

Through this particular concern, several of my constituents pointed out that the creation of private accounts is voluntary, and that is true. That is, if the folks think that the market is too risky, they do not have to open that private account, and that is true. Private accounts are 100 percent voluntary.

But what folks have often heard is that the plan also includes the proposal to change the way the benefits are calculated. This element of that plan, called price indexing, would help pay for the private accounts and reduce the Social Security shortfall. But at the end of the day, the price indexing would result in a cut of guaranteed benefits for all beneficiaries, regardless of whether they choose to enroll in a private or personal account. It would cut everyone's.

So under the administration's plan, the private account is voluntary, but the cut in guaranteed benefits is mandatory.

Here is how price indexing works. Currently, benefits are tied to wages, which rise higher than prices, giving us an increased standard of living each year. Under the administration's plan, the benefit calculation would be tied to prices and not wages. Under this calculation, Social Security benefits that seniors would receive would replace a smaller portion of their paycheck before retirement. Currently, Social Security benefits make up 42 percent of the average wage earner's salary. Under price indexing, however, Social Security will only replace 27 percent of wages for someone retiring in 2042.

The picture is even worse for our children and grandchildren. I am proud to have a granddaughter who was born on February 1 of this year. In 2075 when she is 70 years old, her Social Security benefits would only be 20 percent of her wages if we allow this element of the administration's plan to take effect.

So in other words, price indexing lowers what our seniors get in their cost-of-living increase, and they already get so little compared to the cost increases with Medicare that they are having to pay. It is extremely important that the younger generation gets the straight story about how this plan will affect them. According to a poll commissioned by Rock the Vote, once young people learn about the trade-offs that come from private accounts, they will overwhelmingly oppose this risky proposal.

Among 18- to 39-year-olds, 63 percent oppose private accounts if it means that the Federal debt will have to increase to pay current benefits.

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Seventy percent of 18- to 39-year-olds oppose private accounts if they mean cuts in guaranteed benefits the private accounts will not cover.

Sixty-five percent of those 18- to 39-year-olds oppose private accounts if it

means cuts in guaranteed benefits for all beneficiaries regardless of their participation in the private accounts.

With the effect of the administration's plan being a \$5 trillion addition to our national debt, a 46 percent cut in guaranteed benefits for all, this proposal does not sound like a good one for anyone, including the constituents that I represent.

PRESCRIPTION DRUG PRICES

The SPEAKER pro tempore (Mr. DAVIS of Kentucky.) Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I rise again tonight to talk about an issue that most Americans, particularly seniors, are more than aware of, and that is the high cost of prescription drugs, but, more importantly, the difference between what we pay in the United States and what people around the rest of the industrialized world pay for the same drugs. And what I have here with me tonight is a chart which shows prices of five of the most commonly prescribed prescription drugs, and what consumers pay for those drugs in London, and in Athens, and in the United States.

And let us look at the first drug, Lipitor, 30 tablets, 10 milligrams, and more importantly every single tablet of Lipitor is made in Ireland. Okay. So it is all imported somewhere.

Lipitor in London, for 30 tablets, effectively a month's supply, is \$40.88. In Athens it is \$55.65. In the United States it is \$76.41. And let me add that over the last year, we would have expected the prices, the differentials, to be diminished, because what we have seen is the decline in the American dollar of over 20 percent. But that is not really what has been happening. Let us look at some of the others.

Nexium, \$42.23 in London, \$57 in Athens, but \$138 in the United States. Prevacid, \$32 in London, \$39 in Athens, \$139.15 in the United States. If you take these drugs, Zolof, Zyrtec, Prevacid, all of them, you add them up for a month's supply of those five drugs in London, \$195.95 American; in Athens, \$231.04 in American dollars. But here in United States, those five drugs total \$507.96.

Now, we have heard a lot of debate, and my colleague, the gentleman from Texas (Mr. GENE GREEN), just recently talked about Social Security, what we should or should not do about Social Security. Frankly I think we need to get serious about reforming Social Security, because I think the system is unfair to our kids.

