one for real people every day.

The U.S. consumer is charged the highest prices for exactly the same prescription drugs than anyone else in the world. The same pill made by the same company put in the same bottle costs much more in the United States than in other countries.

Tamoxifen, to treat breast cancer, is 10 times more expensive in the United States than in Canada, as an example. I ask unanimous consent to demonstrate the point.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DORGAN. I am holding here empty prescription drug bottles from the United States and Canada. It is useful to compare the prices of these drugs. This is a drug called Zoloft which is used to treat depression. There are two bottles here; the same tablet made by the same company put in different bottles. But if you buy it in the United States, it is $2.34 per tablet. The same tablet purchased in Canada is $1.28. So the same company makes the same pill and puts it into two different bottles. The difference is, when an American consumer buys it, they pay $2.34. If you buy it in Canada, $1.28.

To give another example, Norvasc is a drug used to treat high blood pressure. You buy it in Canada—same tablet, put in the same bottle, made by the same company, shipped to two different places, the United States and Canada—and it costs 90 cents and in the United States it costs $1.20.

Cipro is a drug commonly used to treat infections. This bottle holds a hundred 500 milligram tablets and costs $171 in Canada and $399 in the United States—the same tablet, the same bottle, and manufactured by the same company. Often drugs are produced in a U.S. manufacturing plant to be sent to Canada and sold at a much lower price. And you have the same thing happening in Italy, France, Germany, England, Sweden.

Now, why is that happening and what should we do about it? It is happening because we are the only country in which there is not some kind of governmental regulatory system to limit what is charged for prescription drugs. Actually, we do have price controls on prescription drugs here in the United States. It is just that the pharmaceutical manufacturers are the ones in charge of controlling the price. They ratchet up the price as high as they possibly can, and the result is an industry that is the financially healthiest in the United States.

But these high prices for drugs ultimately affect the relationship between a doctor and his patient. A doctor from Dickinson treats a woman with breast cancer. The woman, who is on Medicare, comes back to the doctor after having a mastectomy, and the doctor says: ''Here is what we have to do given the type and grade of your breast cancer. You have to be on some prescription drugs that will substantially lessen the recurrence of breast cancer for you.'' She says: ''What would this cost?'' When told what the cost of the drugs would be, she says, ''Well, doctor, I don't have the money to pay for that. There isn't any possible way I can take those prescription drugs. What I will have to do is just take my chances with the breast cancer.''

That is repeated in doctor's office after doctor's office around the country. I have senior citizens telling me they cannot possibly afford their drugs, so they cut them in half and take only half a dose so it will last twice as long. In the small community of Michigan, North Dakota with perhaps 300 or 400 people, after a farm meeting one evening—a woman in her late 70s grabbed my arm at the end of the meeting and said: ''Mr. Senator, can you help me?'' She began to tear up. Her eyes got full of tears and her chin began to quiver, and she said: ''I am supposed to take these prescription drugs in order to stay alive, but I can't afford them. The doctor says that I must take them. Can you help me?''

This is repeated all over the country. I am talking about senior citizens. But you could be talking about anybody who needs prescription drugs and finds that the prices are simply out of reach. There was a 17 percent increase last year in the cost of prescription drugs.

Reimportation of drugs from Canada will save our citizens a lot of money. Dr. Alan Sager from Boston University was a witness at a hearing I held at which he described a study that showed that Americans would save $38 billion a year if we paid Canadian prices for prescription drugs. North Dakotans alone would pay $81 million less in a year.

Some would say that by allowing the reimportation of prescription drugs, we are trying to import price controls. But what we are trying to do is force a repricing of prescription drugs in this country—a fairer price for the United States consumer. Why should we pay a dollar for the same market basket of drugs for which the Canadians pay 60 cents? Why should we pay a dollar, when virtually every other consumer in the world is paying a fraction of that for the same drugs? We should not and it is not fair.

There is a law on the books that prevents the reimportation of drugs from other countries, except by the manufacturer. If this is a global economy, we say let's allow the reimportation of drugs as long as there is a clear chain of custody and we can do it safely. I will offer, along with my colleagues, a proposal that would allow licensed pharmacists and distributors to access that lower-priced, identical prescription drug from a Canadian supplier and pass the savings along to the U.S. consumer.

