

I urge my colleagues on the other side of the aisle—and I see the minority assistant leader is here. I hope we can try to break through on this small business bill this afternoon and find a way to reach some kind of compromise so those 63 colleagues could have their interests met.

I thank the Chair. I yield the floor.

#### RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:30 p.m.

Thereupon, at 1:06 p.m., the Senate recessed until 2:31 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

The PRESIDING OFFICER. The assistant majority leader.

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 President, I ask unanimous consent the order for the quorum call be rescinded.

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

The assistant majority leader.

#### ORDER OF PROCEDURE

Mr. REID. For the information of all Senators, we have two Senators who are on their way to the Chamber. The Democratic conference has taken longer than was anticipated. They should be here momentarily. I ask unanimous consent that, pending their coming to the Chamber, Senator SMITH be recognized as in morning business for up to 6 minutes.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The Senator from New Hampshire is recognized.

#### MTBE

Mr. SMITH of New Hampshire. Mr. President, we are moving into the season of festivities. Hopefully, we will get an opportunity to celebrate the holidays. Unfortunately, for many in my State of New Hampshire and in other States across the country, this is a holiday season filled with the anxiety that comes with knowing their water is contaminated.

This contamination is caused by a Federal mandate that I believe is wrong. Another year has gone by and Congress has still done nothing to right that wrong.

Over the past few years, a good deal of the Nation has learned firsthand of the damage that MTBE has done to our drinking water supply. That certainly is true of many communities in New Hampshire where it has become a crisis where people cannot even drink their water or shower with it.

I have been fighting for the past 2 years to get the Senate to vote on a bill that will solve this problem. I am pleased that last week the majority leader made a commitment to me that the Senate would at least vote on this issue before the end of next February. I am grateful for that. Until that day arrives, though, I plan to come to this Chamber on a regular basis, while we are in session, to remind Senators of the terrible impact that MTBE is having on our Nation and on so many thousands of people and to remind them that it is very important that we act now.

For the past 2 years, I have met with a number of small businesses and families across New Hampshire who have been devastated by this problem. They cannot sell their homes. They cannot drink their water. They cannot shower with water. They have filters in their basements to get the MTBE out of the water.

According to the New Hampshire Department of Environmental Services, there may be up to 40,000 private wells with MTBE contamination. Of those, 8,000 may have MTBE contamination of above State health standards.

This is a crisis. We have to deal with this. I know it is nice to say we can make money by replacing MTBE with ethanol and all that. That is fine. Make all the money you want. But we need to get this issue resolved.

In many instances, the State has had to provide bottled water to my constituents. They are installing and maintaining extremely expensive treatment equipment. These costs are high. Particularly hard hit have been communities in the southern tier of my State: Arlington Lake in Salem, Frost Road in Derry, Green Hills Estates in Raymond, and so many more. But I want to briefly tell you a story about one particular site in Richmond, NH. It is in the southwestern part of the State. It is a beautiful area, and the type of beauty for which New Hampshire is so well known.

In August, I visited the Four Corners Store and several surrounding homes in the town of Richmond. It is called the Four Corners Store because it is at a rural crossroad, like so many in America, and takes up one of the four corners. Common sense is very pervasive in New Hampshire.

Mr. and Mrs. Stickles are the store's proprietors. When they purchased that country store a few years ago, they believed the MTBE contamination problem had been solved. They do have new underground storage tanks and are completely in compliance with the law.

Unfortunately, the MTBE plume from years ago still persists. A number of the nearby homes are having their wells polluted. It has contaminated a number of homes near the Four Corners Store.

I met with the owners of the store and visited those homes. The Goulas and the Frampton families were kind enough to invite me into their homes.

They showed me the treatment systems that had been installed by the State. They shared their concerns about their health and their children's health. At one of the homes lives a young couple with small children.

First and foremost, they are worried about the long-term health impacts on their children. They told me about the daily inconveniences of having to deal with this contamination in their wells. They were told the water was safe for showers; however, showers should only be with cold water, limited to 10 minutes, and well ventilated. That is what they were told. So take a cold shower and make sure it is well ventilated.

It is outrageous that we would stand by and allow this to continue in our country while the debate rages about replacing the MTBE additive with ethanol. Let's get real. We need to deal with this problem now. I intend to fight for these constituents throughout the rest of this session and also early into next year until we get this legislation passed. It is not right. Sometimes you just have to speak out when things are not right—that somebody should make a profit at the expense of somebody else getting sick and not being able to use their water.

Making a profit is wonderful. That is the American way. I am all for it. But we do not need a guaranteed MTBE market. We do not need a guaranteed ethanol market. We do not need a guaranteed anything.

Let the market play, but we have to be able to replace MTBE with something, and we cannot mandate that it be ethanol. It is not right for those of you in ethanol States to make the people in my State have to suffer.

It seems to me the passage of this bill should be easy. I tried for weeks and months and years to reach an accommodation. I have debated every Senator who deals with ethanol privately and publicly, behind the scenes and in committee, but we cannot seem to get agreement.

I urge my colleagues from all States to join with me to pass this legislation now so we can get the MTBE out of the wells in New Hampshire and many other wells and water supplies throughout the country.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

The Senator from Iowa.

#### AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Continued

Mr. HARKIN. Mr. President, parliamentary inquiry: What is the order before the Senate right now?

The PRESIDING OFFICER. The pending business is the amendment No. 2608 offered by the Senator from Montana to the substitute.

Mr. HARKIN. We are on the farm bill and the pending business is an amendment offered by the Senator from Montana, Senator BURNS; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. Mr. President, first I want to take a little bit of time right now to once again respond to my friends on the other side of the aisle and wonder why 1 week before Christmas, less than 2 weeks before the end of this year, they continue to hold up the farm bill. We had another cloture vote today in good faith, thinking that maybe over the weekend some minds might be changed; they might think secondly about stopping a farm bill that is so important to farmers in rural America. But on the vote we just had a little bit ago, I believe, if I am not mistaken, we had three Republicans vote for cloture. I am sorry, four Republicans voted for cloture. We picked up one.

I am told by my friend from Mississippi we had four all along.

Again, we see this stalling tactic, dragging out the farm bill. One of the press people outside just stopped me and said that a Senator on the other side said the reason this bill has so much trouble is because it is such a partisan bill. I would like to point out again to my friends and my farmers in Iowa and all over this country, this bill came out of the Agriculture Committee, every single title, on a unanimous vote, Republicans and Democrats. You can't get much more bipartisanship than that. Quite frankly, I will submit this is the most bipartisan bill to come out of our committee since I have been serving on it for the last 17 years in terms of support on both sides of the aisle on the final bill that came out of committee.

Obviously, we disagreed on the commodities title, but that was still bipartisan. It was not unanimous, but it was still bipartisan.

To those who say this is some kind of a partisan bill, I say: Look out the window. It is daylight out there. It is not midnight. It is daytime. Look at the bill for the facts of what happened when that bill came from committee. This bill has very strong bipartisan support.

Again, there is a lot of politics now being played on this bill—a lot of politics being played. It is a shame. It is a shame that our farmers and their families, farm families all over America, facing the uncertainty of what is going to happen next year, are being held hostage by certain political games that may be going on here. It is just a darn shame. It is about time that we bring this bill to a close. We have the votes. We can have the debate, and we can have the votes. But it is obvious that for whatever reason, people on the other side of the aisle do not want this farm bill passed this year.

I have said before we could finish this farm bill. We could have finished it today. If we had had cloture, we could have finished this thing today. This morning I talked on the phone to Chairman COMBEST from the other side. I said: If we finish this bill, can we go to conference?

He said: Sure, we will go to it right away.

So they are willing in a bipartisan way. The Republican leader of the Agriculture Committee on the House side said to me this morning: If you pass the bill, we are ready to go to conference today, tonight, tomorrow and begin to work this thing out.

I am disappointed and saddened, not for me but for our farm families, especially in my State of Iowa and all over this country, who are being held hostage for whatever reason I can't discern.

Mr. DORGAN. I wonder if the Senator from Iowa will yield for a question.

Mr. HARKIN. I yield for a question without losing my right to the floor.

Mr. DORGAN. Mr. President, I share the disappointment of the Senator from Iowa that we were not able to invoke cloture today for the second time. My belief is that we have a couple of major amendments remaining to be offered. In fact, the authors of one of them are both in the Chamber, Senators ROBERTS and COCHRAN. There is an alternative amendment to the commodities title which I understand they will offer. I hope at some point to offer an amendment that does some targeting, and my hope is that we can make some progress and move ahead.

