

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,