

In the current farm program there is a circumstance where the Prince of Liechtenstein was paid farm program benefits to a farm in Texas. Does anybody think the Prince of Liechtenstein is a Texas farmer? Of course not.

We had a bunch of Texans, a farmer coalition, so they could farm in Montana. They plowed a bunch of ground and seeded it by helicopter. They were not farming the land. They were farming the farm program, so they could get \$20,000, \$40,000, or 50,000 payments each.

We have a national newsmen in this country that everyone probably has read about recently—who I assume lives in Washington, DC—gets \$90,000 under the wool and mohair program. I bet that newsmen does not live with the sheep most of the year. He is living in Washington, DC, or New York City. It seems to me the farm program ought to be targeted to family-size farms.

Now what I propose is a new approach, and I hope the Senate Agriculture Committee will look at it. I think it will do the right thing and save the Government money. I propose we structure farm program price benefits or farm program price supports or the safety net for farm programs, so that the strongest price goes to the first increment of production.

We say if a farmer raises 20,000 bushels of wheat, we provide a price of \$4.50 a bushel. We hope the farmer gets money from the marketplace, but if not, we provide \$4.50 for the bushel for the first 20,000 bushels of wheat, and that is all the money we have. We are sorry. If they want to farm the whole county, God bless you, they have every right to farm the whole county, but the Federal Government does not have to be the financial partner beyond the first 20,000 bushels. If a farmer wants to farm beyond that level, they are on their own.

That ought to be the case in all farm programs.

In the dairy program, I have never understood, for example, why there is need to support a dairy operation in California that milks 3,500 cows every day. I do not know if anybody here has milked a cow. I have milked a cow, but if you milk 3,500 cows a day and get a price support under every gallon of milk you pull from the cows, that just does not make sense.

It seems to me if we have price supports for milk, we say we might provide a decent price support for the milk from 80 cows. That is hard work for a farmer running a farm. However, if a farmer wants to buy the 81st cow, guess what? When they sit on the milk stool, do a little milking, those farmers would be milking on their own risk.

I think that is what we ought to do with the farm program. If we are not willing to recognize that the farm program is one that is designed to try to help the family farmers stay on the farm—and those are important things to care about from social and economic policy reasons—if that is not the pur-

pose of it, I say we should get rid of the farm program.

We do not need to provide a stimulant for corporate agri-factories to plow. They will plow. Corporations will plow the whole country. As soon as they have plowed the whole country and cornered the supply of food, guess what? Go to the grocery store and see what the price of food will be. The corporations of this country will darn sure make certain that consumers would be paying well above the cost of production for food.

Of course, now we do not do that. We go to the store and buy a box of elbow macaroni. Let us see how that relates to the price of durum wheat. Somebody out on a farm raises durum wheat and he grinds it into semolina flour, and the semolina flour is produced into elbow macaroni.

I can show when the price of durum wheat goes down 2 bucks a bushel, the price of elbow macaroni goes up. I can show when the price of wheat goes down the price of cereal goes up. I can show that the snap, crackle, and pop in Rice Krispies often brings more to the people that produce the snap and the crackle, than the person that produces the rice.

It is the same with puffed wheat. The puffer gets more than the wheat. It is the same with corn flakes. The flaker gets more than the person that rides the tractor and raises the corn.

That is the way things have worked. It is not right.

We have an opportunity this year to write a farm program that produces the right result. Now for social and economic reasons, this country ought to care about who produces its food-stuffs. It ought to care about the Farm Belt. It ought to care about preserving a network of family farmers. For that reason, we ought to have a safety net—not for a set of golden arches or for the largest agri-factories—but, a safety net for family farmers.

We can do that. We can do it in a responsible and reasonable way—and we can save the taxpayers' money at the same time—if we simply decide the current farm program is not working and we construct a new farm program, a better farm program, one that gives some hope to family farmers for a change.

It is interesting that with all the discussion around this town about reform and reinventing, the odds are that unless things change in the next 60 or 80 days, we will see the same old tired, failed policies with respect to agriculture.