I still don't understand what the filibuster is about. My hope is that if we have major issues, let's move ahead with the issues, offer amendments, and have debates on the amendments.

It is the case, is it not, that Senators ROBERTS and COCHRAN simply have a different idea with respect to how the commodity title ought to be applied and so they are intending to offer an amendment? I ask the Senator from Iowa if he has some notion of when that amendment would come; has he consulted with the authors of that major amendment? If so, what does that consultation disclose to us about when that amendment would be offered?

Mr. HARKIN. I am sorry. I was conversing with a member of the Senate Agriculture Committee. I missed the question.

Mr. DORGAN. I was asking the Senator from Iowa if he has been able to consult with the authors of the other major amendment on the commodities title about when that might be offered. My hope is we could just proceed with the amendments, dispose of the amendments, at which point I hope we will reach the end of the consideration of this bill and be able to report out the bill.

Has the Senator consulted with the major authors of that amendment, and what might we expect from that consultation?

Mr. COCHRAN. Mr. President, if the Senator would yield without losing his right to the floor, I will respond.

Mr. HARKIN. I am glad to yield without losing my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Mississippi.

Mr. COCHRAN. Mr. President, we have indicated to the manager of the bill that we would be prepared to offer the amendment now and have a time agreement on the Cochran-Roberts amendment. I have suggested 2 hours evenly divided so that both sides will have ample opportunity to talk about the amendment. We have already talked about this amendment Friday morning. Senator ROBERTS and I were here to discuss the amendment and talked about an hour and a half at that time.

That is what I would suggest we do, and that would get us moving along. This would be a major alternative to the committee-passed bill, and we think that that would be one way to start moving toward final disposition of this legislation.

Mr. DORGAN. If the Senator from Iowa will yield further, might I say that is a very hopeful sign. It is certainly up to the chairman of the committee to decide whether that time agreement is sufficient. Certainly, it sounds reasonable to me. After that, we would be able to dispose of one of the major amendments and move through the bill and perhaps late today or tomorrow we would be able to complete consideration of the farm bill. That is the most hopeful sign I have heard for some long while.

As I indicated, the authors of this legislation have been deeply involved in farm legislation for many years. They just have a different approach on the commodities title. The best way to resolve that is to have the discussion and vote and see where it comes out. I encourage the Senator from Iowa to proceed along the lines suggested.

Mr. HARKIN. I say to the Senator, that is encouraging news. We will get to that. I see the Senator from Arizona is on the floor and has offered an amendment. I would like to ask him, if I could, without losing my right to the floor for right now, is the Senator wishing to debate the amendment that he laid down last week?

Mr. MCCAIN. That is correct, without losing your right to the floor. I will be glad to enter into a reasonable time agreement, including a half hour equally divided.

Mr. HARKIN. Mr. President, I ask unanimous consent that the pending amendment be laid aside; that the Senator from Arizona be recognized to debate his amendment that is pending; that the time be limited to a half an hour evenly divided, at the end of which either a motion to table or an up-or-down vote would be in order.

Mr. REID. Reserving the right to object, we just received a call from one Senator, and we have to find out how much time that Senator wants to speak in opposition to this amendment. We could do that real quickly. We can't do it right now.

Mr. MCCAIN. May I ask the Senator to yield for a question?

Mr. HARKIN. Yes.

Mr. MCCAIN. Would it be agreeable to start the debate? I will be glad to

agree to any time limit that is agreeable to the other side on this amendment—5 minutes, half an hour, whatever is agreeable to the Senator from Iowa.

Mr. HARKIN. I am willing, obviously, as the Senator knows, to enter into this time agreement. We seem to have an objection over here. I see the Senator from Arkansas.

Mr. HUTCHINSON. There are Senators who have expressed interest in this amendment and who wanted to speak. I will object to any time agreement until we are able to check with those Senators to see how much time they require.

Mr. COCHRAN. Why don't we start debate on the McCain amendment, as the Senator suggested? He will agree to any time agreement. It is just a matter of how many people want to talk in opposition to it. And we can get unanimous consent that following disposition of the McCain amendment we proceed to consideration of the Cochran-Roberts amendment, with 2 hours of debate evenly divided.

Mr. HARKIN. Mr. President, the problem is if we start the McCain amendment and people start filibustering, we will have another filibuster going here. The Senator from Arizona has been forthright.

Mr. MCCAIN. If the Senator will yield for another question, if it appears to be a filibuster, there is nothing I can do about that. We are going to move forward with the bill.

Mr. HARKIN. The Senator from Arizona is a gentleman. I appreciate that. I wonder if we can then agree—I will yield the floor and the Senator from Arizona will be recognized. I will ask unanimous consent that on the disposition of the McCain amendment, the Senator from Mississippi be recognized to offer his amendment; that there be a time agreement on the amendment of the Senator from Mississippi, with 2 hours evenly divided.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, will the Senator repeat the request?

Mr. HARKIN. I ask unanimous consent that when I yield the floor, the Senator from Arizona be recognized to speak on his amendment; that on the disposition of the amendment of the Senator from Arizona, the Senator from Mississippi, Mr. COCHRAN, be recognized to offer his amendment; that there be 2 hours for debate on the Cochran amendment, evenly divided, and at the end of that time, there be a vote on or in relation to the Cochran amendment, without further amendment to the Cochran amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Reserving the right to object, I would not expect a second degree, but I think it would be important to see the amendment that Senators ROBERTS and COCHRAN intend to file. I would not expect a second degree to be offered.

Mr. HARKIN. I assume the amendment is the same as was filed on Friday; is that right?

Mr. COCHRAN. Yes. In response to the Senator, the amendment is at the desk, and it has been there. It is the one we discussed Friday. There were no changes since that time, to my knowledge.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I call for the regular order with respect to the McCain amendment.

AMENDMENT NO. 2603

The PRESIDING OFFICER. The McCain amendment No. 2603 is now the pending question.

Mr. MCCAIN. Mr. President, this is kind of an interesting situation that we are facing. It is instructive of a lot of things that are happening around here in the Senate and in the country. Even though it is only about catfish—the lowly catfish—it has a lot of implications. There are implications for trade and our relations with Vietnam. It has implications as to how we do business in the Senate. It has a lot of interesting implications, including the rise of protectionism in the United States of America, how a certain special interest with enough lobbying money and enough special interest money and campaign contributions can get most anything done.

During consideration of the Senate version of the Agriculture appropriations bill for fiscal year 2002, it was late at night and I voiced concern about the managers' decision to clear a package of 35 amendments just before the final passage of the bill. I said: Has anyone seen these amendments? It was late in the evening. There was dead silence in the Senate. It was late in the evening so, unfortunately, I agreed for this so-called managers' amendment to be passed by voice vote, remembering that managers' amendments are technical in nature; they are to clean up paperwork or clerical errors.

Well, in this package of 35 amendments, 15 were earmarked to members of the Appropriations Committee—several million dollars. I have forgotten exactly how much. And this is a so-called catfish amendment. My good friend from Mississippi will say the issue was discussed before. If it was, why didn't we have a vote on it? Why didn't we have the amendment up and have a vote on it as we do regular amendments? The reason is because the Senator from Massachusetts, the Senator from Texas, I, and many others—and I believe we are going to find that a majority of the Senate—would have rejected such a thing.

As it turns out, I had good reason to be concerned. Included was an amendment banning the FDA from using any funds to process imports of fish or fish products labeled as catfish, unless the fish have a certain Latin family name. In fact, of the 2,500 species of catfish on Earth, this amendment allows the FDA

to process only a certain type raised in North America—specifically, those that grow in six Southern States. The program's effect is to restrict all catfish imports into our country by requiring they be labeled as something other than catfish, an underhanded way for catfish producers to shut out the competition. With a clever trick of Latin phraseology and without even a ceremonial nod to the vast body of trade laws and practices we rigorously observe, this damaging amendment, slipped into the managers' package and ultimately signed into law as part of an appropriations bill—an appropriations bill—literally bans Federal officials from processing any and all catfish imports labeled as they are—catfish.

It is going to be ludicrous around here and entertaining because we are going to talk about what is and what is not a catfish. Over there, we may see one with an American flag on it, which would be an interesting species. When is a catfish other than a catfish.

