



Stephen Moore: Less Money For Seniors More Money For Big Pharma

Stephen Moore Believes The Government Has “Gone Too Far In Providing The Safety Net For The Elderly,” Which He Claimed Included “Lavish Government Benefits For People Over 65.”

Stephen Moore Said The Government Had “Gone Too Far In Providing The Safety Net For The Elderly,” Which He Claimed Included “Lavish Government Benefits For People Over 65.”

During A 1992 CNN Appearance, Stephen Moore Said, “We’ve Probably Gone Too Far In Providing The Safety Net For The Elderly” And “Lavish Government Benefits For People Over 65.” During A 1992 CNN Appearance, Stephen Moore Said, “Well, we’ve probably gone too far in providing the safety net for the elderly. To a large extent, we’ve started a system in this country where we are taxing struggling middle class families that are young to provide lavish government benefits for people over 65.” [“Moneyline with Lou Dobbs,” *CNN*, 01/30/92]

Stephen Moore Wants To Cut Interest Rates At The Federal Reserve, Which Could Hurt The Financial Stability Of Retirees And Seniors Relying On Social Security.

Stephen Moore Believes The Federal Reserve Should Cut Interest Rates...

In December 2018, Stephen Moore Called On Federal Reserve Chairman Jerome Powell To Resign After Enacting Interest Rate Hikes. “Shortly after the Fed enacted its fourth rate hike of 2018 in December, Moore wrote in a Heritage blog post that Powell should ‘do the honorable thing ... and resign.’ He backtracked on that sentiment in the Times interview, but stuck to his position that the Fed needs to rethink the criteria it uses for monetary policy.” [Jeff Cox, “[Likely Fed nominee Stephen Moore thinks rates should be cut by half a percentage point](#),” *CNBC*, 03/27/19]

Moore Argued That Rate Increases Act “As A ‘Wet Blanket’ On Economic Growth.” “Mr. Moore has been pushing for the Fed to go further and adopt a rule in which it adjusts interest rates in response to price swings in a wide array of commodities, like oil, metals and agricultural products. In early March, he emailed a New York Times reporter, urging an article on the idea that the Fed had driven commodity prices down with its rate increases, acting as a ‘wet blanket’ on economic growth. He said Mr. Trump agreed with his assessment that the Fed was keeping the economy from growing as fast as 4 percent per year. A week later, Mr. Moore laid out the commodity targeting plan on the opinion pages of *The Wall Street Journal*, his former employer.

When commodity prices rise, the Fed would raise interest rates to prevent inflation, Mr. Moore and his co-author, Louis Woodhill argued, and it would reduce rates when commodity prices fall. Mr. Trump saw the piece, and he offered Mr. Moore the Fed post, which Mr. Moore said he had never previously considered." [Jim Tankersley and Neil Irwin, "[He's No 'Sycophant' for Trump, Expected Fed Nominee Says](#)," *The New York Times*, 03/26/19]

Moore Thinks The Federal Reserve "Should Cut Interest Rates By Half A Percentage Point, A Position Well Out Of Line With Other Policymakers." "Presumptive Federal Reserve nominee Stephen Moore thinks the central bank should cut interest rates by half a percentage point, a position well out of line with other policymakers. In an interview with *The New York Times*, the Heritage Foundation fellow and former Wall Street Journal editorial board member backed off on earlier criticism he had for the Fed and specifically its chairman, Jerome Powell. President Donald Trump said last week that he intends to nominate Moore for a Fed governorship." [Jeff Cox, "[Likely Fed nominee Stephen Moore thinks rates should be cut by half a percentage point](#)," *CNBC*, 03/27/19]

...A Policy That Could Hurt Retirees And Seniors Relying On Social Security.

