

President would strip those great funds and send them to Kosovo and the Baltic for misadventures, we have stepped up.

We want to do what is responsible for people who play by the rules, for people who need a helping hand. And just as people have left welfare and gone to work, and just as the American people have more of their hard-earned money to spend on themselves and their families, to save and invest as they see fit, we present a budget that reflects those priorities.

I am honored tonight to join now my two colleagues from Colorado to review that process, with the closing words, Do not listen to what is said. Watch what is done. Actions speak louder than words. This Congress is prepared to take the right kind of actions.

Mr. SCHAFFER. Mr. Speaker, I want to yield the floor over to somebody who has done the hard work of freedom and help make some of the tough choices here in Congress, my good friend and colleague from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Speaker, I appreciate my colleague's providing some time for me; and I appreciate him taking this hour to explain to the American public that there, in fact, is a difference.

We have all heard the lament, Mr. Speaker, when I go home, and I am sure when all of my colleagues, every Member of Congress, goes home; and some time or other someone says something like this. You know, there really is not all that much difference between the two parties. There is not really a dime's worth of difference between the two parties. I have heard it. We all have heard it. Sometimes I probably have said it.

But I must tell my colleagues that there is nothing that brings home the reality of the situation more than a budget resolution and nothing more that defines the differences between the two parties that, in fact, do exist than the budgets presented by the President of the United States, in this case, and by the Republican majority in response to it.

On February 7, 2000, President Clinton and Vice President GORE submitted their budget for fiscal year 2001. Their budget raises taxes and fees on working families by \$250 billion. It creates 84 new Federal programs. It places Government spending increases on "auto pilot" and, as usual, takes a pass on any serious reform of Social Security or Medicare.

Now, that is the reality of the Democrat budget. So when we say things like there is not a dime's worth of difference, we may be right. There is not a dime's worth of difference. In this case, there are hundreds of billions of dollars' worth of difference between the two parties.

Because the Republican party has, in fact, submitted a budget set on priorities, as my colleague from South Dakota and my colleague from Colorado

has indicated. We have, in fact, established education, defense, the preservation of Social Security and debt reduction as priorities.

These are not the priorities of the minority party. These are not the priorities of the President. We all recall the President of the United States standing right there, Mr. Speaker, where the Speaker is right now and telling the Nation not all that long ago that, in fact, "the era of big Government was over."

Now, words are supposed to have meaning. We are supposed to be able to define exactly what is meant when people use them. "The era of big government is over."

Perhaps, in fact, he was right. Perhaps, Mr. Speaker, in Clintonian double-speak this era of big Government is over and what we are anticipating now is the era of huge government. Maybe that is what he meant. I mean, that is the only way we can interpret the words as applied to his budget. Right?

What in here, 84 new programs, \$250 billion more of taxes, what indicates to anyone that there is smaller Government on the horizon?

How about the following: These are taken directly out of the President's budget. These are proposals for new programs in an era of huge government, which he would like to see us enter into.

Let us see, new programs: Increase Amtrak funding by creating a new capital grant program for high-speed rail funded out of the Highway Trust Fund. Even though, by the way, Congress passed legislation to reduce Amtrak's dependence on the Government. It goes on and on. I am not going to read all of them, just a few I pick out as I go through.

Create a conservation security program; income payments to farmers who engage in "voluntary environmental efforts"; provide subsidized banking services in low-income areas; encourage the creation of low-cost bank accounts; increase access to ATMs; and enhance financial education. All might be wonderful ideas. I mean, all these things sound great.

What is the Federal Government's role in this and how do they fit an era of smaller government?

How about funding greening the globe initiatives, increased debt for nature funding. Create an initiative to prevent the spread of HIV within African militaries. Fund a clean partnership. Build a visitors center, an interpretive center. And acquire lands to preserve World War II Japanese-American internment camps in the West. Provide homeless vouchers, set-aside incrementals. Provide welfare-to-work set-aside incrementals. Create a voucher success fund. Create a housing production fund. Create an Indian home ownership intermediary initiative.

I mean, this all goes to Housing and Urban Development. Even though we know that HUD, of all the agencies of Government, and this is hard to say, I

mean, when we are talking about the agencies that waste more of Government, I mean, I do not even know how we can prioritize it, it is so difficult. But let us look at what Congress discovered with HUD. They had hired hundreds of politically favored employees at salaries up to \$100,000 a year each to promote department programs and publicize its activities.

The department dubbed these things "community builders." They have over 900 of these people, 10 percent of HUD's total staff, and these were never granted approval by Congress. The program was supposed to be reduced significantly and phased out by September 30, 1999. It has not happened. The President has asked for an increase in all of these things.