On this chart is a giant catfish with a name I can't pronounce. Here is a yellowtail catfish. I didn't do well in Latin. Here is another one, a basa catfish—yes, the culprit. Here is the channel catfish. They are all catfish. There are 2,500 of them. I don't have pictures of all of them. Now there is only going to be one recognized as a catfish in America, which are those which are raised in America—born and raised in America. These are interesting pictures. We will have a lot of pictures back and forth. I think we will see more pictures of catfish than any time in the history of the Senate of the United States of America.

As you can see, these are common catfish characteristics: Single dorsal fin and adipose fin, strong spines in the dorsal and pectoral fins, whisker-like sensory barbels on the upper and lower jaws, all part of the order of Siluriformes. We are going to only call catfish the kind that are raised in the southeastern part of the United States.

Proponents of this ban used the insidious technique of granting ownership of the term "catfish" to only North American catfish growers—as if Southern agribusinesses have exclusive rights to the name of a fish that is farmed around the world, from Brazil to Thailand. According to the FDA and the American Fisheries Society, the Pangasius species of catfish imported from Vietnam and other countries are "freshwater catfishes of Africa and southern Asia." In addition, current FDA regulations prohibit these products from being labeled simply as "catfish". Under existing regulations, a qualifier such as "basa," or "striped" must accompany the term "catfish" so that consumers are able to make an informed choice about what they are eating.

These fish were indeed catfish, until Congress, with little review and no debate, determined them not to be. No other animal or plant name has been defined in statute this way.

All other acceptable market names for fish are determined by the FDA in cooperation with the National Marine Fisheries Service after review of scientific literature and market practices.

What are the effects of this import restriction? As with any protectionist measure, blocking trade and relying only on domestic production will increase the price of catfish for the many Americans who enjoy eating it. One in three seafood restaurants in America serves catfish, attesting to its popularity.

This trade ban will raise the prices wholesalers and retail customers pay for catfish, and Americans who eat catfish will feel that price increase—a price increase imposed purely to line the pockets of Southern agribusinesses and their lobbyists who have conducted a scurrilous campaign against foreign catfish for the most parochial reasons.

The ban on catfish imports has other grave implications. It patently violates our solemn trade agreement with Vietnam, the very same trade agreement the Senate ratified by a vote of 88 to 12 only 2 months ago. The ink was not dry on that agreement when the catfish lobby and its congressional allies slipped the catfish amendment into a must-pass appropriations bill.

A lot of things come over the Internet these days. This is one called the Nelson Report. The title of it is the "Catfish War." It talks about an obscure amendment to the agricultural bill that puts the U.S. in violation of the Vietnam BTA barely days after it goes into effect, and it is not just a bilateral problem. The labeling requirement goes to the heart of the U.S. fight with European use of GMO protectionism. It has already forced the USTR to back off from supporting Peruvian sardines.

No. 1, don't get us wrong: We here at Nelson Report World Headquarters flat out love fresh Arkansas catfish. Serve it all the time at our house, with Paul Prudhomme's spicy seasoning. Tasty and nutritious. So nothing in the Report which follows should be interpreted as bad mouthing, you should pardon the expression, catfish from the good old U.S. of A.

—and we will confess going along with the crowd, every time Sen. Blanche Lincoln of Arkansas launched into one of her lectures on the inequities of lower priced Vietnamese catfish coming into the U.S. All of us at the press table, and back in the high priced lobby gallery, were too smart for our britches. So we missed the FY '02 Agriculture Appropriations amendment, now signed into law, requiring that only U.S.-grown catfish of a certain biological genus can actually be called catfish.

That's right: U.S. law now says you can be ugly, you can have whiskers, you can feed on unspeakable things off the bottom of whatever bit of god's creation you happen to be swimming around in, but if you ain't in the same genus as your Arkansas cousins, you ain't a catfish. Or, rather, you can't be called a catfish. That's now the law of the U.S., to be enforced by the Federal Food and Drug Administration.

—so what, you may ask? Ask your spousal unit, or friends, who does the grocery shopping. Except maybe in Little Rock, catfish isn't marketed by brand name. You look for

a package that says "catfish." That's it. So now, if a catfish from Vietnam, or Thailand, or some of the places in Africa that export catfish happens to be in your supermarket, you may never find out, since they've got to be called something else.

The amendment Senator GRAMM and I offered will repeal this import restriction on catfish. The amendment would define catfish according to existing FDA procedures that follow scientific standards and market practices. Not only is restrictive catfish language offensive in principle to our free trade policies, our recent overwhelming ratification of the bilateral trade agreement and our relationship with Vietnam, it also flagrantly disregards the facts about the catfish trade.

I would like to rebut this campaign of misinformation by setting straight these facts as reported by agricultural officials at our Embassy in Vietnam who have investigated the Vietnamese catfish industry in depth. The U.S. Embassy in Vietnam summarizes the situation in this way. This is the exact language from our Embassy in Vietnam:

Based on embassy discussions with Vietnamese government and industry officials and a review of recent reports by U.S.-based experts, the embassy does not believe there is evidence to support claims that Vietnamese catfish exports to the United States are subsidized, unhealthy, undermining, or having an "injurious" impact on the catfish market in the U.S.

Our Embassy goes on to state:

In the case of catfish, the embassy has found little or no evidence that the U.S. industry or health of the consuming public is facing a threat from Vietnam's emerging catfish export industry. . . . Nor does there appear to be substance to claims that catfish raised in Vietnam are less healthy than [those raised in] other countries.

The U.S. Embassy reported the following:

Subsidies: American officials indicate that the Vietnamese Government provides no direct subsidies to its catfish industry.

Health and safety standards: The Embassy is unable to identify any evidence to support claims that Vietnamese catfish are of questionable quality and may pose health risks. FDA officials have visited Vietnam and have confirmed quality standards there. U.S. importers of Vietnamese catfish are required to certify that their imports comply with FDA requirements and FDA inspectors certify these imports meet American standards.

A normal increase in imports: The Embassy finds no evidence to suggest that Vietnam is purposely directing catfish exports to the United States to establish a market there.

Labeling: The Vietnamese reached an agreement with the FDA on a labeling scheme to differentiate Vietnamese catfish from U.S. catfish in U.S. retail markets. As our Embassy reports, the primary objective should be to provide Americans consumers with informed choices, not diminish choice by restricting imports.

The facts are clear. The midnight amendment passed without a vote is based not on any concern for the health and well-being of the American consumer. The restriction on catfish imports slipped into the Agriculture appropriations bill serves only the interests of the catfish producers in six Southern States that profit by restricting the choice of the American consumer by banning the competition.

The catfish lobby's advertising campaign on behalf of its protectionist agenda has few facts to rely on to support its case, so it stands on scurrilous fear-mongering to make its claim that catfish raised in good old Mississippi mud are the only fish with whiskers safe to eat. One of these negative advertisements which ran in the national trade weekly "Supermarket News" tells us in shrill tones:

Never trust a catfish with a foreign accent.

This ad characterizes Vietnamese catfish as dirty and goes on to say:

They've grown up flapping around in Third World rivers and dining on whatever they can get their fins on. . . . Those other guys probably couldn't spell U.S. even if they tried.

How enlightened. I believe a far more accurate assessment is provided in the Far Eastern Economic Review in its feature article on this issue:

For a bunch of profit-starved fisherfolk, the U.S. catfish lobby had deep enough pockets to wage a highly xenophobic advertising campaign against their Vietnamese competitors.

Unfortunately, this protectionist campaign against catfish imports has global repercussions. Peru has brought a case against the European Union in the World Trade Organization because the Europeans have claimed exclusive rights to the word "sardine" for trade purposes. The Europeans would define sardines to be sardines only if they are caught in European waters, thereby threatening the sardine fisheries in the Western Hemisphere. Prior to passage of the catfish-labeling language in the Agriculture appropriations bill, the U.S. Trade Representative had committed to file a brief supporting Peru's position before the WTO that such a restrictive definition unfairly protected European fishermen at the expense of sardine fishermen in the Western Hemisphere. As the Peruvians, a large number of American fishermen would suffer the effects of an implicit European import ban on the sardines that are their livelihood.

Yet as a direct consequence of the passage of the restrictive catfish-labeling language in the Agriculture appropriations bill, the USTR has withdrawn its brief supporting the Peruvian position in the sardine case against the European Union because the catfish amendment written into law makes the United States guilty of the same type of protectionist labeling scheme for which we have brought suit against the Europeans in the WTO.

Mr. President, I obviously do have a lot more to say. I know the opponents

of this amendment have a lot to say as well. I would take heed, however, to the admonishments of the managers of the bill, the Senator from Iowa, the Senator from Mississippi, and I would be glad to enter into a time agreement so we can dispense with this amendment as quickly as possible.