But the system that we have with Medicare and with prescription drugs is unfair to everybody. And while we have a problem coming out at us relative to the cost of Social Security and the

generational unfairness that particularly our kids are going to face, the problem with Medicare is much larger.

And unfortunately, in my view, a year ago we passed a bill. We were told that it would cost no more than \$400 billion, which is still an enormous amount of money, to provide a prescription drug benefit under Medicare. Now we are told that the cost of that could be over a trillion dollars over the next 10 years. And that is only part of the bad news.

I think even worse news is that every single penny of that new entitlement cost will have to be paid by our kids, because it will have to be borrowed. What we really need to do, one of my favorite Presidents was President Ronald Reagan, and he said it best: Markets are more powerful than armies. We need to use the magic of the marketplace to help bring down the cost of prescription drugs in the United States.

The reason we see these big differences essentially is this: Americans are held captive. And if you have a captive market, there is no question that any free market company is going to use monopolistic practices. The net result is Americans are paying two to three times more for many of the drugs that they have to take to save their lives. This is wrong, and we can do something about it.

Many of my colleagues say, well, shame on the pharmaceutical industry. Well, they did not really make the rules. Now, they are certainly doing all they can to defend these rules that hold Americans captive, but this year Americans will spend over \$200 billion on prescription drugs.

Shame on us if we do not change the rules so that Americans have access to world-class drugs at world market prices. I am asking all of my colleagues to cosponsor the Pharmaceutical Market Access Act of 2005. We have over 70 sponsors now in the House; we have a growing list of sponsors in the Senate. You can get information on my Website at gil.house.gov.

But really we should be willing to subsidize people in sub-Saharan Africa in terms of the cost of prescription drugs. We should not be required to subsidize the starving Swiss. Please join me in sponsoring the Pharmaceutical Market Access Act of 2005.

EXCHANGE OF SPECIAL ORDER TIME

Mr. DEFAZIO. Mr. Speaker, I ask unanimous consent to claim the time of the gentlewoman from New York (Mrs. MALONEY).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

SOCIAL SECURITY

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

Mr. DEFAZIO. Mr. Speaker, well, the President was on the road again today with yet another tightly controlled scripted, so-called town hall, before a carefully screened, invitation audience to tout to his plan to privatize Social Security.

Now, that is not unusual; in fact, the scripted town halls are all so similar that they can save the taxpayers a lot of money if he just stayed at Camp David or Crawford, Texas, and they just replayed the recordings of his earlier scripted, rehearsed town halls.

But the President did say today something extraordinary, in Parkersburg, West Virginia, and suggested something unconscionable. The President said, "There is no trust fund." And then he went on to suggest that our Nation might not honor its debt to Social Security. This is what the President said does not exist.

Let me read from this. This is a Social Security Trust Fund bond, considered the best investments in the world, U.S. Treasury Bond. This is the most privileged of Treasury bonds issued to Social Security, redeemable at any time at full face value, unlike any other bond that they issue. These are the most privileged of their bonds. The President says it is nothing but an IOU. Well, here is what it says: This bond is incontestable in the hands of the Federal Old Age and Survivors Insurance Trust Fund. The bond is supported by the full faith and credit of the United States. And the United States is pledged to the payment of the bond with respect to both principal and interest.

The President questions that? He is questioning whether we are going to repay our most privileged debt to Social Security. We have \$7.9 trillion of debt. He is adding to it at a record rate, borrowing \$1.3 million a minute. Who is he saying we are going to repay and not repay?

Are we going to repay the Chinese but not the Social Security Trust Fund? Are we going to repay President Bush, he happens to have some U.S. Treasury Bonds in his personal portfolio, but not the Social Security Trust Fund? Are we going to repay other wealthy investors around the world and in the U.S., but not the Social Security Trust Fund? We are going to selectively default on our debt.

Suggesting something like that, if the bond markets believed the President, the dollar would drop to near zero tomorrow, and there would be an economic catastrophe, but they do not believe him. They know this is just politics and rhetoric on his part. There is no intention of the Government of the United States defaulting on its debt.

