The U.S. exit strategy from Iraq has always been to install a stable, friendly Iraqi government whose oil revenues would give it financial independence and withdraw the bulk of the force that had overthrown Saddam's regime. But the scale of the challenge of remaking Iraq forced Washington to adapt its plans. When U.S. viceroy Paul Bremer arrived to take the reins from the hapless Jay Garner he chose to keep political authority in U.S. hands rather than betting prematurely on any Iraqi group. To the chagrin of most of Iraq's many political factions, Bremer has put talk of a transitional government in the deep freeze, and instead plans to draw Iraqis into a much slower process of consultation over a new constitution. That, of course, leaves the occupation authority without an Iraqi face, which further inflames nationalist passions—but managing an occupation mission such as Iraq invariably throws up mostly lesser-evil choices.

It was clear from the moment Bremer took over that the process of achieving the Bush administration's political objectives in post-Saddam Iraq might take years of patient nation-building. But what has become equally clear, in recent weeks, is that it may also require winning a second war, of counterinsurgency.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GINGREY). The Chair reminds all Members to address their remarks to the Chair.

WASTE, FRAUD AND ABUSE

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

Mr. GARRETT of New Jersey. Mr. Speaker, I rise today to speak about our efforts towards reducing waste, fraud and abuse in the Federal Government. It is a problem that has been plaguing the American taxpayers for far too long. With so little accountability on the Federal level, our government has grown like an unchecked cancer, basically ransacking and pickpocketing the taxpayers pocket, wasting taxpayer dollars so the Federal Government does not have the dollars it needs to get the job done.

How does this happen? It happens by disregarding erroneous tax returns; by Medicare making thousands of overpayments, refusing to improve their bookkeeping system; in effect having the government waste, fraud and abuse occurring so that we do not have the taxpayer dollars necessary in those areas we want to have it.

Before I begin, allow me to address some specific areas that are of interest to me so we can begin the process to start to reform the Federal Government to address the issue of the deficit and hopefully bring our budget back in line to balance.

Go back, if you will, and imagine if the Federal Government was actually able to account for that $17.3 billion back in 2001 or that $20 billion in overpayments that they made in that same year. If we were able to do that, we would be able to bring our Federal deficit that year within eight points better than we did that year. Eight points, eight percent, it is not that much, but at least it is a step in the right direction.

Today we have already heard of the creation of a new organization of dedicated freshmen members of Washington's Waste Watchers. This is a group that is dedicated to literally cut the fat to address the issue of waste, fraud and abuse, to try to reverse the years of neglect on the Federal level when it comes to Federal spending.

When I go back to the folks back in the 5th Congressional District in New Jersey where I represent, I hear countless times from those people of how hard it is to send in their tax dollars from their hard-earned paychecks that they make each week, to send it down to Washington only to hear all the stories in the press of how we spend the money down here. When they hear that money is being misspent, wasted, their response is shock and disappointment.

Mr. Speaker, Americans did not send us to Washington just to spend their money. They sent us here to spend their money in the right way, not to waste their money, not to abuse their money, not to lose their money, but to spend it to help those needed recipients, as we intended to.

It is time that we in Congress start putting some pressure on those Federal agencies to get their books in order, to crack down on fraud and abuse, to cut the waste.

I sit on the Committee on the Budget, and we had the Inspector General folks from the Department of Education come in, and they spoke of improper loan forgiveness for false death and disability claims and questionable handling of student loan funds. What this means is that there is less dollars to go into the classroom for the textbooks and overcrowded classrooms because we sent the Federal dollars we want to there.

But this is just one example. There are so many more that we are going to hear as we go on in this program.

Examples on the Medicare program, which pays as much as eight times the cost of other Federal agencies for drugs and programs, Medicare that when you compare it to programs like the VA, the VA spends $130 for a wheelchair, Medicare $571. Medicare versus the VA, VA spends 700 bucks for a bed. Medicare spends around 1,700 bucks, a 230 percent increase for the same program. Medicare from 1996 to 2002 spent $83 billion in improper payments.

We also had some testimony from some other people, people from the Inspector General's office in the Department of Health and Human Services. They told us that upwards to 5 percent or more of all funding that goes into Medicare is misused and wasted. This House just voted on a $400 billion package for prescription drugs. Five percent of $400 billion comes to a potential $20 billion of more waste, fraud and abuse.