I do not know how both Senators from Arkansas feel, but I would propose a half hour—Mr. President, I ask unanimous consent to engage in a colloquy with the Senators from Arkansas.

THE PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

Mr. MCCAIN. I ask the Senator from Arkansas, is he prepared to have a time agreement?

Mr. HUTCHINSON. I say at this time I am not prepared to enter into a time agreement. There are a number of Senators, and I don't know how long they need to speak. An original agreement was full and open debate. This is a good time for full and open debate, and it is not in the best interests to enter into a time agreement.

Mr. MCCAIN. I thank the Senator from Arkansas. I know he would probably not want to filibuster this bill. I think he agrees we would want to have an up-or-down vote as he described. We are prepared to only use another 20 minutes on this side. I hope the Senators from Arkansas can find out who wants to speak and for how long so we can establish a time agreement. We need to move on with the important Cochran and Roberts amendment to the farm bill.

Mrs. LINCOLN. Will the Senator yield?

Mr. MCCAIN. I am happy to yield.

Mrs. LINCOLN. Speaking for myself, I agree with the Senator that we can probably get through debate rapidly. I think the Senator from Mississippi, and maybe Senator HUTCHINSON, and there may be a few other Senators who want to speak, but I don't foresee it taking a good deal of time, and we could conclude our comments rapidly.

Mr. MCCAIN. I thank the Senator from Arkansas for her courtesy.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. I am delighted to engage in this debate. As my colleagues listen to the facts concerning the Vietnam basa and the impact on the domestic catfish industry, they will see things in a different light. I voted for the Vietnamese Free Trade Agreement. I believe in free trade. I believe in fair trade. I also believe in accurate labeling and that the American people ought to know what they are buying.

We heard the term "catfish lobby" used frequently last week and today. It has an ominous ring to it. I am not sure what the catfish lobby is. I know this: I have thousands of people who are employed in the catfish industry in Arkansas. I was in Lake Village, AR,

on Saturday. Chicot County is one of the poorest counties in Arkansas—one of the poorest counties in the United States, as a matter of fact. We had 70 or 80 catfish growers who were present on Saturday. I didn't see agribusiness. I didn't see wealthy landholders. I saw a group of small business men and women struggling to survive in an industry that has been one of the bright spots in one of the poorest spots in the United States in the last decade.

One of the farmers came up and said: I want to give you my books for the last 5 years—and handed me spread sheets. When they talk about us being wealthy catfish growers, I will show my books. He had a net profit last year of \$8,000. This is a part of the country where the median household income is \$19,000, about half of what it is in the State of Arizona.

I take exception when we talk about the catfish lobby as if it were a powerful, wealthy, devious, insidious group. This amendment cripples and potentially destroys the aquaculture industry in the State of Arkansas. This industry has been in distress over the last year because of the influx of Vietnamese fish mislabeled as catfish. The Vietnamese basa is not catfish.

On November 28, 2001, President Bush signed into law what was a great victory for our Nation's catfish farmers, a provision that simply said the Vietnamese basa would not be labeled "catfish." It is a different species; it is a different order; it is a different fish.

This language attached to the Agriculture appropriations bill has also been included in the farm bill that passed the House of Representatives. Put in the bill was language that would limit the use of the common name "catfish" for the Vietnamese basa. Importers have hijacked the common name of catfish and applied it to a species of fish that is not closely related or similar to what we commonly consider catfish.

The domestic catfish industry has spent millions and millions and millions of dollars to try to educate the American people as to the nutritional value and the health and safety conditions in which farm-grown catfish are raised. All of that investment the domestic channel catfish industry has made has been hijacked by importers who see a quick way to profits.

The language in the appropriations bill corrected this mislabeling of fish and misleading of American consumers. This limitation will give our domestic catfish producers a reprieve from unfair competition and mislabeling. I share Senator MCCAIN's belief that competition is good when open and a competitive market benefits our Nation's economy and consumers. However, misleading consumers and mislabeling a product is wrong. To allow it to continue at the expense of an entire industry is unthinkable.

The States of Arkansas, Mississippi, Alabama, and Louisiana produce 95

percent of the Nation's catfish. If you look at the broad area of aquaculture, 58 percent of fish grown in the United States are catfish. This is a huge aspect of fisheries in general in the United States, and 95 percent of those are grown in these four Southern States. These catfish are grain fed, they are farm raised catfish, produced under strict health and environmental regulations.

Arkansas rates second in the amount of catfish produced nationally, but it is an industry that has grown and has thrived in one of the poorest areas of this country, the Mississippi Delta, an area that has sometimes been referred to as the Appalachia of the 1990s. When I say that Chicot County and Desha County are two of the poorest counties in Arkansas, it is true they are two of the poorest counties in the Nation.

Despite the work ethic and strong spirit, economic opportunities have been few and far between. The aquaculture industry has been a shining success story for this region of the country. I made a number of visits to southeast Arkansas and to the Mississippi Delta and to our aquaculture regions of the State. I have been to the processing plants. I have seen them and talked to those who are employed in the catfish processing plants. I have gone to the ponds. I have seen the pristine conditions in which the fish are raised.

This past Saturday, I saw the pain and distress and concerns reflected in the faces of these catfish growers who have built an industry and seen hope and are now seeing that hope ripped away from them. It is estimated that as high as 25 percent of the catfish growers in Arkansas could go bankrupt within the next year. This is not some obscure debate about free trade; it is people's livelihoods, people's lives.

At a time when there is a lot of attention being paid to an economic stimulus package for the Nation, I suggest to my colleagues this is one of the poorest regions of our Nation. Just think of the economic damage that can be done with this kind of amendment.

Some of my colleagues are making accusations that this legislation is in violation of trade practices, saying this legislation is unfair.

What is unfair is that our catfish farmers are being subjected to competing with an inferior product that simply adopts the name of a successful product and gains acceptance. What is unfair is these fish are being pawned off as catfish to unsuspecting American consumers at a time when the fears of unemployment and the reality of an economic downturn in the wake of the September 11 attacks are weighing heavily on the minds of Americans. It is not acceptable for us to sit back and watch as an industry which employs thousands is allowed to be crushed by inferior imports because of the glitch in our regulatory system.

Vietnamese exports are being confused by the American public as being

catfish due to labeling that allows them to be called basa catfish. These Vietnam basa are being imported at record levels.

The chart to my right demonstrates what has happened. As late as 1997, imports of Vietnam basa were almost nonexistent. Yet if you look at 1998 and 1999, and particularly this year, they have grown exponentially. In June of this year, 648,000 pounds were imported into the United States. Over the last several months, imports have averaged 382,000 pounds per month.

To put this in perspective, in all of 1997 there were only 500,000—one-half million—pounds of Vietnam basa imported into the United States. However, it is predicted that 15 million to 20 million pounds could be imported next year.

The Vietnamese penetration in this market in the last year has more than tripled. Market penetration has risen from 7 percent to 23 percent of the total market. As a result of that incredibly fast increase of penetration into the American market from 7 percent to 23 percent, American catfish growers have seen their prices decrease 15 percent just in the last few months in 2001 alone.

For those who argue this is the result of a competitive market, let me offer a few facts.

When the fish were labeled and marketed as Vietnamese basa, when they imported it and put "Vietnam basa" on it, or they just put "basa" on it, sales in this country were limited, almost nonexistent. Some importers were so creative that they tried to label basa as white grouper, still with very little success. It was only when these importers discovered that labeling it as catfish added a lot of appeal that sales began to skyrocket and imports began to skyrocket. Try this, and it didn't work. Try this, and it didn't work. And try catfish, because of the great investment this domestic industry made, and sales took off.

Although the FDA issued an order on September 19, stating that the correct labeling of Vietnamese basa be a high priority, the FDA is allowing these fish to retain the label of "catfish" in the title.

Whether it is budget constraints or lack of personnel, it is obvious that inspections have been lacking in the past and the inclusion of the term catfish in the title only serves to promote confusion.

Prior to this ruling there were numerous instances where the packaging of these fish was blatantly misleading and even illegal.

This illustration shows how Vietnamese companies and rogue U.S. importers are trying to confuse the American public.

Names such as "Cajun Delight," "Delta Fresh," and "Farm Select," lead consumers to believe the product is something that it is not.

"Catfish" in large letters, "Delta Fresh"—no one would suspect it is from the Mekong Delta.