Rate Increases "Particularly Help Older Americans Trying To Live On Their Retirement Savings." "As a rate boost brings better returns to savings vehicles, senior citizens should enjoy better paydays by putting their money in CDs and savings accounts. 'Higher interest rates on CDs and other financial instruments will particularly help older Americans trying to live on their retirement savings,' says Lynn Reaser, chief economist at Point Loma Nazarene University in San Diego. As the population ages in coming years, many more Americans will come to appreciate even modest increases in interest income during retirement when they buy certificates of deposit." [Mark Hamrick, "[7 benefits of a Federal Reserve interest rate hike](#)," *CNBC*, 07/11/18]

Low Interest Rates "Can Directly Weaken The Financial Well-Being Of Retirees Who Are Living Off Their Life Savings" And Can "Negatively Impact Social Security's Broader Finances Because Social Security Trust Funds Earn Interest On Their US Treasury Bond Holdings." "The Federal Reserve has kept its benchmark short-term interest rate at or near zero for several years in an effort to stimulate the economy. Although low interest rates can financially benefit those borrowing money to buy a house or a car or even to fund a new business, such rates can directly weaken the financial well-being of retirees who are living off their life savings. Low interest rates translate into lower yields on fixed-income assets, meaning the monthly interest and dividend payments that seniors rely on in retirement will generally be lower than anticipated. This lack of income could lead to reduced consumption and an inability to pay bills. Low interest rates also negatively impact Social Security's broader finances because Social Security Trust Funds earn interest on their US Treasury bond holdings." [Jason J. Fichtner, "[What Low Interest Rates Mean for Social Security and Retirees](#)," Mercatus Center, 12/09/16]

Stephen Moore Said He Opposed Subsidizing “Expensive Drugs For 85-Year-Old Geriatric Patients,” But That We Should “Be Celebrating” The Pharmaceutical Industry’s High Profits.

After 9/11, Stephen Moore Called For The Government To Stop Subsidizing “Expensive Drugs For 85-Year-Old Geriatric Patients” In Order To “Start Investing Massively In Counterterrorism Activities.”

Stephen Moore Wrote That “The Lesson Of September 11, 2001” Is “That We Need Much Smarter Government,” Which Would “Stop Subsidizing [...] Expensive Drugs For 85-Year-Old Geriatric Patients” And “Start Investing Massively In Counterterrorism Activities That Will Keep Us Safe From Our Enemies.” “The lesson of September 11, 2001 is not that we need bigger government. It is that we need much smarter government. Sen. Phil Gramm of Texas, who will soon be terribly missed, has said it best when he noted that ‘a government that tries to do everything can't do anything very well.’ Precisely. We should stop subsidizing day care and sheep herding, and high-tech companies, and expensive drugs for 85-year-old geriatric patients, and mass-transit projects to nowhere, and Lawrence Welk museums, and shark research, and an utterly worthless education department, and freedom fighters in every corner of the globe, and foreign-aid payments to corrupt and free-market hostile governments, and tens of thousands of troops in Europe protecting we don't know whom from we don't know who, and start investing massively in counterterrorism activities that will keep us safe from our enemies.” [Stephen Moore, “[Misplaced Trust](#),” *National Review Online* via *Archive.org*, 10/16/01]

In 2003, Stephen Moore Said That We Should “Be Celebrating” The Pharmaceutical Industry’s High Profits, Adding That It Was “Very Unfairly” “Under Daily Assault From Congress Trying To Deplete Its Profits.”

In June 2003, Stephen Moore Said The Pharmaceutical Industry Is “An Industry That We Should Be Celebrating That Is Making So Much Money,” Adding That It Was “Almost Under Daily Assault From Congress Trying To Deplete Its Profits, I Think, Very Unfairly.” In June 2003, while testifying before the Human Rights and Wellness Subcommittee of the House Committee on Government Reform, Stephen Moore said, “The third thing I would say is that it is a good thing, it is not a bad thing, that our drug industry is so profitable. Next week, I am going to be testifying before another committee about why the steel industry is not so profitable or why we are losing money in the telecommunications industry. This is an industry that we should be celebrating that is making so much money. And, in fact, that is good for the workers in the industry, it is good for all of us who are shareholders in the drug industry. So, again, it is sort of this upside down thinking that somehow because the drug industry is making a lot of money, that's a bad thing. It's a very good thing, and, in fact, one of the reasons, unfortunately, that this industry has to spend \$150 [million] lobbying every year, unfortunately, is because this industry is almost under daily assault from Congress trying to deplete its profits, I think, very unfairly.” [“[The Economic Aspects of the Pharmaceutical Industry in the United](#)

[States](#),” Hearing of the House Subcommittee on Human Rights and Wellness, Committee on Government Reform, 06/25/03]

Stephen Moore Believes That High Drug Prices Aren't A Problem Because People Who Need Life-Saving Medication Consider Them “The Greatest Bargain” Imaginable Regardless Of The Price.