I understand why the pharmaceutical manufacturers would not like that. But the point is, if this is a global economy, why should it only be good for the big interests? How about for other interests as well? Why should we not allow the reimportation of prescription drugs? The same drug put in the same bottle, manufactured in a FDA-approved plant. Why should we not allow that to be reimported to the U.S. as long as there is no safety concern?

All we need is to import a less expensive drug that is identical and made in an approved facility, to be able to provide a substantial benefit to the American consumer. So we are going to be proposing another amendment on that in the coming months. I know that the manufacturers will resist us aggressively. I started by complimenting them on the programs they are developing, but, frankly, we can't continue to see these cost increases in prescription drugs every year.

The miracle of medicine means nothing if you can't afford it. There has been a 12, 15, 16, or 17 percent increase year after year, and it is breaking the back of the American consumer and the back of health plans. The fact is, it cannot continue. The prescription drug manufacturers, pharmaceutical manufacturers, simply have to understand that.

They say that if you do anything that restrict our ability to charge these prices, there will be less research for the new miracle cures. But we have doubled funding to the National Institutes of Health. We are providing substantial amounts of public funding for research, from which the pharmaceutical industry often is a major beneficiary.

I might also say, with respect to the pharmaceutical industry, they spend as much or more on advertising, marketing, and promotion as they do on research. That is a fact.

So I think there is a lot to be done here. I pointed out that the industry has announced some positive steps, but there is much more to do, and we must take the right steps here in the Senate to address this issue.

That is why a group of us will, once again, offer an amendment that deals with the reimportation of prescription drugs—this time, only from Canada, where there can be no safety issue.

FAST-TRACK TRADE AUTHORITY

Mr. DORGAN. Mr. President, Senator DASCHLE, the majority leader, has now promised that before the Memorial Day recess, the Senate will be considering the administration's request for trade promotion authority; that is a euphemism for fast track. Fast-track authority allows an administration to negotiate a trade agreement somewhere and bring it back to the Congress, and Congress is told: ''You are not able to change a decimal point, a period, or a punctuation mark. You must vote up or down on an expedited basis on that agreement. No changes, no amendments. No opportunity to make any alterations at all.'' That is called fast track.

Well, let me talk just a bit about this fast track. First of all, it is a fundamentally undemocratic proposition. We have negotiated most agreements that we have had without fast-track authority. We negotiate and have negotiated nuclear arms control agreements. There has been no fast-track authority for that. Most trade agreements that have been negotiated have not had fast-track authority.

Let me make a couple of comments about trade. First of all, the Constitution says—article I, section 8—the Congress shall have the power to regulate commerce with foreign nations. That is the Congress that said that. The Constitution says that the Congress has that power, not the President.

Fast track itself, in three decades, has been used five times: GATT, U.S.-Israel, U.S.-Canada, NAFTA, and WTO. Look at what happened with respect to the trade agreements. Pre-NAFTA, using that as a good agreement, it has been one of the worst trade agreements we have ever negotiated. Pre-NAFTA, we had a slight surplus with Mexico and a small deficit with Canada. After NAFTA was fully phased in, we have a big deficit with Mexico, and getting bigger, and a big deficit with Canada. We have people who think this is successful. I have no idea where they studied if they think this is a successful trade relationship.

Let's take a look at what is happening in some of these areas of trade. Let me talk, as I have previously, about automobiles and Korea. Why do I do this? Only to point out that the appetite for going off to negotiate a new trade agreement ought to be replaced by an appetite to solve some of the problems that currently exist. But nobody wants to solve problems. All they want to do is negotiate a new agreement.

Now, we have automobile trade with Korea. Let me use that as an example. In the last year that was just reported, the Koreans shipped us 618,000 automobiles. We were able to ship to Korea 2,800. So for every 217 cars coming in from Korea, we were able to send them 1.

Try sending a Ford Mustang to Korea. The Koreans will put up so many non-tariff trade barriers that you would be lucky to sell a single one. What we have is one-way trade. Korea ships Hyundais and Daewoos to this country by the boatload, and we cannot get American cars into Korea. Yet our negotiators seem to move along blissfully happy to talk about how we are going to negotiate the next agreement.