The total impact of the catfish industry on the U.S. economy is estimated to exceed \$4 billion annually. It has gone up dramatically. Approximately 12,000 people are employed by the industry.

When you talk about the catfish lobby and say it in such sinister terms, please think about the 12,000 people—thousands of them—in the delta of Arkansas, the poorest part of this Nation, who are employed in this industry. That is the catfish lobby.

It is estimated that 25 percent of my catfish farmers in Arkansas will be forced out of business if this problem is not corrected.

Catfish farmers of this country have invested millions of dollars educating the American public about the nutritional attributes of catfish. Through their efforts, American consumers have an expectation of what a catfish is and how it is raised.

They have an expectation that what they purchase is indeed a catfish.

Here you will see an official list of both scientific names and market or common names from the Food and Drug Administration. Almost all of these fish can contain the word catfish in their names under current FDA rules.

All of these fish in this one order can use the term "catfish" under current FDA rulings. It is the same order, if you look at the channel catfish. The basa are here at the bottom. In fact, you will find that while they are of the same order as Senator McCain rightly pointed out, they are of a different family and a different species; that is, channel catfish and the basa—totally different species. Even more importantly, when we look at trade issues, they are a totally different family.

This is a very important distinction to realize. Most people just look and see the word "catfish" and they don't pay any attention to the package. They are currently allowed to use that term.

In fact, you will notice, if you look a little farther down on the chart, the Atlantic salmon and the lake trout are of the same family or more closely related to the channel catfish than the basa. Ask those who are from the States where Atlantic salmon is an important fishery product whether they would appreciate lake trout being allowed under FDA rules to be labeled "Atlantic salmon." Those two fish are more closely related than the channel catfish is to the basa. You can see that the Atlantic salmon and the lake trout are of the same family while channel catfish is of a different family entirely.

Most people are not able to make those distinctions and are being misled when they see that word "catfish" put on the package.

When the average Arkansan hears the word "catfish," the idea of a typical channel catfish come to mind. When they sit down at a restaurant and order a plate of fried catfish, that same channel catfish is what they expect to be eating.

One cannot blame the restaurateur who is offered "catfish" for a dollar less a pound for buying it. However, in many cases they do not realize that what they are buying is not really channel catfish.

It is obvious that this confusion has been exploited and will continue to be exploited unless something is done to correct the obvious oversight that is jeopardizing American jobs.

Further, American catfish farmers raise their catfish in pristine and closely controlled environments. The fish are fed pellets consisting of grains composed of soybeans, corn, and cotton seed. These facilities are required to meet strict Federal and State regulations.

In fact, this upper picture is a very accurate reflection both of U.S. farm-raised catfish—what it looks like—and the conditions in which it is grown. I was there this Saturday. I have flown over our catfish ponds in delta Arkansas time and time again. They are clean, they are pristine and well regulated, and they are inspected.

I understand the Vietnamese basa fish are raised in far different conditions. In the Mekong Delta, one of the most polluted watersheds in the world, basa are often exposed to many foul and unhealthy elements, sometimes even feeding off raw sewage. In fact, because an importer signs a statement saying he guarantees it was raised in conditions comparable to the United States and meets health and safety requirements of the United States is little assurance to the American consumers.

There is, I believe, a pretty good indication of the comparison, and most assuredly a comparison of the two different fish that are involved. One is Vietnamese basa, a different species, and a different family from United States farm-raised catfish, channel catfish.

I understand that my colleague from Arizona has a strong desire to promote competitive markets and encourage trade but markets must be honest and trade must be fair.

I again emphasize that these are people's livelihoods. Congress acted properly limiting the use of the common name "catfish." This action was warranted because exporters in Vietnam and importers in the United States have used the term "catfish" improperly and unfairly to make inroads into an established market.

This provision does not exclude Vietnamese basa from being imported. Let me emphasize that it does not violate any trade agreements.

There can be as many Vietnam basa fish imported into the United States as they can sell if it is properly labeled Vietnamese basa. My objective under the provisions that were included in the Agriculture appropriations bill was to ensure that labeling is accurate and truthful.

That language ends the practice of purposely misleading consumers at the expense of an industry in one of the poorest parts of the Nation.



Some people may argue that the restriction of the use of the name "catfish" to members of the family Ictaluridae runs counter to past international seafood trade policy, and may hinder our progress of increasing trade. In fact, that is the very argument that has been made.

Two examples of attempted nomenclature restrictions used to support this argument are name restrictions for scallops proposed by the French Government and one for sardines proposed by the EU. Both of these efforts have been strongly opposed by American producers. We do not dispute that; in the cases of the scallops and the sardines, these nomenclature restrictions are unfair.

However, both of these examples—and I suspect the Senator from Texas will talk about these examples and try to make it identical to the issue of catfish; and, in fact, it is not at all—are based on groups of animals that are much more closely related taxonomically than are basa and channel catfish. Channel catfish and the Vietnamese basa are classified in different taxonomic families—Ictaluridae for channel catfish and Pangasidae for basa. As is shown on this chart, the families are entirely different for the channel catfish and the Vietnamese basa.

This is a very distant relationship, analogous to the difference between giraffes and cattle, which differ at the level of family within the mammal grouping. However, the scallop issue involves members of a single molluscan family, the Pectenidae. That is, the molluscs at issue in the French case differ only at the genus or species level.

The European Union sardine issue likewise involves members of a single family of fish, the Clupeidae. Again, the fish species allowed by the United Nations Food and Agriculture Organization's Codex Alimentarius standard to be sold under the common name "sardine" differ only at the genus—that is shown here on the chart—and species level, not at the family level.

The Vietnamese basa and the American channel catfish are in different families. They are only in the same order—Siluriformes—which has more than 2,200 different species in it. This order is characterized by the presence, as Senator McCain has said, of barbels or whiskers. Some will say: If it has whiskers, then it is a catfish. I heard my colleague make that statement. So should all of these fish be allowed to be sold as catfish—these 2,000 different species? Do you think it is all right with consumers to sell them nurse shark labeled as catfish? They have the barbels or the whiskers. They have the pictures here to show that. Do you not think that would be a little bit deceptive for the nurse shark to be labeled as catfish?

Now think about if that nurse shark were raised in salt water under health inspection conditions that only require

the producer to sign a piece of paper that states that health standards are being upheld.

Now imagine that because of the way this nurse shark is raised—it is cheaper, significantly cheaper. What if that nurse shark, raised in salt water under questionable health conditions, was allowed to be sold as catfish? Is that fair trade? That is exactly analogous of what is being done today when Vietnamese basa is being labeled as catfish. It is not fair trade.

Now imagine that they tried to sell it as nurse shark and couldn't develop a market—understandably—but suddenly, when they labeled it as catfish, they saw their market grow by not 100 percent, not 400 percent, but 700 percent. Because they took the nurse shark and labeled it as catfish, wouldn't that be considered deceptive and considered unfair? The answer is obvious.

This is exactly the case that our catfish farmers in Arkansas, Mississippi, Louisiana, and Alabama are facing. And it is not fair.

Black drum fish have whiskers. That should not be labeled as catfish. Sturgeon have whiskers and barbels. It should not be labeled as catfish. The blind fish, the blind cave fish uses whiskers or barbels to feel its way around, but no one would suggest they should be marketed as catfish.

That is why we introduced S. 1494 on October 3, 2001. Many of us, including my colleague from Arkansas, Senator LINCOLN, came to this Chamber and described the situation in great detail at that time. Nothing was hidden. We had an open and full debate. Afterwards, we worked to include this needed legislation in a number of bills, finally being successful in getting it into the Agriculture appropriations bill.

I remind my colleagues, again, as they will hear of the wealthy catfish growers, they will hear of agribusiness. They will hear of the catfish lobby. Two counties in Arkansas that grow the most catfish are Chicot County and Desha County.

In Chicot County, 33.8 percent of the residents live in poverty—33.8 percent. The median household income in Chicot County is \$19,604. That is the average household income.

In Desha County, 27.5 percent of the residents live in poverty, with the median household income being \$23,361.

By contrast, in the State of Arizona, 15 percent of the residents live in poverty. That is one-half the poverty rate of Chicot County. And the median household income in Arizona is \$34,751—\$15,000 per family more than Chicot County.

I would not suggest that we should try to hurt, destroy, undermine, or undercut industries in the State of Arizona because they are prospering more than these two poor counties in the delta of Arkansas. But I assure you, I am going to stand in this Senate Chamber and fight for the thousands of people who are employed in this indus-

try and the one ray of light in that delta economy.