Stephen Moore Claimed That “The Entire Concept Of Drug Prices’ Being ‘Too High’ Is Subjective” And Argued That Parents Of Children With Epilepsy And Blood Diseases Consider High-Priced Drugs “The Greatest Bargain” Imaginable.

In 2018, Stephen Moore wrote, “The Entire Concept Of Drug Prices’ Being ‘Too High’ Is Subjective,” And “Certainly Not Compared With Not Having The Drugs Available At All,” Noting That He Has “Friends Who Have Children Who Are Afflicted With Epilepsy Or Rare And Fatal Blood Diseases” Who “Would Literally Give Up Everything They Have For Treatments To Cure Their Children.” “Of course, the entire concept of drug prices’ being ‘too high’ is subjective. Drugs are too expensive ... compared with what? Certainly not compared with not having the drugs available at all. If you suffer from the intense pain of migraine headaches or have been diagnosed with lung cancer, how much would you pay for a drug to help you? I have friends who have children who are afflicted with epilepsy or rare and fatal blood diseases, and they say they would literally give up everything they have for treatments to cure their children.” [Stephen Moore, “[How Trump Can Lower Drug Prices](#),” Creators.com, 07/17/18]

In 2003, Stephen Moore said that sister, who had a young child with epilepsy, would consider \$10,000 for treatment “The Greatest Bargain That She Could Ever Imagine” Because “Good Drugs” For Epilepsy Had Not Yet Been Developed. “Now, let me just give you one sort of personal example. My sister has a child who has epilepsy. Epilepsy is, unfortunately, one of these diseases that we don’t have good drugs for yet, although sometime in the next 10 to 20 years those drugs will be developed. If you told my sister that we had a new drug for epilepsy for her 4-year-old and it cost \$10,000, she would say this is the greatest bargain that she could ever imagine. She would pay that \$10,000. She’d pay \$50,000 for that drug.” [“[The Economic Aspects of the Pharmaceutical Industry in the United States](#),” Hearing of the House Subcommittee on Human Rights and Wellness, Committee on Government Reform, 06/25/03]

Stephen Moore Supports Privatizing Social Security, A Crucial Program For Elderly Americans, And Even Told A Classroom Of Students That They Should March On Washington And *BURN* Their Social Security Cards.

Last Year, Stephen Moore Told A Group Of Students That He Wanted To See “Hundreds Of Thousands Of People Your Age Going To The Capitol And Yelling ‘Hey, Hey, We Won’t Pay,’ And Burning Your Social Security Cards.”

In July 2018, Stephen Moore Told A Group Of Students, “What I Want To See From Your Generation Is Hundreds Of Thousands Of People Your Age Going To The Capitol And Yelling ‘Hey, Hey, We Won’t Pay,’ And Burning Your Social Security Cards.” During a seminar for the Young America’s Foundation, Stephen Moore said, “[w]hat I want to see from your generation is hundreds of thousands of people your age going to the Capitol and yelling ‘hey, hey, we won’t pay,’ and burning your Social Security cards. You know? Can you guys have that movement?” [[Stephen Moore](#),” Young America’s Foundation via YouTube, 07/22/18 (59:05)]

- Moore was speaking at the Young America’s Foundation’s “Road to Freedom Seminar: Why the Left Hates Trump’s Economy,” held July 20-21, 2018 at the Foundation’s headquarters in Reston, VA. [[Road to Freedom Seminar: Why the Left Hates Trump’s Economy](#),” Young America’s Foundation, accessed 03/29/19]

Moore Also Told The Students That “Social Security Is Probably The Worst Investment You’re Ever Going To Make In Your Life” And Advocated Privatizing The Program.

