

cold in the field. They have nobody to help them. What kind of a system, what kind of a military operation is this administration conducting in the nation of Iraq?

I want to place these additional articles from the New York Times in the RECORD, along with a chart showing the increasing number of hostages being taken in Iraq over the last several months, and it is on the increase.

GRIEF AND AN EVENING VIGIL IN A MICHIGAN SMALL TOWN

(By Danny Hakim)

HILLSDALE, MI, Sept. 20.—Scores of townspeople gathered at an impromptu candlelight vigil in the early evening here after hearing that a Westerner identified as Eugene Armstrong had been executed in Iraq.

Mr. Armstrong grew up in this town of about 8,000 people in southern Michigan, and though he left more than a dozen years ago to travel the world, his brothers and cousins remain here.

"We're just devastated," said Cyndi Armstrong, a cousin by marriage who attended the vigil on behalf of the family. "I don't know what else to say about how we feel."

Mr. Armstrong, a 53-year-old construction worker known as Jack, lived with his wife in Thailand. Cyndi Armstrong said F.B.I. officials first notified members of the Armstrong family last week that he and two other Western workers had been kidnapped in Iraq. Among those notified, she said, was Mr. Armstrong's mother, who lives in Germany.

Few in the crowd here knew Mr. Armstrong well because he left Hillsdale long ago. His brothers chose not to attend the vigil.

"His brothers are broken up about it," said a cousin of Jack Armstrong, Pat Armstrong, who served as a marine in the Middle East during the first Persian Gulf war and who said he was not happy about how the latest Iraq war had deteriorated.

"I think we should steamroll them, either that or leave" Pat Armstrong said. "Eliminate the problem or leave instead of not trying to upset too many people."

The vigil took place in the early evening while it was still light in front of the Hillsdale County Courthouse on a town square framed by light poles bearing hanging planters with purple flowers. The Pledge of Allegiance was recited, candles were wedged into plastic coffee cup lids and passed through the crowd, and a local pastor, Randy Branson, was asked to say a few words.

"We know the price of freedom is being paid all across the globe," Mr. Branson said. "Today we pray for freedom and the two men who are still being held."

Cyndi Armstrong said Jack Armstrong loved to travel and had spent time in Germany before moving to Thailand.

"He was a great guy and he loved his country," she said, twisting an American flag in her hands. "He liked to travel; he liked to read books. I didn't know him personally very well, but he was a great guy, and he will be missed very much."

Richard Buehrle, 46, a cook who knows one of Mr. Armstrong's brothers, said: "I heard about it at 2:30 this afternoon. I was kind of shocked, but it didn't really surprise me. Once they're captured over there, it's touch and go."

Mrs. Armstrong said that only two weeks ago her own daughter enlisted in the Army. She did not want to talk about her personal feelings on the war, Ms. Armstrong said, though she supported her daughter's decision. Still, she said, it was hard to comprehend what had happened to Mr. Armstrong.

"I don't understand," she said, "Jack was there to help them, not to hurt them."

Jack Hensley of Marietta, Ga., is the remaining American hostage from the three construction workers who were taken from their house in Baghdad. The third is a Briton.

Earlier Monday, Mr. Hensley's relatives spoke to reporters about his kidnapping.

His brother, Ty Hensley, told NBC News that he and his brother had been regular e-mail correspondents before the kidnapping. Ty Hensley said his brother had become increasingly concerned in the week and a half before he and his colleagues were abducted. Their guards were leaving one by one because of death threats, Jack Hensley had written, and he believed the three Westerners were being watched.

Ty Hensley said that his brother had gone to Iraq when he could not find construction work at home and that leaving early would have been a financial blow.

But he said Jack's wife, Patty, had tried to persuade him to come home anyway.

"I'm sure that he had signed a year contract," Ty Hensley said of his brother. "It was important that he make it a year for him financially, but she began talking to him in very strong capacity to come back over the last week and a half. And she told him it does not matter financially, to come home."

"I talked to Jack every other day through e-mail," Mr. Hensley continued. "And the type of work that he is doing, again, is to work with the Iraqi people in helping develop a water system for the Iraqi people. He's helped work on a school, rebuild a museum and also housing for the Iraqi people."

HOSTAGES IN IRAQ

In addition to two Americans, Nicholas Berg and Eugene Armstrong, at least 27 people from 9 different countries are believed to have been killed in captivity this year, according to information from reporters for The New York Times and news agencies. At least 22 others are still being held hostage, but at least 81 have been released or rescued.