When they talk about large agribusinesses and wealthy catfish growers, it should be remembered that 70 percent of the catfish growers in the United States qualify under the Small Business Administration as small businesses. And many of that 70 percent are fighting for their survival.

So, Mr. President, and my colleagues, I ask we keep very much in mind that this is not a free trade issue. This is a fair trade issue. It is a truth-in-labeling issue. It is calling Vietnamese basa what they are—basa—and allowing that term "catfish," which has been part of an important educational and nutritional campaign in this country, to not be kidnapped by those importers that seek to make a quick buck.

I ask my colleagues to vote down the McCain-Gramm amendment.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. Mr. President, I thank my colleague from Arkansas for being in this Chamber and so eloquently describing the issue with which we are dealing, particularly in our home State of Arkansas, particularly in the area of the Mississippi Delta region of Arkansas that has been so hard hit by the unfairness of the influx of trade from the Vietnamese basa fish.

I thank the Senator from Arizona for his continued leadership and his work in keeping us focused on making sure we are on the straight and narrow and that we are doing business in the Senate in the way that business should be handled. He is always there working diligently in that regard.

Today I rise to respectfully oppose the amendment that Senator McCain has offered on catfish and, again, thanking him for his leadership and doing many things in keeping us straight in the Senate. But I respectfully disagree with him on this one.

Our distinguished colleagues who support this amendment argue that this issue is about free trade. They argue this amendment is about preserving the integrity and the spirit of our trade agreements, in particular, the bilateral agreement with Vietnam this body approved earlier this fall. And they are right on both of these points, but not for the reasons they describe.

This issue does touch on free trade and on the integrity of our agreements. It touches on the fairness of trade and on the trust that we ask our citizens in this country to put into our trade agreements.

For global market liberalization to succeed, it must be built on a strong foundation of rules. This rules-based market system must be transparent and fair. It must be reliable and it must encourage market confidence.

That is one reason we worked so hard to negotiate our trade agreements within the auspices of a stable, multi-lateral institution such as the WTO. If

we do not work within a reliable, predictable rules-based system, then people lose faith in the promise of free trade and the free trade agenda is undermined. I do not think anyone in this body with the state of the economy wants to undermine the opportunities that free trade brings to this great Nation.

Many of our farmers have lost faith in our promises of free trade because they sense that their trading partners are not playing by the same rules. The House barely approved TPA last week in large part because rural Members and their constituents have lost faith in free trade. Our catfish farmers are now having to confront this issue of fairness and trust. They are having to confront imports of a wholly different kind of fish that is brought into this country but that is labeled as catfish.

Let's remember what it is we are talking about when we talk about catfish. As a young girl, I learned how to shoot using target driftwood on the Mississippi River. I also learned how to enjoy the outdoors and fishing by catching some big catfish in many of our lakes and streams in Arkansas, the thrill of being able to be a part of the environment and something that is a part of our heritage in Arkansas and in the Mississippi Delta region.

Some of us have in mind a specific kind of fish, the catfish that we grew up catching and eating. If we look at the chart, which has been shown to you by my colleague from Arkansas, which was prepared by the National Warmwater Aquaculture Center in Stoneville, MI, we see, as my colleague pointed out, what catfish consumers in this country think of as classified taxonomically under the family known as Ictaluridae.

It is a week before Christmas, a time when we should all be focused on family and getting home to our families so we can celebrate this Christmas. Let's look at this family column of what we are talking about. Look at the Ictaluridae area of the family column, more specifically known by its genus species as the channel catfish, which is what we are talking about today. In contrast, the basa fish that is being imported and labeled as "catfish" is classified under the family name here known as Pangasiidae. So not only are the channel catfish and the basa fish not members of the same genus species, they are not even members of the same family. They are only members of the same taxonomic order.

To get an idea of what this means or of how different these fish are, let's look at classifications of other items that we buy and consume. I mentioned this in my comments when we did bring up this amendment on the floor and talked about the bill we had introduced.

An Atlantic salmon and a lake trout, as my colleague mentioned, are members of the same family. So they are closer relatives than are the channel fish, catfish, and the basa fish. I sup-

pose if we are prepared to say that basa would be sold under the label of "catfish," then lake trout can be masqueraded as Atlantic salmon. I imagine many of my colleagues in this body would disagree with that.

Here is another one: A cow and a yak are members of the same family; once again, closer relatives than the channel catfish and the basa. So if we are prepared to say that the basa can be sold under the label of "catfish," then we are more justified in saying that yak meat can be labeled and sold as New York strip steak. Or how about a camel or a giraffe? Both are members of the same order as a cow so just as close as the channel catfish and the basa fish. I suppose our opponents believe that an importer ought to be able to label a camel or a giraffe as beef and deceive the consumers into thinking they are buying filet mignon. Of course, it would be absurd to let a business deceive a consumer in such an egregious manner. To do so is nothing more than outrageous deception.

Do not let the other side fool you by suggestions that all fish are the same. It is not true, not any more than saying all four-legged mammals can be sold as beef.

These basa fish are brought into this country, packaged to mimic American brand names, even to mimic U.S. brand emblems for catfish, then labeled and sold to consumers as catfish in a blatant attempt to deceive the consumer into thinking he or she was buying a certain kind of catfish. That catfish they think they are buying is the North American channel catfish, not a basa fish.

This issue really hits home in Arkansas. As was mentioned by my colleague, we are talking about the Mississippi River Delta region of Arkansas where I grew up, one of the poorest regions in the Nation, one of the areas where our catfish farmers have contributed significantly to the economic viability of our Mississippi Delta counties, an area which has already been hit hard by the downturn in the rural economy which occurred over 4 years ago or better.

At a time when terribly low prices of other crops have been sending more and more farmers into bankruptcy, our catfish farmers have been able to scratch out a living by carving out a new market in this stable economy. These are farmers who in years past have left row cropping, who have found an environmentally efficient way to take their lands, their productive lands, and put them into aquaculture, thereby not only looking at the environmental impact statement they can make, the economic impact they can make, because they will hire more individuals and put more individuals to work, but also carving out a niche in the economy that needed to be filled.

So many of these farmers and workers once worked in production of other crops. As we have seen, the market for those crops has gone in the tank. There

wasn't a very proud commercial market in catfish to speak of, but these farmers and these workers, after finding it nearly impossible to make a living in other crops, saw an opportunity to develop a market and build an industry. That is exactly what they have done over the last 15 to 20 years. They have built from scratch this market for aquaculture. So many of these communities, these farmers, their families and related industries invested millions and millions of dollars into building a catfish industry and into developing a catfish market. It has taken years, but they have done it. They are still doing it.

But now, just as they are seeing the fruits of their years of labor and investment, just as they are finding a light at the end of the rural economic tunnel, they find themselves facing a new and even more devious form of unfair trading practice. The people importing these Vietnamese fish see a growing market of which they can take advantage. It is irrelevant to them that what they are selling is not really catfish.

Why are they doing it? Because the catfish market in America is growing. Americans like catfish. As the Senator from Arizona mentioned, it is wholesome and healthy. It is safe. But as in any other crop in this Nation, as we continue to demand of our producers in this great Nation that they produce the safest—environmentally safest and product safest—economical product, we must be willing to stand by them, whether it is in an incredibly good farm bill, which the chairman has produced, or whether it is in trading practices to ensure that we stand by our producers.

American-raised catfish is farm raised and grain fed, grown in specially built ponds, cared for in closely regulated and closely scrutinized environments that ensure the safest supply of the cleanest fish a consumer could purchase.

Some basa fish are grown in cages in the Mekong River in conditions that are far below the standards which our catfish farmers must meet. Do consumers know that? Are they aware of the product they are getting? It is an unfair irony that our catfish farmers, many of whom left other agricultural pursuits, find themselves once again in the headlights of an onslaught of unfair trade from another country.

It is not true, as Senator McCain has suggested, that these are simply wealthy agribusiness corporations with deep pockets. These are farmers and workers and families who have built their lives around a productive aquaculture business, who have been scraping out of the land and the mud of the Mississippi Delta a living in an area that has been so traditionally downtrodden.

In fact, 70 percent of the catfish processing workforce consists of single mothers in their first jobs. These are single working mothers, many of whom



are coming off the welfare rolls in one of the poorest regions in the country. One of the farmers from Arkansas whom I know, a gentleman named Randy Evans, is a Vietnam veteran himself who has sunk his life savings into his catfish farm. Another year like the last one, he tells me, and he will be out of business. His story is a common one.

