

Let me read some of the names: the gentleman from Missouri (Mr. GEPHARDT), the gentleman from Michigan (Mr. DINGELL), the gentleman from Michigan (Mr. BONIOR), the gentleman from California (Ms. PELOSI), and the gentleman from California (Mr. STARK). These are Members that we will hear talk about this \$350 billion not being enough. Why? I think clearly we see that they want to make a political statement in an election year.

Our plan, again, is very doable, very reasonable. The real dilemma here that we have in America is that no senior should have to choose between food and medicine. I think any of us who have been out to our senior citizen centers, those who have practiced medicine, have seen that dilemma.

Now, in practicing medicine, we try to give samples, and pharmaceutical companies have certainly given away free medication. But we have a plan here that will make sure that this is not the order of the day in America; that we will eliminate this dilemma by providing coverage to those seniors who are having to make that choice now.

We have gone over some of the principles:

One, it is a voluntary plan; very important. Members have heard that 93 to 97 percent of seniors will take advantage of this because this plan is so attractive.

It provides choice; it is a voluntary plan. This is unlike the Democrats' plan, the minority plan, which provides one single formula. Now imagine that. That means a bureaucrat is going to be managing every single pharmaceutical drug that one can have in their medicine cabinet. That means we politicize every single new product that comes out that is produced.

Of all the wonderful medications that we have had, and that is the reason we have this problem with rising costs is because we have had tremendous technological advances in pharmaceutical agents, imagine every one of those agents being politicized to the point of deciding are we going to add this to the formulary or not.

We would have the House of Representatives and the Senate and bureaucrats micromanaging this sort of thing when it really needs to be out there where patients and seniors have a choice between plans, and how they choose the plans will drive what medications are on those plans. That is why choice is extremely important.

This plan guarantees every senior will have at least two choices; at least two, minimum. We anticipate they will have more than that.

It is a guaranteed plan. It is not something we put up and say, we can afford this very large plan for a few years, and then we are going to have to sunset it. That is like putting a chair out and asking the senior to have a seat, and then right at the time they begin to sit down, we pull it right out from under them. We do not think that

is responsible, and it is not something we could even fathom doing to our senior citizens. So this is a guaranteed entitlement that will go on and extend.

It also provides immediate savings. The CBO has estimated in the past it will provide up to 30 percent. We do not know exactly what the number is, but we do know it will provide immediate relief. That is now for seniors as they walk in.

If we have an employer-based insurance plan, we walk in and get a reduction on our pharmaceutical drugs, but seniors do not. They pay sometimes up to 25 percent more. That is not fair. By the power of negotiating, we can reduce that and give them savings immediately.

It also provides catastrophic coverage. Anybody who has out-of-pocket expenses of over \$4,500 will get those expenses fully covered. What does this prevent? It prevents individuals from having to bankrupt themselves and spend a lifetime of savings due to runaway drug costs. This is a protection we find when we talk to seniors that most of them, and overwhelmingly the majority of them, desire.

So this lowers drug costs now, and guarantees all seniors will have coverage under Medicare. It is under Medicare. It will improve Medicare with more choices and more savings. We talked about the provider changes, the hospital changes, and some of the other changes.

We did not talk a lot about the Medicare+Choice, which has about 5 million Americans participating in that plan. We want to make sure they continue to have the coverage they have, and it will strengthen Medicare for the future.

We talked about, for those low-income individuals, about those making \$17,910 for couples or \$13,290 for singles, this will fully cover their expenses, so we will have no low-income seniors or seniors on fixed incomes having to decide between food and medicine.

There are a couple of other charts I would like to get here. Let me say, who thinks that \$350 billion is enough for Medicare? One, the House Democrats thought that. On the Spratt amendment, the gentleman from South Carolina (Mr. SPRATT) offered House amendment No. 21 to the fiscal year 2002 budget resolution which said \$350 billion is enough. Now, again, they have changed their tune on that. The tripartisan Senate group June 7, 2002, said in Congress Daily \$350 billion is adequate.

Next, I talked about the expenditures: What is reasonable, what is doable. The House Democrats triple Medicare spending in just 1 year. If we look, it goes from 400- to over \$1.2 trillion in 1 year.