MEDICARE BY THE NUMBERS

The SPEAKER pro tempore (Mr. MCCOTTER). Under a previous order of the House, the gentlewoman from Illinois (Ms. SCHAKOWSKY) is recognized for 5 minutes.

Ms. SCHAKOWSKY. Mr. Speaker, the Medicare Modernization Act: good for the HMOs, great for the pharmaceutical companies, bad for seniors and bad for persons with disabilities.

Let us consider the numbers.

\$54 million: That is the amount drug companies spent lobbying Congress and the administration between 1997 and 2002.

675: That is the number of paid drug company lobbyists, more than 1 for each of the 535 Members of the U.S. House and Senate.

\$67.7 million: That is the amount of drug company political contributions since 1999, and Republicans received 71 percent of those.

\$891,208: That is the amount of drug company campaign contributions President Bush has received since 1999.

Zero: That is the number of Democrats who were allowed into the conference committee when this bill was finally crafted, the bill that was supposed to provide relief to seniors but

really has provided great relief to the drug companies. That means that the gentleman from Michigan (Mr. DINGELL) and the gentleman from New York (Mr. RANGEL), veterans of the House and experts on Medicare, were locked out of the committee.

Twenty-three percent: the percent of average Americans' out-of-pocket medical expenses spent on prescription drugs.

Seventy percent: the amount of discounts the Veterans' Administration obtains on cholesterol medications by using its bargaining clout with the pharmaceutical companies, something not allowed for Medicare beneficiaries.

Sixty-six cents: the amount the Veterans' Administration paid for a 30-day supply of Zocor, that is high cholesterol medicine, in 2002, compared to \$3.77 at the retail pharmacy.

Thirty-six percent: the amount of U.S. medical research funded, by who? By you, the taxpayers, by the Federal Government, not by the pharmaceutical companies.

\$139 billion: the amount of additional drug company profits to be reaped from the new Medicare law.

\$46 billion: the amount of additional payments to Medicare HMOs expected from the new Medicare law.

\$400 billion: That is how much the Republicans swore the Medicare bill would cost.

\$540 billion: That is the amount the Medicare actuary, the numbers cruncher, knew it was really going to cost, but he was threatened with his job if he told the truth to Congress.

\$576 billion: That is the recent estimate by the Office of Management and Budget of the cost of the Republican expensive and worthless Medicare plan.

\$4,000: what a senior citizen with \$5,000 in yearly drug costs would have to pay under the new Medicare benefit.

2.7 million: the number of seniors expected to lose existing retiree drug benefits under the new Medicare law.

Six million: the number of low-income seniors and persons with disabilities are expected to pay more for prescription drugs under the new Medicare law.

Seventeen percent: the average profit margin of the top-ten drug companies in 2002.

3.1 percent: the average profit margin of the rest of the Fortune 500 companies in 2002.

Seventeen percent: next year's increase in Medicare Part B premiums.

2.5 percent: That is the expected Social Security cost of living adjustment increase next year.

53.6 percent: That is the percent of the average 65-year-old's Social Security recipients benefits that would go to out-of-pocket Medicare expenses in 2026. In other words, more than half of their Social Security check would end up going to pay for Medicare expenses.

Now, at the time that this bill passed, I warned my colleagues on the other side of the aisle who thought it was so great and that the senior citizens would love it. I have to tell my

colleagues, another zero in my district. That is the number of senior citizens who think that the Medicare Modernization Act is a good deal for them.

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

(Mr. STRICKLAND addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Mr. McDERMOTT. Mr. Speaker, I ask unanimous consent to use the time of the gentleman from Ohio (Mr. STRICKLAND).

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

There was no objection.

ADMINISTRATION LAUNCHES NEW CAMPAIGN

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

Mr. McDERMOTT. Mr. Speaker, the administration has launched a new campaign to win the Iraq war. The offensive is not in Baghdad or Fallujah or Sadr City. It is in New York and right here in Washington, D.C. The administration has launched another public relations campaign. They did it in the run-up to the war, and they are doing it again in the run-up to the election.

The administration will have its Iraqi functionary here in a few days to speak to this Congress. The appearance by Mr. Allawi in the U.S. Congress is meant to give the American people the illusion that Mr. Allawi was elected, not appointed. It is meant to suggest stability amid a sea of escalating violence.