This year Social Security will collect \$170 billion more than it needs to pay Social Security benefits, and they are invested in the trust fund. If what the President said is true, there is no trust fund, and we are not going to honor it, then Congress and the President are perpetrating a fraud of extraordinary magnitude on the working people of America, extorting through taxes \$170 billion more than they need to pay current benefits that this President has no intention of repaying. That is unbelievable.

Every minute, every minute, this President and this Congress are borrowing \$320,000 of Social Security taxes and spending it on something else. And the President says he is replacing it with worthless IOUs; they are not bonds, they are not investments. He questions whether they will be repaid. He questions the full faith and credit of the Government of the United States of America and its willingness, our willingness, to meet our obligations and our debt.

If what the President says is true, then we ought to give the working people of America, instead of the rich people of America, the biggest tax cut in history. Reduce the Social Security tax, which falls more heavily on working people. More working Americans pay more in Social Security taxes than they do income taxes to the Federal Government.

If he has no intention of repaying that \$170 billion that he is borrowing this year of excess Social Security taxes, then we should not collect it under false pretenses. We should give people a big tax break. That would stimulate small business, employment, and put a lot of money in the pockets of working people. I am not advocating that.

But if he does not repay it, he should be advocating it, and instead of trying to switch the game and having an irrelevant debate over a so-called privatization plan which actually makes the funding problems of Social Security worse and would require another few trillion dollars of borrowing, in which I guess people would get these worthless bonds that the President questions.

Now, who is going to buy those worthless bonds? How is he going to continue to run the Government of the United States borrowing \$1.3 million a minute if the bonds of this country are worthless?

This is an extraordinary and reckless statement for the elected President of the United States to make.

GOOD WORK OF OUR ARMED
FORCES IN IRAQ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mrs. BLACKBURN) is recognized for 5 minutes.

Mrs. BLACKBURN. Mr. Speaker, you know, over the break I had the oppor-

tunity to spend some time in the Middle East. And just this past week I have returned from Israel, Jordan, Iraq, visiting with our men and women in uniform, and talking with them about their impressions of how we are doing in the war on terrorism, talking with them about what they see as their strengths and the weaknesses and what we can be doing better.

And, you know, the progress is really remarkable. These men and women in uniform are really remarkable. I had last traveled to Iraq in October 2003, and at that time the coalition forces had removed Saddam Hussein's regime, and the Coalition Provisional Authority governed the nation, and there was still a lot of unrest on the horizon. That unrest is still there, but progress is being made.

Today we have an elected government in Iraq. It is representing Iraq's ethnic and religious factions, and they have peacefully reached an agreement to name a Kurd to the Presidency. There are two Vice Presidents; one is a Shiite, the other a Sunni. They have also agreed that the Prime Minister is a Shiite.

The naysayers said that successful elections would be all but impossible. They said that the people did not want democracy, that they did not understand democracy. But on election day, each and every one of us, everybody on the face of this Earth, saw the long lines, they saw people braving potential terrorist attacks, and in the words of one Iraqi, a Nation was born in front of a watching world. I think that is very true.

They did that. They took those risks in order to vote. The result is a democratic government. And, yes, it is shaky, but it is free, and it is elected, and they are proving the naysayers wrong. They are taking those baby steps towards freedom.

Mr. Speaker, it is clear that many things have changed in Iraq since October of 2003, but, from my observation, one thing that has remained consistent and true through thick and thin is our military men and women, the Armed Forces. These folks in uniform have not faltered, not for an instant, in their dedication to this mission. They have demonstrated an unparalleled level of commitment toward reshaping the nation, the Middle East, and the terrorist network that runs through that region of the world.

Over the last couple of days, I have spent some time on the telephone calling their families, letting them know how proud of them, how much I appreciate their sacrifice, how much I appreciate the families and the support that they are giving their loved ones in uniform. I am also letting them know how much our constituents in the Seventh Congressional District of Tennessee appreciate them. You know, and America needs to know, that the Iraqi people are appreciative as well.