In July 2018, Stephen Moore Told A Classroom Of Students, “Social Security Is Probably The Worst Investment You’re Ever Going To Make In Your Life.” “Social Security is probably the worst investment you’re ever going to make in your life. Right? The joke is on your generation. [...] If you think that you’re going to get Social Security when you retire, you know, I think you’re living in a fantasy land.” [[Stephen Moore](#),” Young America’s Foundation via YouTube, 07/22/18 (56:54)]

Stephen Moore Advocated for Creating “Personal 401k Plans” That Would Depend On The Stock Market, Claiming That They Would Provide A “Higher Benefit” Than Social Security. “Now what I want to do, and this is not a new idea but I think it’s more important now than ever, is basically say to every American under the age of 30 – you, instead of having to take 12% of your paycheck each paycheck and send it off to Washington, you put that money into a forced savings account under your own name. It’s called like a personal IRA, a personal 401K plan, and you get to accumulate that money over time. And you know, you basically can’t spend it, by the way, you can’t tap into that money until you reach the age of 65. But if you have that kind of system and we get an average return on the stock market, that means that every single one of you in this room is going to have at least a million dollars in that account by the time you retire. And by the way, that means that you can actually take out the money and you have a higher benefit than you would get [sic] Social Security.” [[Stephen Moore](#),” Young America’s Foundation via YouTube, 07/22/18 (57:19)]

- Moore was speaking at the Young America’s Foundation’s “Road to Freedom Seminar: Why the Left Hates Trump’s Economy,” held July 20-21, 2018 at the Foundation’s

headquarters in Reston, VA. [["Road to Freedom Seminar: Why the Left Hates Trump's Economy,"](#) Young America's Foundation, accessed 03/29/19]

Stephen Moore Said That Social Security "Essentially Was A Ponzi Scheme."

In 1995, Stephen Moore Claimed That Social Security "Essentially Was A Ponzi Scheme," Americans Are Paying For Today. In a 1995 C-SPAN interview, Stephen Moore said, "The New Deal did all of those things. It launched the modern era of big government in America and I think the real legacy of the New Deal is being felt today with the huge amounts of debt that we see in the United States, the imminent collapse of Social Security. Social Security was probably the centerpiece of the New Deal legislation, and in fact, now we're seeing that system on the verge of collapse. It essentially was a Ponzi scheme that now we're paying the price for." [["Stephen Moore - Social Security is a Ponzi Scheme,"](#) C-SPAN, 04/12/95]

Stephen Moore Called Social Security "The Belly Of The Beast."

Stephen Moore Has Referred To Social Security As The "Belly Of The Beast," With Its Repeal Allowing "The Rest Of The Empire" To Crumble. "Moore fantasizes about the day that Generation-Xers show up to the Capitol to burn their Social Security cards, much like their parents burned their draft cards. 'Social Security is the belly of the beast,' Moore says. "Ask any liberal to name a program that works and they'll immediately point to Social Security. It's a symbol that the New Deal works. If we can bring down that empire, the rest of the empire will crumble soon after." [Nina J. Easton, "Making America Work; Red White And Small; Ed Crane's Cato Institute Is A Think Tank That Believes The Country Would Work Better If There Was Less Government," *Los Angeles Times*, 07/09/95]

Donald Trump, Who Nominated Moore To The Fed, Also Compared Social Security To A "Ponzi Scheme," Despite Pledging Not To Cut Benefits.