How do we avoid this problem in that area? There is a couple of recommendations. One is to have accounting mechanisms in place for all the money that is spent. It is not there. Secondly is to have verification mechanisms for the employees and have those employees be held responsible and accountable and, thirdly, have more resources for the Inspector Generals to conduct the audits to find that waste, fraud and abuse that we are talking about here. That is just another example that our constituents back home hear about of waste, fraud and abuse on the Federal level.

Mr. Speaker, I remind my colleagues that the American people did not send us to Washington, the American people did not elect us to be Members of Congress to spend their money ineffectively. They sent us here to make sure that the money is spent efficiently and effectively. They sent us here to make sure that there is not that waste, fraud and abuse.

U.S. FOREIGN POLICY AND POST-WAR IRAQ

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

Mr. SCOTT of Georgia. Mr. Speaker, as one of the cochairs of the Democratic Study Group on National Security, along with the gentleman from California (Mr. SCHIFF) and the gentleman from New York (Mr. ISRAEL), I am very delighted to stand on the floor this evening to talk about American foreign policy and post-war Iraq.

I certainly want to extend appreciation to our leader, the gentlewoman from California (Ms. PELOSI), for having the foresight and vision to establish our Democratic Study Group on National Security.

I supported the President's decision to go to war against Iraq and remove Saddam Hussein from power. I am also pleased that this regime can no longer victimize the Iraqi people. The United States military has done very well, a superb job, and I am very proud of our soldiers, our sailors, our airmen, but we cannot let go of Iraq just yet.

As the world's only remaining superpower, we must recommit ourselves to peace, diplomacy and nation building now that the war is winding down.

The United States of America is a strong Nation, with the strongest military in the world, but with that force must exist a strong diplomatic strategy. The situation in Iraq teaches us that we cannot simply overwhelm a regime with force and then disengage from the area. If we do not back our strength of action with strength of diplomacy, then we will fail in our goal to provide a rebuilt, free democracy in Iraq.

I am concerned that there is a lot more that still needs to be done to make Iraq a safe and secure country, more than the United States can

achieve on its own. This task is so monumental that we must be open to accepting all types of assistance from other countries. Increased multilateralism reduces our financial burden, reduces our exposure of our troops, helps repair our international alliances and diffuses the international and regional criticisms that we are receiving about our presence in Iraq today.

The United States currently has approximately 150,000 military personnel in Iraq, and between 12,000 and 15,000 allied forces are also in Iraq. In order to avoid the financial burden and criticism that the United States is an adversarial occupation force in Iraq, it is important to involve more international forces. And given the current level of deadly guerrilla attacks on our American soldiers, 34 American soldiers have died since the President declared major combat operations over on May 1, and the growing strength of Saddam Hussein's loyalists, it is very clear that this war is very far from being over.

We need additional forces and particularly an international force of police officers and civilians that can keep the peace in Iraq so that rebuilding can take place. There can be no building in Iraq if Iraq is not secure and safe.

We must involve the United Nations. We must involve NATO and other nations in rebuilding Iraq's infrastructure. And most importantly, as a fundamental prerequisite to economic redevelopment, the United States and the international community must reestablish Iraq's banking system. You cannot move to rebuild anything if your banking system is out of repair. We must create a uniform currency, and we must develop a plan for an electronic system of financial transactions that includes lines of credit, capital requirements and prudential oversight.

In addition, Iraq needs that uniform currency. Because, right now, there are four different forms of currency being in operation in Iraq. An economy cannot be developed if there are four pieces of different moneys. We have got to have a medium of exchange and a store of value in order to revive its economy and in order to encourage foreign investors and, most importantly, to develop Iraqi-owned businesses.

Furthermore, the United States and its allies need to help Iraq quickly increase its current oil production from 800,000 barrels per day as of now, of which 500,000 barrels per day are needed for domestic consumption, to increase to its pre-war production of 3 million barrels per day. It is vitally important that Iraq's oil industry be reestablished so that it can help pay to rebuild the country's infrastructure since it is the country's largest exporter and foreign currency earner, largest industry and one of their largest employers.