Now, they talk about tax breaks, and they do a lot of talking about the tax relief bill that we gave, yet when we look at that, many of the Democrats voted for that tax relief bill. Now they are talking about the fact that our pre-

scription drug bill is not affordable because of the tax relief we gave to the American people.

They are offering a bill that triples the expenditures of Medicare. They talk about, with class warfare as part of their discussion, that we are not able to afford that because we gave some tax relief to the hard-working Americans.

Well, I would like for them to step up and say how are they going to pay for this triple expenditure that they have, and is it doable? There are some on the Senate side who have offered a bill and sunset it after a few years because they know they cannot afford it, particularly in the outlying years. Again, that is not, I think, a morally reasonable thing and a doable thing that we can enact here. We need to enact a bill that is responsible and doable.

Next, let me point again to tell Members that the Senate Democrat plan expires in 2010. We see an expiration. Ours is a continuing entitlement that will be for seniors from now on. It is a responsible way of doing a bill and will continue to provide those benefits that we have talked about.

Who supports this bill? We could go through: the 60 Plus Association, the Alliance to Improve Medicare, the ALS Association, the American Academy of Dermatology Association. We could go right on down and look at number of associations. The Kidney Cancer Association, the Health Association of New York State. Florida AIDS Action sponsors this and supports this bill. There is the Society for Thoracic Surgeons, United Seniors Association, the Visiting Nurses Associates. We also have American Urological, American Association of Cataract and Refractive Surgery.

What we have is an overwhelming number of the providers that are actually taking care of patients and seniors, groups that actually are speaking on behalf of seniors who support this bill.

In conclusion, let me say that this bill is a very responsible bill. Again, I want to thank the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Florida (Mr. BILLRAKIS) for their work. The Committee on Energy and Commerce will be beginning to mark up a bill tomorrow to provide a Medicare prescription drug benefit for every senior in America.

I want to close out. I appreciate the opportunity to speak this evening on this very important subject. I feel very hopeful that we can get this passed and pass it on to the next body to take it up, and pass this bill for the seniors across America.

FY 2003 FUNDING TO PAKISTAN

The SPEAKER pro tempore (Mr. ISSA). Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I would like to take this opportunity to raise

my concerns regarding U.S. financial assistance to Pakistan.

Mr. Speaker, I understand that after September 11, the U.S. needed to coordinate with President Musharraf because of Pakistan's proximity to Afghanistan. Although the U.S. worked with Musharraf in the war on terrorism, I was skeptical, and I still remain skeptical, that Musharraf could fight both global terrorism and local terrorism by Islamic fundamentalists that still takes place in Kashmir and India.

It is now clear that Musharraf's promises to crack down on terrorists at the line of control in Kashmir and to crack down on terrorist camps and schools in Pakistan were just promises that went unfulfilled. When a leader says he will crack down on terrorism, but in the same breath make statements like, "Kashmir runs in our blood," or will refer to terrorists as freedom fighters, that should be evidence enough that he is not truthful with regard to terrorism.

Regardless of his empty promises on fighting terrorism in Kashmir, and despite his lies about holding democratic elections, the U.S. in fiscal year 2002 allocated hundreds of millions of dollars to Pakistan in both economic and military aid. The U.S. provided \$600 million in economic assistance in fiscal year 2002, \$73 million for border security, \$75 million in FMF in the supplemental, and \$50 million in military assistance.

In addition, the recently passed supplemental contained \$40 million for Pakistan, and an additional \$250 million is being sought by the administration for economic development and assistance.

I agree that Pakistan is in dire need of economic and humanitarian assistance, but I strongly objected to the military assistance provided to Pakistan by the U.S., especially considering the fact that Pakistan was not and still is not a democracy.

Mr. Speaker, I think it is important for us to evaluate the situation in Pakistan before setting aside further money in fiscal year 2003 for economic aid to Pakistan, and certainly for military assistance to Pakistan. The atmosphere post-September 11 was different, and it was appropriate for the U.S. to provide aid to Pakistan since Musharraf was helpful to the U.S. in fighting the Taliban.

At this point in time, however, the violence in Kashmir has escalated, and the overall situation of terrorism in Kashmir and throughout India charges Musharraf with the responsibility once and for all to stop infiltration at the border in Kashmir and to eliminate terrorist training camps and schools.

