The Enhanced Heavily Indebted Poor Countries Initiative, referred to as HIPC, was developed in 1999 to provide debt relief to the world's poorest countries. The HIPC Initiative requires countries to invest the savings from debt relief in HIV–AIDS treatment and prevention, health care, education, and poverty reduction programs.

Unfortunately, the IMF and the World Bank have not provided their fair share of debt relief. While the United States agreed to cancel 100 percent of the debts owed by poor countries, the IMF and the World Bank have agreed to reduce these countries' debts by less than half. As a result, the countries that have begun to receive debt relief have seen their debt payments reduced by an average of only 27 percent. Most of these countries are still spending more money on debt payments than they are on health care.

Zambia provides an excellent illustration of what is wrong with the approach of the IMF and the World Bank. Zambia is a deeply impoverished country with a per capita income of only $330. The infant mortality rate exceeds 1 percent of live births, and 27 percent of Zambian children under 5 are malnourished. Zambia has also been ravaged by the HIV–AIDS pandemic. Almost 10 percent of the population is infected with the AIDS virus and 650,000 children have been orphaned by AIDS.

AIDS has also ravaged the educational system by causing a shortage of trained teachers. Yet Zambia's debt payments have actually increased following the receipt of debt relief. Moreover, Zambia spends more than twice as much money on debt payments as it does on health care.

How can the International Monetary Fund tell countries like Zambia to use savings from debt relief for poverty reduction when the IMF knows there is no savings?

On April 26, 2001, I introduced H.R. 1642, the Debt Cancellation for the New Millennium Act. This bill would require the IMF and the World Bank to provide complete cancellation of 100 percent of the debts owed to them by all 32 impoverished countries that are expected to qualify for the HIPC Initiative. The bill would also allow three additional impoverished countries, Bangladesh Haiti, and Nigeria, to participate in the HIPC Initiative. Furthermore, the bill would prohibit the imposition of user fees for education and health services and other structural adjustment programs as conditions for debt relief. Seventy-six Members of Congress representing both political parties have cosponsored this bill.

The IMF and the World Bank have sufficient resources to completely wipe away poor countries' debts. It is time for the IMF and the World Bank to do their share to make debt relief a reality for poor countries and their people. It is time for the IMF and the World Bank to allow these countries to invest their resources in health, education, and the elimination of poverty.

I urge President Bush and the world leaders who attend the G–8 summit to tell the IMF and the World Bank to completely cancel 100 percent of the debts of the world's most impoverished countries once and for all.

ELECTION REFORM

(Ms. WATSON of California asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WATSON of California. Mr. Speaker, it has now been almost 9 months since the election fiasco of the year 2000, and for 9 months America's leaders have talked about election reform, but little has been done.

This week yet another report was released detailing the breakdown of our voting process in America. A joint study by CalTech and MIT found that 4 to 6 million Americans lost their right to vote because of outdated or faulty voting equipment and a flawed process.

This might come as a shock to some people, but it should not. Last week my colleagues and I on the House Committee on Government Reform released another study detailing the same problem. Too many Americans are forced to use outdated or faulty voting equipment and too many of these faulty machines are concentrated in the communities of the poor and minority voters.

Mr. Speaker, we have had 9 months of study, 9 months of research, 9 months of reports. Now the American people want and deserve action. Mr. Speaker, please make election reform the number one priority of this House in time to make real lasting changes before next year's election.

BRINGING SOCIAL SECURITY INTO THE 21ST CENTURY

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

Mr. DEFAZIO. Mr. Speaker, today the scare tactics began. A year ago today we had in hand a Social Security Trustees' report that was actually kind of optimistic. Things were looking up for the system. The day in which it would not be able to pay 100 percent of benefits was put off until the year 2039. That is, Social Security had in hand, under conservative estimates, enough money from our taxes, from the taxes of working people, not the wealthy, because they do not pay on any income over $80,000, but the working people had put enough money in the trust fund to secure it through the year 2039.

□ 1045

No question. After that, with no changes, under pessimistic assumptions, it would only be able to pay 73 percent of the benefits. But here comes the Bush administration and the so-called Bipartisan Commission on Social Security loaded with people who have been trying to destroy the system, including, sadly, a couple of Members of the House and Senate who are ostensibly Democrats for more than a quarter of a century. They are doing the work of Wall Street.