The American people will decide what they believe to be true. They have already had a preview, because England was the first stop on the PR campaign. This is what the American people are going to hear over and over and over again. In London, Mr. Allawi downplayed the growing violence in Iraq. Since the middle of June, in just the last 90 days, the chaos in Iraq has claimed more than 2,000 Iraqi lives and more Americans than in any other part of this war, yet the administration's hand-picked administrator says of the insurgency, "It is not getting stronger. We are squeezing out the insurgency."

Then, he changed that glowing assessment for a different British audience where Mr. Allawi said, "Terrorists are coming and pouring in from various countries."

Now, what is the real story? We will still be asking that question after Mr. Allawi leaves.

At a time when the American people need straight talk about what is happening in Iraq, we are going to get carefully planned photo opportunities.

The groundwork has already been laid. Just the other day, the President told the American people, "I am pleased with the progress." Really, Mr. President?

Iraq today is more violent than ever. Insurgency is either being squeezed out or terrorists are pouring in. Check the morning paper tomorrow or the nightly news if you are not sure which of those statements is correct. Iraq is so out of control that religious clerics are being assassinated in broad daylight. Hostages are being kidnapped from guarded homes and beheaded. And U.S. soldiers are in greater danger than ever. Iraq is so out of control that a new offensive by the U.S. military is being planned for later this year, but not until after the election. Sounds a lot like Nixon's secret plan to end the war.

The administration is delaying action because it denies the magnitude of the crisis in Iraq. Instead, they want carefully-scripted political appearances and speeches to make the American people believe that your eyes and your ears deceive you. The coming public relations events are meant to do just that.

The President says he is pleased with the progress. Mr. Allawi says elections are coming. Mr. Allawi also admits that the so-called free elections in January may only be about half fair. When he speaks before the Congress, I hope Mr. Allawi will clarify which half of the Iraqi election will be fair and which will be rigged. The American people deserve straight talk, but we are getting double-talk. So is the rest of the world.

At the United Nations today, the President said he is "enforcing the demands of the world." Less than a week ago, the U.N. Secretary General Kofi Annan told the world that the Iraq war was illegal.

At the U.N. today, there was every opportunity for the President to tell it like it is. Instead, he told it like the spin doctors want it, and the world heard the sound of a President in total denial.

Later this week, Mr. Allawi will say exactly what the administration wants him to say as their puppet here in the House. He is their guy. This is their war, and they need more money. They will say what they want us to hear, despite the deafening sounds of daily violence underneath their very words. They will say what they hope will silence the critics, because they cannot silence the gunfire. They will say whatever they think will win another term in office, because that is their first and only priority.

That is not the way to fight a war or win the peace, but it is the only way this administration knows, which is why Iraq's best chance for peace can only be realized by a regime change in the United States. It will happen on November 2.

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

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. CONYERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

□ 2045

RECORD DEFICITS ABOUND

The SPEAKER pro tempore (Mr. McCOTTER). Under the Speaker's announced policy of January 7, 2003, the gentleman from South Carolina (Mr. SPRATT) is recognized for 60 minutes as the designee of the minority leader.

Mr. SPRATT. Mr. Speaker, in less than 10 days we will close the books on fiscal year 2004, and what a year it has been. A few days after that we will declare a deficit of \$422 billion. You got it, \$422 billion.

Now, there will be all sorts of spin to make that shortfall seem a lot less serious than it really is. But here are the hard facts. At \$422 billion, this year's gift will set an all-time record, \$47 billion more than last year, which itself last year was the worst deficit on record. And at \$422 billion this deficit is bad enough; but if you back out the surplus in Social Security, as you should, 15 years ago we adopted a law and said Social Security shall not be included in the regular budget of the United States. It is, after all, a trust fund. The money is incumbent for the beneficiaries.

So if you back out those trust funds and the surplus they incur this year, the deficit in the regular budget of the United States is \$574 billion for fiscal year 2004, \$574 billion, more than a half trillion dollars in debt.

Now, the President keeps telling us that this economy is on the mend. Usually when the economy gets better, the bottom line of the budget gets better, but not now. This year's deficit, you see, is not going away. It is not even going down by much. Even if the economy improves, it will still be about where it is, 4 to \$500 billion for the next 10 years. What we have got, what we are stuck with for the time being until we do something about it is what economists call a structural deficit. It is built into the texture of the budget itself.

On the House Committee on the Budget, our Democratic staff has taken the latest projection of the deficit and the economy given to us just a few days ago by the Congressional Budget Office, CBO, our neutral, nonpartisan budget shop. We have taken their forecast, and we have made what we regard as political readjustments to it. We