In 2015, Donald Trump Said He Would Not "Cut Social Security Like Every Other Republican." "'I'm not going to cut Social Security like every other Republican and I'm not going to cut Medicare or Medicaid,' Donald Trump declared in 2015. 'Every other Republican's going to cut, and even if they wouldn't, they don't know what to do because they don't know where the money is. I do. I do.'" [Steve Benen, "[It's not just Medicare: Trump budget eyes Social Security cuts, too,](#)" *MSNBC*, 03/11/19]

President Trump Said He Offered Stephen Moore A Nomination On The Federal Reserve's Board Of Governors. On March 22, 2018, "President Trump said [...] that he had offered a position on the Federal Reserve's Board of Governors to Stephen Moore, a conservative economic adviser who has become an outspoken critic of the Fed's interest rate policy." [Jim Tankersley, "[Trump Taps Fed Critic Stephen Moore for Board Seat,](#)" *The New York Times*, 03/22/19]

In His 2000 Book, Donald Trump Compared Social Security To A Ponzi Scheme: “Does The Name Ponzi All Of A Sudden Come To Mind?” “But when Trump first flirted with running for president in 2000, he wanted to privatize the program and raise the retirement age, and called the program a Ponzi scheme. ‘Fast-forward to 1941,’ writes Trump after a long explanation of the first Ponzi scheme to intro his chapter on ‘Making Social Security Secure Again.’ ‘This is the second year Social Security benefits have been paid,’ he continues, “The first recipients of Social Security, even once inflation was factored in, got the equivalent of a 36.5 percent annual interest rate on their initial contributions into the Social Security Trust Fund. For those retiring in 1956, their inflation-adjusted rate of return was still a respectable 12 percent. Julie Kosterlitz, in the National Journal, compares that figure with this: For those who are working now and looking to retire after 2015, their returns will be below 2 percent. And that’s if they ever get paid at all. Does the name Ponzi all of a sudden come to mind?” [Andrew Kaczynski, [“Trump On Social Security In His 2000 Book: A Ponzi Scheme We Must Privatize,”](#) *Buzzfeed News*, 09/29/15]

Social Security Is A Crucial Program For Elderly Americans, Which Stephen Moore Could Directly Impact As A Member Of The Federal Reserve Board.

As A Member Of The Federal Reserve Board, Stephen Moore Would Have A Direct Impact On How Much Money Social Security Earns From The Treasury Bonds In Which It Is Required To Invest.

The Federal Reserve Sets The “Federal Funds Target Rate,” Which “Has The Power To Influence Social Security.” “Traditionally, we think of the Federal Reserve as the entity that monitors the nation’s money supply and oversees the largest banks. It’s also responsible for setting the federal funds target rate, which is the overnight lending rate between banks. It’s this federal funds target rate that has the power to influence Social Security. You see, the federal funds target rate is closely tied to interest rates, such as those you would pay on your credit card, or the yields you’d receive when purchasing a Treasury bond from the U.S. government.” [Sean Williams, [“Here’s How the Federal Reserve Can Affect Social Security,”](#) *The Motley Fool*, 11/29/18]

- **Social Security Is Required To Invest All Its Surpluses Back Into Treasury Bonds, Whose Yields Are Directly Determined By The Federal Reserve’s Interest Rates.** “By law, the Social Security Administration is required to invest all net cash surpluses -- i.e., excess revenue collected, minus program expenditures -- in special-issue bonds and, to a lesser extent, certificates of indebtedness. In essence, Social Security is loaning out its excess cash to the federal government in exchange for Treasury bonds that pay a set interest rate over a defined period of time. If the Fed is loosening monetary supply, the yields on these special-issue bonds would be expected to decline, thereby resulting in less interest income being collected by Social Security. On the other hand, if the Fed is tightening monetary supply, the yields on these government bonds would rise, resulting in more interest income.” [Sean Williams, [“Here’s How the Federal Reserve Can Affect Social Security,”](#) *The Motley Fool*, 11/29/18]

Social Security Provides A Stable Source Of Income For Retirees— And Privatization Would Subject Everyone’s Retirements To Market Fluctuations.