With violence against civilians in Kashmir taking place on a nearly daily basis, and with nearly 1 million troops lined up along the Pakistan and Indian border, Musharraf has no choice but to keep his promise of stopping infiltration of Islamic fundamentalists who

now claim "Kashmir Jihad" from entering Kashmir. I do not think it is appropriate for the U.S. to provide any further aid to Pakistan if this promise is not kept.

In addition, Musharraf needs to go further than stopping infiltration. He must eradicate the training camps and schools operating in Pakistan. These schools breed terrorists, and in order to permanently end terrorism in Kashmir, Musharraf must go to the heart of the problem and put an end to the breeding of terrorism at these training camps.

In addition, there must be some system for ensuring that Pakistan is accountable for the money that is allocated by the U.S. We should demand evidence that although economic aid may be going to schools and other social projects, that the investment is not then freeing up money that is re-allocated towards weapons for Islamic militants and resources at terrorist training camps.

Mr. Speaker, I am so concerned about the U.S. providing further funds to Pakistan without Musharraf holding his word that I am planning on sending a word to the foreign ops appropriators to apprise them of the current situation and to encourage them to provide economic aid to Pakistan only on the condition that Musharraf does, in fact, take concrete steps to alleviate terrorism in Kashmir and to eliminate terrorist training camps.

In addition, I would like to note that I plan to encourage the appropriators to steer clear of providing any military aid to Pakistan, regardless of the progress Musharraf makes on terrorism prevention.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4560. An act to eliminate the deadline for spectrum auctions of spectrum previously allocated to television broadcasting.

TRADE, TRADE POLICY IN THE UNITED STATES, AND AMERICA'S RECORD TRADE DEFICITS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 60 minutes.

Mr. DEFAZIO. Mr. Speaker, I scheduled this time to come to the floor tonight and talk about the issue of trade, trade policy in the United States, and our record trade deficits, the impact on the economy, and in the future.

Before I engage in that, I could not resist. I had to sit through a good part of the previous hour, and I would like to comment upon a number of the points made by the gentlemen before me on the issue of prescription drug coverage.

First off, they said it has a fiscally huge cost, the Democratic alternative. It would cost \$800 billion. Guess what: That is the cost of the estate tax which they tried to permanently repeal last week over 10 years, \$800 billion. So we could have a trade-off. We could have a very meaningful, substantial prescription drug benefit for every American eligible for Medicare, or we could give back \$800 billion to the wealthiest of the wealthy in this country.

Even if we adopted the alternative, which I supported, which would have given a \$6 million exemption, I think \$6 million is quite enough tax free, we could have saved half that money, \$400 billion. So if we matched it to the \$350 billion, we could again have had a more generous plan.

Mr. Speaker, also, there is a glaring deficiency. In fact, I am a bit critical of the Democrat proposal, also, because neither bill takes on the immensely powerful and wealthy pharmaceutical industry head on. Americans are paying 40 to 80 percent more than citizens of other highly industrialized, developed nations. Our neighbors in Canada pay about half what we do for drugs manufactured in the U.S. by U.S. firms; Mexico even less. The European countries all pay less.

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The Republican bill would do nothing to control these outrageous costs, which means we are not going to get much of a benefit. If we do not crank down the obvious costs of pharmaceuticals, we are not going to get much of a benefit. We could spend the entire Federal budget within a few years, and we would not get much of a benefit. We have got to do something about the runaway pharmaceutical costs, but I do not think there is a lot of will on that side. Tomorrow night's \$25 million Washington, D.C. fundraiser for the Republicans in the House and the Senate, the lead fundraiser is the head of GlaxoSmithKline, a large pharmaceutical company, one of the largest in the world, J.P. Garnier would not want to upset him too much when he is out raising money.

Now they say, well, the rising costs are because of advances in new drugs. Actually, if one lifts up the covers and looks underneath where they are spending their money, the pharmaceutical companies are spending more money on their CEO salaries, administration, and advertising than they are on research. In fact, all their blockbuster drugs for profits are makeovers of drugs they invented 20 years ago. Clarinex, that is Claritin with a tiny molecular change so they can continue it under patent, so they can continue to charge 10 times as much per dose as the one that finally, after fighting in court, after trying to buy up other pharmaceutical companies that are going to provide a generic, after trying to get legislation through Congress, knock through a number of bills to continue their monopoly on Claritin,