I know we are coming to the end of this hour, and so I want to return to my colleague from Colorado for his closing comments. I just want to say this, that the next time anyone says to you there is not a dime's worth of difference between the two parties, say, you know, you may be right because I think there are really billions, hundreds of billions of dollars of difference between the two parties, as evidenced by the budget.

This is the real world. This is not the world of rhetoric. This is where the rubber hits the road, so to speak. We can talk about era of less Government, but here is where we actually see what the President is talking about. Once again, I believe, Mr. Speaker, that the President has, in fact, deceived the American public.

Mr. SCHAFFER. Mr. Speaker, I thank the gentleman for recognizing us for this hour of special order to talk about the difference between the Republican vision of a budget that secures America's future and contrasting that with the Democrat version of a budget which simply spends us in oblivion and taxes us more.

We hope the Republican version is the one that emerges victorious over the next few days, and we will commit our efforts to see to it that that actually occurs.

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#### AGRIBUSINESS CONSOLIDATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the lovely gentlewoman from Idaho (Mrs. CHENOWETH-HAGE) is recognized for 60 minutes as the designee of the majority leader.

Mrs. CHENOWETH-HAGE. Mr. Speaker, I begin my remarks tonight with the words from one of our Nation's greatest orators, Daniel Webster. This great Senator eloquently sums up the mission of agriculture for this Nation in a rally cry, and that rally cry is placed, Mr. Speaker, right above the Speaker's head in this very Chamber. That rally cry says, "Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests and see

whether we also in our day and generation may not perform something worthy to be remembered."

Mr. Speaker, this foundational principle largely responsible for bringing the prosperity to this Nation is now being threatened. In fact, the market power struggle between corporate giants and helpless farm families is divesting rural America, especially when consumers are buying record amounts of food at record high prices while our family farm producers are going broke.

Mr. Speaker, few of us realize that approximately four big companies control most of the processing and distribution of all of the beef, pork, chicken and grain in this United States. Even further, on the distribution and retail side, there are only a handful of companies that control the United States grocery industry. Well, what has happened is that today these giant concentrated companies, with their economic market power, have usurped the farmers' and ranchers' share of the retail dollar, draining the lifeblood from the family farm and threatening our safe, sustainable and dependable American food supply. That is unacceptable.

I have to say, Mr. Speaker, I really appreciate the Albertsons Grocery Company that is headquartered in my district because they have realized the unrest that is growing with the American people in this concentration issue, and I am very pleased that they are now labeling their meat in most of their meat counters as to where the meat has been grown and processed, and my hat is off to a company that I am very, very proud of.

In the livestock industry, for instance, four meat packers control over 80 percent of the beef market and are using captive supplies and abusive market power to drive down the prices paid to producers. Specifically, our family farmers and small cattle producers are providing approximately 88 percent of the total investment it takes to put a steak on the consumer's plate but at the same time packers' and distributors' costs are making up the additional 12 percent of the remaining investment.

Now, unfortunately, while these big packers and retailers overpower the industry, cattle producers and consumers are losing big time every day on price, quality, consistency and food safety. The current situation in the cattle market is analogous to economic theories presented by the Nobel Prize winning economist Frederick August von Hayek over 50 years ago. Mr. Hayek points out that market capitalism is strongest when resource owners who are close to the economic circumstances of time and place.

When they are the ones that make the economic decisions, such a market structure results in the most efficient use of resources and competitive market.

On the other hand, Hayek demonstrates that the concentration of

economic decision-making in the hands of a relatively small number of individuals is extremely harmful and counterintuitive to the capitalistic principles that have built this great Nation. It does not matter whether those individuals are government bureaucrats in a Soviet-styled Communist regime or are corporate executives in large companies. We must not let American agriculture fall into this trap. This concentration of power creates a cartel that is monopolistic by nature and rewards power and greed. This must stop, Mr. Speaker.

This phenomenon was confirmed by a study by Auburn professor and agricultural economist C. Robert Taylor, and the study reports that, and I quote, "The increasing gap between retail food prices and farm prices in the 1990s is due largely to exploitation of market power and not to extra services provided by the processors and retailers."

Mr. Speaker, I would like to point out this graph that I have here. As we can see, the red is the retail price and the green is the farm price. We see retail price leveled off at a very high mark while farm prices are taking a precipitous drop.

As we can see clearly in this chart, while the price of meat in the supermarket continues to climb, the price paid to producers continues to decline dramatically. This portion in the middle of the chart represents the inequitable market power that is growing that is gained by the retail industry.

Now, another glaring example is evidenced in the hog sector of our economy, Mr. Speaker. In 1999, Smithfield, the number three hog producer, bought out the number two producer, Carroll Foods. This catapulted them into the top spot ahead of Wendell Murphy. Then in September of 1999, Smithfield, the world's largest pork producer, announced intentions to purchase Murphy Family Farms, the new number two hog producer.