“Traditional Social Security Provides A Guaranteed Income,” And Provides More Than Half The Income For Over 60% Of Those Who Receive It. “In contrast to private retirement funds, traditional Social Security provides a guaranteed income, paying benefits every month for life — with increases for inflation. After adjusting for risk, Social Security has a rate of return equal to that of any mix of financial assets in private accounts. With more than 60 percent of beneficiaries relying on Social Security for at least half their income, it makes no sense to gamble Americans’ future Social Security benefits on the roiling forces of the market.” [Max Richtman, “[Privatization is really a plan to dismantle Social Security,](#)” CNBC, 03/26/18]

Privatized Social Security “Would Encourage Workers To Gamble” Their Contributions On Private Investments And “Risk Losing Some Or All Of It, Leaving Little Or Nothing For Retirement.” “Instead of providing a secure, defined benefit as Social Security now does, privatizers would encourage workers to gamble a growing percentage of their payroll contributions on private investments. As the proportion of private investment increased, the amount of a worker’s defined Social Security benefit would decrease — until it reached what could only be considered a poverty-level amount. Of course, the worker would reap any gains in the privately invested funds, but would also risk losing some or all of it, leaving little or nothing for retirement.” [Max Richtman, “[Privatization is really a plan to dismantle Social Security,](#)” CNBC, 03/26/18]

Four In Ten (Around 15 Million) Elderly Americans Would Be Living Below The Poverty Line Without Social Security.

Four In Ten, Or An Estimated 15 Million, Elderly Americans Would Be Living Below The Poverty Line Without Social Security. “Without Social Security benefits, about 4 in 10 Americans aged 65 and older would have incomes below the poverty line, all else being equal, according to official estimates based on the 2017 Current Population Survey. Social Security benefits lift more than 15 million elderly Americans out of poverty, these estimates show.” [[“Policy Basics: Top Ten Facts about Social Security,”](#) Center On Budget and Policy Priorities, 08/14/18]

One In Five Elderly Americans Rely On Social Security To Provide 90% Of Their Income.

A Majority Of Elderly Americans Rely On Social Security For Half Of Their Income And, For One In Five Elderly Americans, Social Security Makes Up Ninety Percent Of Their Income. “Social Security provides the majority of income to most elderly Americans. For about half of seniors, it provides at least 50 percent of their income, and for about 1 in 5 seniors, it provides at least 90 percent of income.” [[“Policy Basics: Top Ten Facts about Social Security,”](#) Center On Budget and Policy Priorities, 08/14/18]

Stephen Moore Has Repeatedly Praised The Pharmaceutical Industry Over The Course Of His Career And Argued That We Should “Be Celebrating” Its Disproportionately High Profits In The Health Care Sector.

Stephen Moore Has Lauded The “Ingenuity And Entrepreneurship” Of The Pharmaceutical Industry And Claimed That “No Industry In The History Of Mankind Has Done More To Preserve Life And Reduce Pain.”

In 2018, Stephen Moore Wrote Glowingly Of The Pharmaceutical Industry’s “Ingenuity And Entrepreneurship.” “American investments, ingenuity and entrepreneurship have made intellectual property one of our nation’s most important assets — IP-intensive industries including software, biotechnology and entertainment now support nearly one-third of all U.S. jobs. But too often, our foreign trading partners take unfair advantage of our IP innovations to enrich themselves at our expense. This is glaringly evident in the pharmaceutical sector.” [Stephen Moore and Steve Forbes, “[Negotiating better trade agreements](#),” *The Washington Times*, 05/20/18]

Stephen Moore Claimed That “No Industry In The History Of Mankind Has Done More To Preserve Life And Reduce Pain” And Asked, “So Why Is This Industry Suddenly A Villain?” “[...]no industry in the history of mankind has done more to preserve life and reduce pain and suffering than the U.S. pharmaceutical companies. So why is this industry suddenly a villain?” [Stephen Moore, “[Drug-Price Controls Can Be Injurious To Your Health](#),” *National Review*, 11/26/18]

In 2003, Stephen Moore Said That We Should “Be Celebrating” The Pharmaceutical Industry’s High Profits, Adding That It Was “Very Unfairly” “Under Daily Assault From Congress Trying To Deplete Its Profits.”