Another farmer, Philip Jones, also from Arkansas, decided to quit farming in other crops 4 years ago because it was too tough to make a living and decided to throw his and his wife's savings into the catfish business. Now, as Randy Evans, they face losing all of their savings and going out of business if the next year is like the last.

To hear the other side describe, the troubles these farmers are facing couldn't possibly have anything to do with increasing sales of basa as catfish. They will try to point out that basa imports represent only 4 percent of the catfish market. But that's only if you look at the entire catfish market. What they don't tell you is that basa imports are primarily in the frozen filet market, which is the most profitable market within the catfish business. And within the frozen filet market, basa imports have tripled—tripled—each of the last couple of years—from 7 million pounds to 20 million pounds annually.

Looking at that trend line, it is easy to understand how imports of these misleadingly labeled basa fish will very soon have a devastating effect on the catfish industry; that is, unless something is done to bring some fairness to the marketplace.

My colleagues and I felt that this problem could best be resolved by addressing the unfair trading practice where it occurs—at the labeling stage. That is exactly what the language included in the Agriculture appropriations bill does, which was signed into law by President Bush on November 28, just 3 weeks ago. It simply prohibits the labeling of any fish as "catfish" that is in fact not an actual member of the catfish family "Ictaluridae."

We are not trying to stop other countries from growing catfish and selling it into this country. We simply want to make sure that if they say they are selling catfish—then that is what they are really doing. It does not violate the "national treatment" rules in our trade agreements, nor should it violate our bilateral agreement with Vietnam, as some may argue. That is because the language included in the Agriculture appropriations law applies to anybody who tries to mislabel fish as "catfish," whether that mislabeled fish has been grown in Asia or in Arkansas.

I have heard some people mention a case involving sardines and the European Union. In that case, the EU is trying to limit the label of "sardines" to a specific genus species that is harvested in the Mediterranean. That case is different from ours for three reasons.

First of all, the European action violates an applicable international stand-

ard that is binding on the EU under the Technical Barriers to Trade Agreement. There is no applicable international standard that applies to catfish. So one of the main objections to the EU sardines case is not even relevant to our case.

Second, the EU action would change the way sardines imports had already been handled. So the EU action represented an about-face of sorts against the way the sardines importing industry had been doing business. This is different from our case because these basa imports have only recently begun to deluge our market. So there is no existing way we have dealt with the catfish labeling issue. We are establishing that manner right now.

Third, as I mentioned earlier, the EU action would limit the label of sardines to within the specific genus species that is harvested in the Mediterranean. So sardines that are within the same taxonomic family as the European species could not use the sardines label. This is different from our case because we're talking about fish that is not even a member of the same taxonomic family.

And do not let others sell you on the argument that we would violate the "national treatment" and most-favored-nation provisions of our trade agreements. Our language focuses only on the types of fish, not on the place of origin, so it would apply equally whether the fish is grown in Asia or in the Mississippi Delta.

If our trading partners want to raise catfish of the "Ictaluridae" family overseas and import it into this country under the label of "catfish," then they can do that. Our language does not seek to stop them. It only requires them to deal with the consumer honestly. It only prohibits them from deceiving the consumer.

This is about truth and fairness and that is what the language included in the Agriculture appropriations law accomplishes. So our colleagues on the other side of this issue are right when they say this is about preserving the integrity of our trade agreements.

What is at stake is whether we will honor the spirit of a rules-based global trading system that relies on transparency and fairness. Will we encourage our farmers and workers to trust increased trade? If so, then vote against this amendment.

I, once again, would like to go to and reconfirm that this is not an issue of campaign finance reform. This is an issue of jobs—jobs in an area of our country that has traditionally suffered unbelievable poverty and unemployment. These are about hard-working families, in an area of our country that, again, has been downtrodden for years. It is about encouraging diversity in an industry, particularly agriculture, where we have seen our agricultural producers in this great Nation who have been farming away the equity in their farms that their fathers and grandfathers and great-grand-

fathers built up before them because we haven't provided them the kind of agriculture policy that could sustain them in business. It is providing the diversity that when row crops can't provide that stability, they can diversify into aquaculture, into an area where they can employ more people and preserve the environment, and they can make an effort at building a part of the economy that needs to be built in this great Nation.

I thank the Senator from Arizona again for his leadership and for always coming forward to try to set us straight. I respectfully disagree with him. I ask my colleagues to join me in supporting the people of the Mississippi Delta, the farmers of this Nation who have been willing to diversify and to seize a marketplace that needed to be seized, and to give them fairness so that once again the American farmer, the American producer, can have faith in the integrity of the free trade that this Nation stands behind on their behalf.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, surely God must be smiling that we are here on December 18th talking about catfish. I would like to try to address all these issues that have been raised as quickly as I can and get to the bottom line of what this issue is about.

Let me first say I take a back seat to no man or woman on the issue of catfish. I have eaten as many or more catfish than anyone in the Senate. In fact, as a boy growing up on the Chattahoochee River, I can remember buying catfish from people along River Road who had up a sign: "Our catfish slept in the Chattahoochee river last night."

I think it is an incredible commentary on how poorly we understand trade that we have heard an endless debate today about what the income level of catfish producers is while nobody has mentioned catfish consumers. Is there anybody here who would be willing to wager whether the average catfish consumer in America is substantially poorer than the average catfish producer? Nobody would make that wager. Nobody thinks there is any question about it.

The amazing thing about the debate on trade is that nobody cares about the consumer. The consumer is absolutely irrelevant in the trade debate. The trade debate is basically about single-entry bookkeeping. Nobody looks at all the agricultural products that the Vietnamese buy from America. Nobody looks at all the jobs that creates. Nobody looks at the fact that every American dollar that goes to Vietnam, or any other country, for that matter, comes back to America in purchases. We are focused on single-entry bookkeeping, and in this sort of naive world of the Senate trade debate, the end of all activities is exports. Imports seem to be terrible things.

If that is true, I wonder why my colleagues go to the grocery store. They

talk about free trade. But when is the last time Kroger or Safeway bought anything from you? They have never bought anything from me. I have never sold anything to a grocery store. I am engaged in absolutely one-way unfair trade with the grocery store. The groceries sell things to me but they do not buy things from me. If I listen to the logic of this debate, we should be putting up barriers to people getting in the grocery store because of unfair trade.

Maybe I have been following these debates for too long, but I thought the end of all economic activity was consumption. Does no one care about what impact this provision will have on consumers? Does anybody doubt that limiting competition in the sale of catfish will hurt poor people? It will, and it will hurt them everywhere—not just in Arkansas, not just in Texas, but everywhere.

I also do not understand the point about people in Arizona being richer than people in Arkansas. On that logic, why don't we simply have amendments to redistribute wealth? I do not think any of that is relevant.

My point is that no one can dispute that the average consumer of catfish is poorer than the average producer of catfish. So if we are here choosing up sides based on income, we would all be against the provision that limits competition in catfish. But obviously, that is not what we are about.

Let me try to address some of the issues that have been raised. First of all, many comments have been made today that I do not think comport with existing regulations and laws. I have here a September 27 directive by Philip Spiller, who is director of the Seafood Center for Food Safety and Applied Nutrition, about labeling of Vietnamese catfish. I will ask that it be printed in the RECORD when I get through speaking. He lists about 30 commercial catfish labels, none of which is just plain catfish. You can label it basa catfish. You can label it bocourti catfish. You can label it short barbel catfish. You can label it sutchi catfish. You can label it striped catfish. But you certainly cannot label it plain catfish. So the idea that we have no way to indicate whether or not catfish is U.S. catfish just does not comport with the regulations in place today.

In looking into this issue, and trying to find a neutral source, we pulled up [www.fishbase.org](http://www.fishbase.org), which is a taxonomic database on the Internet that serves as a reference for fisheries scientists. Rather than going to an old dusty library and pulling out a reference book and blowing the dust off it, you now can call up this information from a database on the Internet. And up pops various kinds of catfish.

It is interesting to me that our colleagues are so adamant that the catfish grown in Vietnam is not catfish. That will come as a surprise to the scientists who compiled the taxonomic database

at fishbase, because sure enough, right there on the database—and I challenge my colleagues to look it up—is this basa catfish. So apparently the scientists are confused. They may call this a basa catfish, and they may have a picture that goes with it that sure looks like a catfish to me. But we, of course, have in-depth knowledge of the catfish and the catfish family and its scientific names.