Well, this gives them 660,000 sows or one-eighth of the total breeding herd in this country. Imagine owning one out of every eight sows in an industry where only a few short years ago no single entity had even 1 percent of the market.

Mr. Speaker, the raw, robber baron, market power does not just stop here. In grain crop production we have gone from 80 individual companies selling seed down to 10, from 80 to 10, and out of these 10 players left, 3 of those 10 sell 75 percent of the seed in this country. With this high level of concentration among seed companies, we see great efforts to seize control of the entire process.

We might logically ask if anyone is aware of this trend besides the small producers who are being run out of business? Yes, Mr. Speaker, many people are aware. In fact, in 1997, the National Commission on Small Farms appointed by Agriculture Secretary Dan Glickman recommended actions for the

U.S. Department of Agriculture to ensure the future for family farming and ranching. Unfortunately, after assessing USDA's responsive actions, an overwhelming majority of members who served on the Commission recently gave the USDA a "D" for implementing its recommendations to ensure fair market access for family farmers; not a good record for this administration; a failing grade, Mr. Speaker, and a failure to protect the livelihoods of these American farmers.

The Commission's major finding was that the erosion of the family farm in agriculture was not the result of inevitable market forces but of a bias at USDA towards, quote, large scale enterprises.

Now, despite the Commission's recommendations, I am sorry to report the USDA is continuing to allow the American producer to be exploited by an agribusiness monopoly.

Mr. Speaker, as a result, in my State, farmers and ranchers are on their knees. Our American food producers in rural communities are being destroyed while the processing and distribution conglomerates are gorging on unprecedented profits.

Let us not forget our responsibility to protect the American farmers and ranchers. As Thomas Jefferson said, and I quote from Jefferson, "Those who labor in the earth are the chosen people of God, if ever he had a chosen people, whose breasts he has made his peculiar deposit for substantial and genuine virtue. It is the focus in which he keeps alive that fire, which otherwise might escape from the face of the earth. Corruption of morals in the mass of cultivators is a phenomenon of which no age nor nation has furnished an example. It is the mark set on those, who, not looking up to heaven, to their own soil and industry, as does the husbandman, for their subsistence, depend for it on casualties and caprice of customers."

How can we have a fair marketing system when these conglomerates make record profits and my agricultural constituents in Idaho and those in America are being run out of business? How can that happen?

To complicate matters even further, listen to what Mr. Drabenstott, vice president of the Kansas City Federal Reserve, said before the House Committee on Agriculture in February 1999, and I quote from his testimony, "As supply chains become more dominant in their structure, farmers face a simple test; build new relationships or be left out of the game. The emergence of bigger players means producers must be more nimble and savvy in adjusting to the market realities."

Mr. Speaker, this shocking statement suggests that Mr. Drabenstott would like to see the American food producers subjugated to the status of serf. Under this scenario, the big corporate agricultural giants would severely hamper the farmer's ability to earn a fair return for their product as

they are forced to get in line in the chain supply, a growing food for a narrowing market. Even further, it will erode the independence of farmers by shifting major decision making to a handful of corporate firms and executives. America is a great Nation because we were built on a strong moral threshold. That is to say, in part we have strongly encouraged small businessmen to freely enter the fair market system.

Unfortunately, the corporate conglomerates now stand between hundreds of thousands of producers and millions of consumers as they manipulate the markets to their own advantage. This is seriously handicapping our farmers and ranchers and consumers also, Mr. Speaker.

We all know that big agribusiness, like ConAgra, Cargill and IBP, need American producers more than farmers and ranchers need big agribusiness. So, again, remember we know from history that concentration of economic decision making in a small number of hands is the least productive and the least beneficial system. Ultimately, it only serves as the road to serfdom for American farmers.

Take, for instance, Communism. It took what Karl Marx called, quote, the means of production, and consolidated it into one giant entity, the government. That is what Communism did. It gave a small group of people control over the farms, the factories and even the roads and rivers. Yes, that is precisely what is happening here today, except that it is the corporate monopoly that is gaining a stranglehold on the means of production.

To make matters worse, the Federal Government is giving its winking approval. This is brutally wrong and against American principles and public policy that we have historically been able to rely on.

Mr. Speaker, the time has now come for the Clinton administration to use the powers at its disposal under the Packers and Stockyards Act of 1921 to provide a fair beef marketplace. The measure was enacted to prevent these kinds of anticompetitive practices by the big corporate giants. Undoubtedly, there is something wrong when the conglomerates are allowed to operate in blatant violation of Federal laws.

□ 1915

In fact, meat packers today look right into our eyes with a straight face, when their monopolistic practices remain unchecked by existing law, but they go ahead and deny that they are even regulated. This is a mockery of our existing laws and the justice system that we are supposed to be able to rely on.