How about saying to Korea on cars: Look, you either open your market to American automobiles or you ship your cars to Kinshasa, Zaire. Our market is open to you only if your market is open to us. That ought to be our message.

We have a number of problems in our trade with Europe. Here is a colorful example. We cannot get American eggs into Europe for the retail market. You cannot buy eggs in Europe if they come from the United States. Do you want to know why? Because we wash eggs in this country, and you cannot sell washed eggs in Europe. The Europeans put up a rule that says that eggs can only be sold at the retail level if they are not washed, because apparently their producers cannot be trusted to wash their eggs properly.

This is a picture of washed versus unwashed eggs, in case anybody wants to see the difference. Maybe our Trade Ambassador can take a look at this absurd trade barrier.

How about selling breakfast cereal in Chile? The Chileans restrict the importation of U.S. breakfast cereals that are vitamin-enriched, as many of our cereals are. They contend consumers already receive enough vitamins in their daily diet and there is a health risk from the consumption of too many vitamins. So you cannot sell Total in Chile. Just absurd.

How about this one? Our cattle operations sometimes give growth hormones to their cattle. There is no scientific evidence that the hormones do any harm, but the Europeans put up a rule that says that beef from cattle that got hormones cannot get into the EU. I have been to Europe and have read the press over there. They depict American cattle as having two heads, suggesting that these growth hormones produce grotesque animals like the one pictured here. Our negotiators actually tried to do something about this, and took the EU to the WTO. The WTO agreed with the United States, and authorized our country to retaliate against the WTO.

So what form of retaliation did our negotiators settle on? We took action against the Europeans by restricting the movement of Roquefort cheese, goose liver, and truffles to the United States. Now that will scare the dickens out of another country, won't it? We are going to slap you around on goose liver issues.

I do not understand this at all. Our country seems totally unwilling to stand up for our trade interests.

Try to sell wheat flour to Europe. We produce a lot of wheat in Nebraska and North Dakota. Try to sell wheat flour in Europe. There is a 78-percent duty to sell wheat flour in Europe.

Will Rogers said—I have quoted him many times—that the United States of America has never lost a war and never won a conference. He surely must have been talking about our trade negotiators. It doesn't matter whether it is United States-Canada, United States-Mexico, GATT, or NAFTA, this country gets the short end of the stick.

The reason I am going to oppose fast track is not that I am opposed to expanded trade. I believe expanded trade is good for our country and good for the world. But I believe trade ought to be fair trade, and I believe our country ought to stand up for its economic interests. When other countries are engaging in unfair trade, our trade officials have a responsibility to stand up and use all available trade remedies on behalf of American workers and American businesses, and say that we will not put up with unfair trade practices.

I must say that Mr. Zoellick, our current Trade Representative, has recently taken some heat for action against imported steel. The Administration also took some heat for its action against unfair imports of lumber. In both cases, I thought the actions were appropriate. But the Administration has been widely criticized. This weekend, George Will had an op-ed that was very critical.

But I hope that nobody is getting the impression that U.S. producers are being adequately defended from unfair imports. Nothing could be further from the truth. Take the example of Canadian wheat. The Canadians use a monopoly agency called the Canadian Wheat Board to subsidize their grain and undersell us all over the world. In February, the U.S. Trade Representative ruled that the Canadians had been using their monopoly power to undermine the international trading system. But to date, the USTR has done nothing about it. Our wheat growers had asked for tariff rate quotas to be imposed. USTR found the Canadians guilty, but has yet to impose tariff rate quotas. Instead, USTR proposes to take the matter to the WTO. By the time the WTO issues a ruling, our great grandchildren will still be dealing with the problem.

I expect a number of my colleagues who will join me in saying to those who want to bring fast track to the floor: Fix some of the problems that exist in the current trade agreements before you decide you want new trade agreements. Fix some of the problems—just a few. Fix the problem of grain with Canada. Fix the problem of wheat flour with Europe. Fix the problem of automobiles from Korea.

How about fixing a couple of the problems dealing with Japan? Almost