I hope that the proposal that I am making this year—the legislative proposal for targeting farm program support prices to family-sized farms—and the roles by others that try to really substantially reform the farm program will this year give us a change. It does not make sense to do less of the same, when the same does not work.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE UNBALANCED BUDGET

Mr. PRESSLER. Mr. President, I have just returned from my State of South Dakota, where I listened to the farmers, small businessmen, students, wives, and citizens of South Dakota for 9 days. I found many were thanking me for voting for the balanced budget resolution, the Domenici-Dole budget that passed the U.S. Senate about 2 weeks ago. The people of our country want change. They want us to do something about the huge deficit that has been built up and they feel we have taken the first step. The message I heard loud and clear was, "Please take the second and third steps now."

For the first time since I have been in the Senate, this body passed a real budget that will move us toward a balanced budget in the year 2002. But even with a balanced budget in 2002, we will still have a huge deficit. In some of my high school graduation speeches, I predicted they will have to pay a tax surcharge on their income taxes for most of their lives to help pay down the Federal deficit, or at least pay interest on it.

I know the dullest story in the world probably is the Federal deficit, but cattlemen are aware that our budget that we passed here, if we stick to it, will result in lower interest rates. It will also result in a stable dollar so that there can be international trade. Senior citizens understand that the cuts in Medicare are merely a cut in the rate of increase. Medicare has been increasing at a 10-percent increase. This budget allows about a 7-percent increase, and it provides for streamlining, doing away with fraud and abuse, and other steps within Medicare and Medicaid so they can still provide solid service.

Even the Democrats' study predicted that Medicare would go bankrupt by the year 2000 unless something is done. I find it very strange that many are criticizing the Domenici-Dole budget but they did not provide an alternative here on the Senate floor. There was the alternative of President Clinton which every Member of this Chamber voted against.

I do not mean to be partisan, but I would say I am very proud and I have found my constituents thankful that Congress has finally started to address the budgetary deficit problem. There is also a strong feeling among senior citizens that to keep our currency solvent, our dollar stable, and to avoid inflation is worth a great deal to them. This budget will start to do that if we stick to it.

So the message I got from my constituents was, "Thank you for the vote on the balanced budget that went through the Senate." But they are a little nervous about us. They say, "You are on second base. Keep going." So that is the message I bring back from my constituents. I think it is an important one to our Nation, because it is our No. 1 domestic problem, the unbalanced budget.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON THE CALENDAR—H.R. 1045

The PRESIDING OFFICER. The clerk will read H.R. 1045 for a second time.

The legislative clerk read as follows:

A bill (H.R. 1045) to amend the Goals 2000 Educate America Act, to eliminate the National Education Standards and Improvement Council, and for other purposes.

Mr. BINGAMAN. Mr. President, I object to proceeding at this time to the bill.

The PRESIDING OFFICER. The bill will be placed on the calendar.

The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be allowed to speak for up to 20 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CUTS IN CIVILIAN RESEARCH AND DEVELOPMENT

Mr. BINGAMAN. Mr. President, 2 weeks ago the Senate passed a budget resolution designed to eliminate the Federal deficit over the next 7 years. The House passed its version of that budget the week before.

While there are some major differences in those budgets, particularly on tax cuts and defense spending and domestic discretionary spending, there is one common feature, and that is a proposed drastic cut in Federal support for civilian research and development. That is across Government.

There has been very little attention paid to this part of the budget balancing effort so far. The public attention has been concentrated on Medicare, Medicaid, education, and tax cuts for the wealthy. But this issue, these drastic cuts in Federal support for civilian research and development, may be the place where the Republican budgets that have been passed through the two Houses will do the most damage to our Nation's future well-being and prosperity.

Overall, civilian research and development spending will be cut 30 to 40

percent by the year 2002 to a four-decade low as a percentage of our economy. Some agencies, such as the National Science Foundation, perhaps the National Institutes of Health, may be cut only at the inflation rate during the next 7 years, but all others—that is, NASA, the Department of Energy, the Department of Commerce, EPA—all appear to be slated for much deeper reductions.