In June 2003, Stephen Moore Said The Pharmaceutical Industry Is “An Industry That We Should Be Celebrating That Is Making So Much Money,” Adding That It Was “Almost Under Daily Assault From Congress Trying To Deplete Its Profits, I Think, Very Unfairly.” In June 2003, while testifying before the Human Rights and Wellness Subcommittee of the House Committee on Government Reform, Stephen Moore said, “The third thing I would say is that it is a good thing, it is not a bad thing, that our drug industry is so profitable. Next week, I am going to be testifying before another committee about why the steel industry is not so profitable or why we are losing money in the telecommunications industry. This is an industry that we should be celebrating that is making so much money. And, in fact, that is good for the workers in the industry, it is good for all of us who are shareholders in the drug industry. So, again, it is sort of this upside down thinking that somehow because the drug industry is making a lot of money, that’s a bad thing. It’s a very good thing, and, in fact, one of the reasons, unfortunately, that this industry has to spend \$150 [million] lobbying every year, unfortunately, is

because this industry is almost under daily assault from Congress trying to deplete its profits, I think, very unfairly.” [[“The Economic Aspects of the Pharmaceutical Industry in the United States,”](#) Hearing of the House Subcommittee on Human Rights and Wellness, Committee on Government Reform, 06/25/03]

The Pharmaceutical Industry Makes 63% Of The Profits In The Health Care Sector Despite Only Pulling In 23% Of The Sector’s Revenues.

The Pharmaceutical Industry Is The Tenth-Highest Profitable Industry—It Makes 23% Of The Total Revenue Earned Throughout The Health Care Industry But Reaps 63% Of Its Total Profits. “They have the tenth highest average after-tax profit levels of more than 100 different industries. And according to figures from Axios, while drug companies bring in 23% of health care’s U.S. revenue, they make 63% of the total profits.” [Erik Sherman, [“Drug Companies Have Big R&D Expenses and Still Make Large Profits,”](#) *Fortune*, 03/01/19]

In 2017, The Pharmaceutical Industry Made Twice As Much Money Just In The U.S. As In All Of The European Countries Combined. “In 2017, the pharmaceutical industry made more than twice as much money in the U.S. – \$453 billion – than in all European countries combined. The top five drug companies alone made over \$50 billion, while the top five American pharmaceutical CEOs made more than \$113 million in compensation.” [[“The Prescription Drug Price Relief Act of 2019,”](#) Sen. Bernie Sanders, accessed 04/17/19]

Stephen Moore Has Claimed That Drug Companies Need All The Money It Can Get For R&D—Even Though The Pharmaceutical Industry Has Poured \$30 Billion Into Marketing Alone.

Stephen Moore’s Defense Of The Pharmaceutical Industry Is Based On What He Calls Its “Eye-Popping” Investments In Research And Development...

Stephen Moore Has Defended Pharmaceutical Companies As “The Runaway Global Leaders In Developing New Prescription Drugs” By Pointing Out Its “Eye-Popping R&D Investments.” “American pharmaceutical companies are the runaway global leaders in developing new prescription drugs. This requires massive outlays of capital. A 2014 Tufts study estimated the cost of developing and bringing a prescription drug to market at \$2.6 billion. These eye-popping R&D investments U.S. Pharma makes in new medications are especially important in biologics, the revolutionary class of drugs that holds great promise in addressing some of our most serious health challenges, including cancer, MS, Alzheimer’s, and more.” [Stephen Moore and Steve Forbes, [“Negotiating better trade agreements,”](#) *The Washington Times*, 05/20/18]

...Even Though The Industry Has Nearly Doubled Its Marketing Budget To \$30 Billion Since 1997.

While Pharmaceutical Companies Complain About Research And Development (R&D) Costs, They As An Industry Have Nearly Doubled Their Marketing Budgets Since 1997, From Nearly \$18 Billion To Nearly \$30 Billion. “Drugmakers historically have blamed higher prices on the costs of research and development. And it is true that R&D is expensive, with companies typically spending more than they ultimately make in profits, according to Axios. But such figures can be misleading. Marketing costs have grown substantially, according to an article in the Journal of the American Medical Association. Between 1997 and 2016, industry spending on marketing grew from \$17.7 billion to \$29.9 billion, largely owing to direct-to-consumer ads and marketing to health professionals to promote medicines.” [Erik Sherman, [“Drug Companies Have Big R&D Expenses and Still Make Large Profits,”](#) *Fortune*, 03/01/19]