I believe in a fair and competitive marketplace. However, I am very concerned that the individual agricultural producers have been overwhelmed by threats of predatory pricing. The time has come to restore the market balance between small producers and big agribusiness.

To help in this, legislative measures such as H.R. 1144, the Country of Origin Meat Labeling Act of 1999, which I introduced, complete price reporting, as well as other measures addressing anticompetitive practices by the meat packers, will give hope and encouragement to American producers and security to American consumers, because with this act coming into law, American consumers will know the country of origin which the meat came from.

Let me conclude by pointing out that the very powerful words of Theodore Roosevelt still ring true. President Roosevelt states in his March 4, 1905, inaugural address, "Never before have men tried so vast and formidable of an experiment as that of administering the affairs of a continent under the forms of a Democratic republic. The conditions which have told our marvelous material well-being, which have developed to a very high degree our energy, self-reliance and individual initiative, have also brought the care and anxiety inseparable from the accumulation of great wealth in these industries."

Mr. Speaker, these are important words.

#### TRIBUTE TO JAMES L. CADIGAN

The SPEAKER pro tempore (Mr. TANCREDI). Under the Speaker's announced policy of January 6, 1999, the gentleman from Massachusetts (Mr. DELAHUNT) is recognized for 60 minutes.

Mr. DELAHUNT. Mr. Speaker, throughout American history, our men and women in uniform have constantly risen to the challenge of our national defense, putting life and limb at risk for our security. This Nation, and the liberty for which it stands throughout the world, owes our veterans a deep and ongoing debt of gratitude.

Some would say that this debt is repaid in Memorial Day observances. But we all know what veterans, from the Revolution to the Kosovo campaign, appreciate most is respect. Respect for their commitment. Their sacrifice. Their medical needs. Respect for what they went through, so that we would not have to suffer. Respect for the families of friends who never made it home.

Tonight I take the floor of the United States House of Representatives to share with you the story of one soldier who has never received the respect I believe he is owed. His picture is to my right in his uniform holding a child. His name is Jim Cadigan, from the community of Hingham in the district in Massachusetts which I represent.

Once in a great while an individual serves this country with special distinction. When ordinary people demonstrate such extraordinary valor, official recognition not only honors the heroism, but also uplifts the entire Nation, whose freedom is safeguarded by such courage. Unfortunately, official recognition of this soldier's bravery has been less than forthcoming.

On a German battlefield in 1945, Lieutenant James Cadigan acted instinctively and against almost inconceivable odds to protect his platoon and apprehend dozens of armed enemy troops. For his selflessness, he earned the lifelong admiration of his comrades. But the Army that Jim served with such fierce loyalty has dismissed repeated recommendations, to express the degree of respect his bravery deserved.

Over the 3 years I have been privileged to serve in this chamber, I have labored to ensure a fair shake for Mr. Cadigan's candidacy to receive a Congressional Medal of Honor. Regrettably, Jim had more success on that German battlefield than in the corridors of the Pentagon. Thus, to honor the 55th anniversary of his heroism, I rise tonight as one grateful Member of Congress to salute Lieutenant Cadigan publicly for all he did for us.

To do so, I need only describe his remarkable acts of heroism. As you will see, the facts more than speak for themselves.

On February 26, 1945, Second Lieutenant James Cadigan, a Member of Company C, the 20th Armored Infantry Battalion, 10th Armored Division, led a platoon advancing on the German town of Zerf. Upon hearing that a second platoon had been ambushed and was pinned down by enemy fire, Lieutenant Cadigan, without concern for his own safety, charged fortified enemy positions perched on high ground and single-handedly wiped out two German machine gun nests.

Dozens of witnesses have testified that Lieutenant Cadigan killed or wounded 50 Germans, then took another 85 prisoner. The trapped U.S. platoon was able to escape and reorganize, saving scores of American lives. Most of these men made it back to the United States after the war. Without Jim Cadigan's heroism, it is likely that none of those men, or their children, grandchildren or great grandchildren, would be alive today.

One of Jim's comrades, Thomas Tomae of Irvington, New Jersey, reported, "Like the other men, I know that we never would have gotten out of there alive if Lieutenant Cadigan hadn't knocked out the 2 Nazi machine guns that were closing in on us."

From another comrade, John Milanak of Pittsburgh, Pennsylvania: "All of us were sure we would be killed that day. It was just like a miracle. I thanked God many times, but never more than that day. I say thank God for Lieutenant Cadigan. He saved so many lives."

When the smoke of the battle of Zerf cleared, Lieutenant Cadigan's commanding officer, Captain Melvin Mason, immediately began preparations to recommend him for the Congressional Medal of Honor. Before Captain Mason could submit the referral, however, he was seriously wounded in action himself and spent over a year convalescing in the hospital. Jim Cadigan's battalion commander was killed in action shortly thereafter.