For those who are not familiar with the budget process here—I am sure there are some who are watching who may not be—let me explain why we cannot be more specific about the effect of these budgets at this point. The budget resolutions that are still being considered in conference make many assumptions about Federal programs. The only binding assumption which came out of what we did here in the Senate and in the House is the assumption that affects civilian-applied research with regard to the domestic discretionary spending cap. In fiscal year 1995, this current year, that cap is \$257 billion for total domestic discretionary spending. Under the Senate version of the budget in 2002, it will be \$234 billion, or a 10-percent reduction. That is a 10-percent reduction coupled with 7 years of no inflationary adjustment. Under the House version, the domestic discretionary spending total in 2002 is even lower. In the House version, it will be \$229 billion.

If civilian research is treated on average like all other programs in this larger category, this domestic discretionary spending category, which I would assume is really the best case that we could hope for, if that were to be the case, then that research and development funding would be cut 30 percent in real terms. If other programs, such as highway funding, law enforcement, and veterans programs are protected from cuts when funding is finally allocated by the Appropriations Committees, the cuts in research and development could reach 40 percent in real terms.

Mr. President, I am tempted to ask what the research community in this country has done or failed to do to deserve this type of treatment at this stage in our Nation's history. The research community won the cold war for us. They put men on the moon, they revolutionized medicine, they invented computers, they pioneered electronics and semiconductor devices. They invented a myriad of new materials that have fundamentally changed our lives.

This is just as Vannevar Bush, who was one of the giants in the post-World War II generation in science, predicted in his report, "Science: The Endless Frontier," about half a century ago. Bush had the wisdom to know nearly 50 years ago that new scientific and technological fields would emerge that he could not yet imagine—semiconductor electronics, for example, or molecular biology and the material sciences, just to name three. Bush had the vision to see that Federal investments in science

and technology could transform our lives and contribute to our health and the standard of living and the security of all Americans.

Federal investment in civilian research and development did not cause the Federal deficit. In fact, it is quite the opposite.

Mr. President, here is a chart that I want to direct my colleagues' attention to. It shows civilian research and development as a percentage of gross domestic product during the 40-year period from 1961 through the year 2001 or 2002. In 1969, which is the last Federal budget that we had that was in balance, Federal civilian research spending was .76 percent of gross domestic product, about in this range. With the sole exception of the Bush administration, it has trended lower for the last quarter of a century. In 1995, it is estimated at about .46 percent of gross domestic product, the same as it was in 1992.

In the year 2002, under this budget resolution that passed both the House and now a different one in the Senate, but the same in this regard, in the year 2002, it will be about .27 percent under these Republican budgets. That assumes the best case, as I mentioned earlier; that is, that research is treated on averages the same as other domestic discretionary programs.

It is not just that our civilian research investments have not caused our current deficit. More importantly, there is almost universal recognition that these investments have paid for themselves many times over by the growth that they have contributed to our economy. It is not an accident that American industries, from aerospace to agriculture to electronics to pharmaceuticals, enjoy world leadership. Federal civilian research investments are truly investments in the Nation's future. Mr. President, in my view, it is folly to be cutting them to this extent over the next 7 years as we enter this new century.

The cuts in Federal support for civilian research will almost surely not be made up in the private sector. The Wall Street Journal on May 22 reported on deep cuts being made by AT&T, by General Electric, by IBM, Kodak, Texaco, and Xerox in their research budgets. The reason: Private-sector firms have an ever narrower focus and an ever greater unwillingness to invest in long-term research projects, the benefits of which are uncertain, and usually the benefits of which are not capturable by any single firm alone.

The governments of our major economic rivals, Japan and Germany, recognize the importance of civilian research investments. Let me show you another chart, Mr. President. This chart compares the three countries in 1992. It shows that in 1992, the German Government invested .9 percent of gross domestic product that year in civilian research, over in the right. The Japanese Government invested .5 percent, directly and indirectly. Neither