- **Pharmaceutical Companies Also Get Tax Credits For Their R&D Spending That “Significantly Reduce Tax Liabilities.”** “Also, industry publications like *Pharmaceutical Executive* and notes from tax experts stress the ability for companies to take advantage of federal and state R&D tax credits, which can significantly reduce tax liabilities. As a result, even with major R&D spending, pharmaceutical companies remain highly profitable.” [Erik Sherman, [“Drug Companies Have Big R&D Expenses and Still Make Large Profits,”](#) *Fortune*, 03/01/19]

Stephen Moore Has Called For U.S. Trade Deals That Pressure “Freeloading” Countries to Drop Price Controls On Drugs And Called Efforts By Canadian Regulators To Limit Drug Prices “A Classic Shakedown.”

Stephen Moore Argued That The U.S. Should Use Trade Deals To Pressure “Freeloading” Countries To Dump Price Controls On Drugs.

Stephen Moore Wrote That Other Nations’ “Price Controls On American-Produced Prescription Drugs” Are “Unfair To American Consumers.” “It is very simple: When other nations impose price controls on American-produced prescription drugs (and threaten to steal the patents and produce the drugs themselves if these companies don’t comply), it means that American consumers pay higher prices here at home to cover the R&D costs. This is unfair to American consumers. It is one reason our health care costs are more expensive than in other nations. So rather than imposing price controls here at home, which would severely slow the development of new life-saving drugs, we should shut down the price controls abroad as a key condition of new trade deals.” [Stephen Moore and Steve Forbes, [“Negotiating better trade agreements,”](#) *The Washington Times*, 05/20/18]

Stephen Moore Co-Authored An 11-Page Report Arguing Against Price Controls On Drugs In Other Countries While Acknowledging That Americans Complain About Pharmaceutical Costs “With Justification.” “[...] because American consumers are forced to cover the cost of free-riders in other nations, political pressure is mounting in Washington to impose domestic price controls as other nations have done. Many Americans complain—with justification—that they have to pay more for a drug than do the Canadians, Europeans, British or Chinese [...] The U.S. accounts for half of global medical spending on R&D, and creates most

new treatments— benefits freely shared with the rest of the world. At the same time foreign governments use a variety of measures to keep drug prices artificially low and export the costs of drug development back to American consumers.” [Stephen Moore and Steve Forbes, [“Foreign Price Controls Jeopardize Global Health and Raise Drug Costs for Americans,”](#) Committee to Unleash Prosperity, July 2018]

Stephen Moore Compared “Other Nations With Socialized Health Care” To A “Freeloading” “25-Year-Old Kid Living At His Parents’ House Rent-Free And Helping Himself To Everything In The Fridge.” “This is a major reason that overall medical costs are higher in America than in other nations with socialized health care. The rest of the freeloading world is like the 25-year-old kid living at his parents’ house rent-free and helping himself to everything in the fridge.” [Stephen Moore, [“Drug-Price Controls Can Be Injurious To Your Health,”](#) *National Review*, 11/26/18]

Stephen Moore Criticized Canada For Ordering An American Pharmaceutical Company To Lower Its Prices, Which He Described As “A Classic Shakedown.”

In 2017, Stephen Moore Criticized Canadian Regulators For Ordering American Pharmaceutical Company Alexion To Lower Prices For “Treatment For A Rare Blood Disorder,” Which He Described As “A Classic Shakedown.” “In an unprecedented move, Canadian regulators recently ordered American pharmaceutical company Alexion to lower the price of its breakthrough treatment for a rare blood disorder. The decision was based on currency exchange fluctuations between 2012 and 2014, which increased the relative cost of the medicine despite that the company obviously has no control over currency values. It’s a classic shakedown, where Canada is inventing new rules to avoid paying American pharmaceutical and technology companies for their innovations and inventions.” [Stephen Moore, [“NAFTA needs to be renegotiated,”](#) *The Washington Times*, 10/15/17]