Wall Street cannot wait to mandate that individuals put money into individual accounts. When they can charge 250 million people a little bit of money to maintain accounts, they make tens of billions of dollars. Guess where the tens of billions of dollars comes from? It comes from future benefits that people would have realized under the current system.

This document is extraordinary in that it echoes Treasury Secretary O'Neill. It says that the United States government might not honor the trillions of dollars of obligations it has in special bonds to the Social Security Trust Fund. They are saying the crisis starts the day Social Security has to begin drawing on the funds, the savings we have put aside for our retirement.

The Bush administration is questioning whether the full faith and credit of the United States government will be delivered on those debts, those obligations. If that is true, everybody around the world and across the United States better begin cashing in their Treasury bonds. If the United States Treasury in 2016 under the leadership of President Bush and Secretary O'Neill does not put the full faith and credit of our government behind those depository instruments, money that we, the working people, have paid into the Treasury for our retirement, then we are in bigger trouble than I thought.

Mr. Speaker, this is an unbelievable distortion of the facts. There is a simple solution to the Social Security problem, but we will not hear it from this administration or Secretary O'Neill who is worth hundreds of millions of dollars, or President Bush who is worth tens of millions of dollars, because it would require that they pay the same amount as every other American. They would rather talk about defaulting on the obligations of the Federal Treasury to honor Social Security Trust Funds than talk about the easiest way to solve this problem: Make every American pay the same amount of Social Security tax on every dollar they earn. They consider that a radical proposal.

If that one simple step were taken, if we lifted that cap, if people who earned over $80,000, that small percentage of the people, if they paid in the same Social Security that a minimum wage earner pays, a flat tax, I hear from the other side of the aisle, give us a flat tax. When I suggested this to the Republican chairman of the Committee on Ways and Means, he almost had a stroke. Oh, no, not a real flat tax. We are talking about a flat tax that cuts taxes on the wealthy, not a flat tax that would give them the same obligation to pay as working people.

If we took that one step, Social Security under current assumptions would

be solvent forever; and, in fact, there would be so much money flowing into Social Security that we could give a tax break to working Americans. We could say you do not have to pay any Social Security tax on the first $4,000 or $5,000 of income, a big tax break to minimum wage people and others at the lower end of the spectrum.

Mr. Speaker, all we have to do to secure the future of Social Security is just say, hey, the Bill Gates of the world and all of those other people earning hundreds of millions of dollars, the head of Enron, the company which is ripping off ratepayers by manipulating energy prices, he got $123 million in stock options this year. If he paid Social Security taxes on that, on $123 million, tens of thousands of Americans would be assured that their retirement would be made good.

The scare tactics have begun, and the American people are not going to stand for it.

THE SPREAD OF GAMBLING

The SPEAKER pro tempore (Mr. KERNS). Under the Speaker's announced policy of January 3, 2001, the gentleman from Virginia (Mr. WOLF) is recognized for 60 minutes as the designee of the majority leader.

Mr. WOLF. Mr. Speaker, 2 weeks ago The Washington Post did a front page story about how the gambling industry targets one of our Nation's most vulnerable groups, our senior citizen population.

According to the article, it says, ''Casinos are trying harder than ever to attract retirees. Some are dispatching buses to senior centers or vans to trailer parks and timing their offers for free rides to coincide with the arrival of Social Security checks.''

The gambling industry goes to great lengths to prey on our Nation's most vulnerable groups, the young, the poor, and perhaps most frequently the elderly. A national survey recently revealed over one-half of all senior citizens had gambled recently. This is more than double the rate of one generation ago.

The gambling industry targets this audience because they have two attractive attributes: time and money. Often those who are lonely become quickly addicted. It is not long before the marketing strategy succeeds as gambling eats up seniors' life savings and Social Security checks.

Mr. Speaker, while I was saddened to read this story, I was not surprised. I am not surprised because very few are actually speaking out against the spread of gambling. I am not surprised because very few of our political leaders have spoken out. I am not surprised because most religious leaders have not spoken out. I am not surprised because most advocates for the poor have not spoken out. I am not surprised because most traditional advocates for the elderly have not spoken out. Saddened, yes; but surprised, no.

Only 30 years ago gambling was illegal in most States and was generally considered to be a vice contrary to the American work ethic. Let me say that one more time. Only 30 years ago gambling was illegal in most States and was generally considered to be a vice contrary to the American work ethic.