All of this requires that the United States establish a long-term plan for our military presence in Iraq, a strong long-term diplomatic strategy in Iraq to involve more nations and a blueprint with specific benchmarks and timetables for turning over the reins to the Iraqi people as soon as it is practical.

Often our parties, Democrat and Republican, we oftentimes divide on which is the more important component, foreign policy, military or diplomacy, and for some reason, too often it is assumed that to support one of these is to reject the other. I disagree. Diplomacy is nothing if not backed with strength and force. At the same time, strong force may end the immediate threat, but without diplomatic action such a victory will be short-lived and will create new instabilities.

That is where we are right now in Iraq. Indeed, our military force has won the war, but we are weak in having a strong diplomatic presence that is credible in the region to bring about a lasting peace, curb the violence and the guerrilla warfare so that rebuilding can take place.

We must have both. We must maintain a strong military to give weight to our words, both with our allies and with our enemies. And yet if the current post-war situation in Iraq teaches us anything, it is that force alone will not create stability or democracy. Diplomacy must be aggressively valued and pursued to maintain a lasting peace and to ensure our soldiers did not die in vain. Strong military and strong diplomacy must go hand in hand if we are to be successful in Iraq and successful with our foreign policy.

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FREE-MARKET ACCESS FOR PRESCRIPTION DRUGS

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

Mr. GUTKNECHT. Mr. Speaker, Ronald Reagan used to say that, ''If you say something that's not true, and you don't know it's not true, well, that's a mistake. But when you say something that's not true and you know it's not true, well, that's a lie.''

We have had an awful lot of things that have been said in the last couple of weeks about a bill that I am very involved with in terms of opening up markets so that Americans can have access to world-class drugs at world market prices, and some of the groups have gone over the edge, especially as it relates to tying the issue of abortion to the issue of allowing Americans to have access to cheaper drugs around the world.

I want to read from a letter from one of my heroes, and he is a fellow who served in this House admirably for 6 years. I was privileged to serve with him, Mr. Speaker. Dr. Tom Coburn is an OB–GYN, and he served in Congress for 6 years. He sent a letter to Members of Congress when he heard that the pharmaceutical industry is somehow tying RU–486 to the debate about reimportation of drugs.

Now, Dr. Coburn was one of the most militant advocates and defenders of the sanctity of human life that the Congress has ever seen. He was also a supporter and an author of the bill to open up markets so that Americans could have access to those drugs at fairer prices. He says in his letter, and I will submit the entire letter for the RECORD, but he says in his letter, and I quote: ''As a pro-life practicing physician who earned a 100 percent pro-life voting record while serving in Congress, I find it ludicrous that those who oppose your legislation would resort to ad hominem attacks with no basis in reality.''

He goes on, and it is a very strong letter. I also want to submit for the RECORD a letter from our colleagues, the gentleman from Pennsylvania (Mr. PITTS) and the gentleman from New Jersey (Mr. SMITH), who are very active and co-chairmen of the House Pro-Life Caucus, and they say in their letter, and I will submit it for the RECORD: ''While we both wish RU–486 were not legal, this debate is not about abortion.''

I want to come back to my original point, that when you say something that is not true and you know it is not true, well, that is a lie. If anyone should know the rules about RU–486, one would think that the people who make the drug would know the rules here in the United States. RU–486 cannot be purchased in the United States of America with a prescription. It cannot be purchased without a prescription. It can only be administered in a doctor's office by a doctor.

In other words, no one can go to a doctor's office and have the doctor write out a prescription to take to the pharmacy and buy the drug. Therefore, nothing that we are talking about in terms of importation of legal FDA-approved drugs from FDA-approved facilities around the world, nothing in that legislation could be impacted by RU–486 because it cannot be obtained without a prescription. It cannot be obtained with a prescription. More importantly, RU–486 is completely illegal in Canada and Mexico.

So when you say something that is not true and you know it is not true, well, that is a lie. And that is the kind of thing that we have had to deal with in the last several weeks. Now, we in politics are used to puffery. We are used to distortions. We are used to people sometimes saying things that are not completely truthful. We have half-truths. But this is a bald-face lie.

So I come to the floor today to say that people can disagree about whether or not Americans should have to pay the highest prices in the world for prescription drugs, but these groups that oppose this do so for what I believe is clearly a profit motive. In other words, it is the pharmaceutical companies who understand that if we pass this