Serious gamblers had to travel to Nevada for casino play, and States had not yet plunged into the lottery mania. Today the lottery is played in 37 States, plus the District of Columbia. All but three States have legalized some form of gambling. Gambling expansion has swept the Nation, with revenues jumping from $1 billion in 1980 to well over $50 billion today. That means that Americans lose on average over $137 million every day. Americans lose on an average $137 million every day a year from gambling.

What has the spread of gambling meant for the country? First, gambling comes with a high social cost. Some 15.4 million Americans already suffer from problem and pathological gambling, also called gambling addiction, which is often devastating to the individual and his or her family.

The National Academy of Sciences found that pathological gamblers engaged in destructive behaviors. They run up large debts, they damage relationships with family and friends, and they kill themselves. Pathological gambling is defined by the American Psychiatric Association as an impulse control disorder with symptoms similar to those of drug and alcohol addictions. The gambling addict experiences tolerances, needing more gambling, withdrawal from trying to stop, a loss of control and cannot stop even after trying, and often lying and illegal acts such as stealing to support the habit.

The effects of this addiction are wide-ranging and often impact many who are not involved with gambling. It is not unusual for a gambling addict to end up in bankruptcy with a broken family facing criminal charges from his or her employer.

Youth introduced to gambling are particularly at a high risk for gambling addiction. Over half of those with problem gambling disorders, 7.9 million, are adolescents. For instance, a Louisiana survey of 12,000 adolescents found that 10 percent had bet on horse racing, and 25 percent had played video poker.

Adolescents are more likely to become problem or pathological gamblers since they are more vulnerable to risk-taking behavior. According to the National Gambling Impact Study, a study which Congress created and which released its report in 1999, adolescent gambling is associated with alcohol and drug use, truancy, low grades, and problematic gambling in parents and illegal activities to finance gambling.

This has led to tragic outcomes. One 16-year-old boy attempted suicide after losing $6,000 on lottery tickets. There is a tremendous need for prevention, research and treatment for gambling addiction. Unfortunately, all three are in short supply. A person who needs treatment is likely to find there is little available and what is available is not covered by insurance.

How quickly can addiction develop? Story after story recounts the heartbreak.

Consider the story of Debbie. She and her husband visited a new casino built near them in Blackhawk, Colorado. The novelty soon wore off, but her husband started going four or five nights a week. Within 3 months of their first visit, Debbie learned that they would have to file for bankruptcy. Her husband had lost close to $40,000. This did not stop her husband from gambling, and eventually they divorced. So much for family values. She said, ''The husband I divorced was not the husband I married. He is a total stranger to me. He became a liar, a cheat. He engaged in criminal, illegal activities.''

Gambling has negative economic impacts. Revenues are drained from local businesses and services. Gambling leads to a shift in consumer spending from small business groups and services which produce local employment. There is an increased cost to the State from bankruptcy, addiction, treatment centers and the penal system.

The Gambling Commission estimated that direct gambling costs borne by the government are currently about $6 billion a year. This does not count indirect costs such as loss of productivity in the workplace, divorce consequences for the family. It is reasonable to suggest that the more gambling a State offers, the more costs it must bear.

Gambling is associated with breakdown of the democratic political process. The Gambling Commission concluded that local and State governments tend to become a dependent partner to the gambling industry and become reliant on their vast funds and can be influenced by campaign contributions.

In State after State, the gambling industry pours money into the coffers of local politicians from both political parties in hopes of advancing their interests. In State after State, opponents of a gambling proposal are outfinanced, outgunned and outmanned. The fact that gambling has not spread further is a tribute to the tireless efforts of a few grassroots activists in States. These advocacy efforts, often outspent by rates of 20 to 1, have held the levy against even further encroachment by the gambling industry into every community in America.

On the Federal level, the NCAA gambling bill introduced on the House side by the gentleman from South Carolina (Mr. GRAHAM) and the gentleman from Indiana (Mr. ROEMER) to close the loophole allowing the betting on college sports in Nevada is indefinitely on hold, even though if it were brought up to the floor most people know it would pass overwhelmingly.

Who supports the bill? Almost every university with athletics programs, the NCAA, almost every college coach in America, including Joe Paterno, Lou