I went to great trouble to actually get a photograph of this nefarious catfish. Just the growth of this catfish puts people out of work, and spreads hunger and disaster across the globe. Here is a picture of a very young one. If you put that before any child in America over the age of 3 and asked, what is that fish, what would they say? Mama, it's a catfish.

I have a blowup of this picture. See those whiskers? Do you think that is a crab or a bass or a salmon? It is a catfish. Not only does it look like a catfish, but it acts like a catfish. And the people who make a living in fisheries science call it a catfish.

Why do we want to call it anything other than a catfish? We want to call it something other than a catfish because of protectionism. I have never run into a man or woman serving in public office who said: I am a protectionist. Nobody says that. They are always for free trade, but they are never for free trade in anything that in any way affects anybody they represent. It never ceases to amaze me. I do not know what free trade they favor other than something their state does not produce. But that is not the way trade works.

Let me address the many other issues raised. One argument we hear is that this Vietnamese catfish is an inferior import. If it is inferior, why do restaurants buy it in such overwhelming volume? Do they not want people to come back to their restaurant? Are they not interested in customer loyalty? And if it is inferior, why has no one presented us with taste test results? I do not know that such a test has ever been done. Do you know why I do not think it has been done? Because people would not be able to tell the difference. There obviously is a difference between a mud cat and a channel cat. I prefer the channel cat. If you tried to serve mud cat in a restaurant, you would not have many repeat customers.

Restaurants are serving basa catfish because it is good catfish, people like it, and it is cheaper. You might say that there is something wrong with it being cheaper. What is trade about except seeing products become cheaper? Why would we trade with anybody for any item unless we could buy it cheaper from them than we could produce it for ourselves? That is what trade is about. That is where we gain from trade. But all that gets lost in this debate.

What about a nutrition study? Does Vietnamese catfish have the same nu-

tritional value as U.S. catfish? Is it nutritionally inferior? When consumed by the human species are its digestive qualities different? I suspect not, because certainly the proponents of preventing this catfish from being called a catfish would have done these studies if they thought there were any possibility of generating data in their favor.

On the argument regarding a surge in imports, it all depends on where you start. It is true that between 1997 and 2000, there was a big surge in catfish imports, from .9 million pounds to 8.2 million pounds. But if you go back to 1986, the level of imports then was 8.2 million pounds. So the level of imports has not changed, at least as measured in million-pound increments, since 1986. It may have declined in 1997, but in terms of imports, we are not appreciably different today than we were in 1986. This data is data from the State Department. It is unclassified and available for everyone to look at, and I ask my colleagues to look at it.

In terms of dirty conditions, where is the evidence? The State Department was asked to go out and look at how the Vietnamese catfish were grown, and they have come back and tell us that the conditions are highly sanitary. It is interesting that at this very moment, the Chinese are beginning to produce channel cat from American strains. There is no evidence to suggest that the Vietnamese could not ultimately produce channel cat. What would the argument be then?

It seems to me all of the arguments we are hearing today come down to an argument against trade. The question turns on what is in a name.

Imagine for a moment that Alaskan king crab were required to be labeled as "giant sea spiders." Just imagine that I am in France and I don't want these Alaskan king crab brought into France because they are good, relatively inexpensive, and superior to the crab we have in France. The Alaskan king crab is a different subspecies. As everyone who has ever seen a blue crab and an Alaskan king crab knows, one is a No. 1 jimmy, the very top one you can get, at about 6 inches across. Then there are various gradations in the Maryland blue crab.

Mr. MCCAIN. Will the Senator yield? Shouldn't we change the name of one of those?

Mr. GRAMM. My point.

Mr. MCCAIN. They don't look as much alike as the catfish shown in the pictures, yet we will make sure that the term "catfish" is removed. I don't see why either the dungeness or the blue, one of those, should clearly not be called "crab."

Mr. GRAMM. The point is, what is the purpose of a name? The purpose of a name is to convey information. A blue crab, a dungeness crab, a king crab—all are labeled as crab because, while they look very different and are very different sizes, they basically are similar creatures and a very high quality food source. Why would you call

them anything but the same thing unless the objective was to try to reduce or remove one of the products from the market?

Now, we produce Alaskan king crab. It is a superior product. I don't know whether people that produce it are rich or poor. I know anybody who has enough income to afford Alaskan king crab likes to eat it. I do. But if I were in France and I were in the crab business and I didn't want to compete against Alaskan king crab, what would I do? I would say this is not a crab. I would say that our French crab is a superior product and this Alaskan king crab is an inferior product that is being foisted off on French consumers by French chefs.

What about the Florida stone crab that is so expensive and that people like so much? Now, I will say, and I speak with some authority, poor people do not eat stone crabs because it is expensive. It is very expensive. And it is very, very good. If I am in France, I have this crummy little crab they grow in France. It is good, but it does not compare to the Florida stone crab or the Maryland blue crab—I sing its virtues—or the Alaskan king crab. I don't know whether God didn't love them as much as he loves us, but he gave us this great variety of crabs. If I am a French crab grower—a “water man” as they call it on the eastern shore of Maryland—I might start a campaign because I don't want to compete against these crabs by going to a French parliamentarian.

Do you think that parliamentarian would stand up and say: Although the American crab are better and cheaper, we don't want them in France because we think consumers in France are not paying enough for crab. We want to literally steal the crab right out of their mouths. We want to rip them off.

Do you think you would stand up and say that, even in the French parliament? I think not. You know what I think the parliamentarian would say? He would get a picture of a glorious French crab and he would say: *Monsieur*, this is a crab. And then he would talk about the French water men who go out in the North Sea, with the winds blowing, where it is cold and risky. He would have a picture of a water man who fell and broke his leg during a storm, and with tears in his eyes, he would say: Are we going to take bread out of their mouths? Are we going to let Americans continue to send these inferior crabs into France? And then they would take down the picture of the French crab, with its scientific name, and he would put up a picture of the Alaskan king crab, and he would say: Can anyone say that is a crab?

Then he would put up a table showing a family tree of the crab. He would show the crummy little French crab at the top, and the Florida stone crab and the Alaskan king crab, way down here. He might even argue that genetically, the Alaskan king crab is closer to being a lobster than to being a crab. I

don't know. I have not looked at the crab family tree.

Then he would say: We cannot allow these Americans to call this thing a crab. So he might suggest to the French parliament: Let us call it some scientific name that would scare consumers to death, like a giant sea spider.

Now you go into a grocery store in France, and you see these Alaskan king crab—superior to any crab grown in France, and cheaper to boot—and it is labeled in French “giant sea spider.” Why would it be called a giant sea spider instead of a crab? Because the French crab grower does not want people to buy it.

That sums up what this debate is about. How can you sell catfish when you can't call it catfish? If the suggestion were to require that the catfish be labeled “Vietnamese catfish,” I would vote for it. I don't think that is a good idea nor one that would benefit me. I don't get all these arguments about it being unpatriotic to buy some product from another country at the same time that we want them to buy things from us. I don't understand it. I think that view is a road to poverty. I think that that view is what politicians have done to their people for thousands of years.

The new thinking, the new revolution is trade. But what this is about—with the best of intentions—is the fact that we have competition in catfish. It has gotten cheaper. The consumer has benefitted, real income has risen, and nutrition levels are up because catfish now is cheaper.

What we are debating now is an effort to take what the Internet reference database used by the scientists call a “catfish” and say they don't know what they are talking about because it is not a catfish. Just like the French might say the Alaskan king crab is not a crab. Instead we will force the Vietnamese catfish farmers to market their catfish under a name that nobody knows. Who knows what “basa” is?

Let us say that I am a low-income person. I am looking at every penny. I am working. I have gotten off welfare. I am going to the grocery store to buy a product: catfish. So I go to the catfish counter, and I see catfish. It looks kind of high in price. Then I see basa over here. It looks like catfish, but I don't know if it is catfish.

Is forcing sellers to call a product by a name that has nothing to do with our common knowledge of the product an insurmountable obstacle to trade? I believe that it is. I believe that any trade panel impaneled anywhere in the world would rule that this practice is an unfair trade practice. If scientists say it is a catfish, why don't we say it is a catfish? Why would we say it is not a catfish? If there were no significant imports of Vietnamese catfish, would we be in a debate about whether this is catfish?

If this were a gathering of ichthyologists—the name for people who study

fish—would we be debating whether this catfish is a catfish? No, we would not be debating it. We are debating it because people want protection. I understand why they want it. I am not saying some people may not be hurt without the protection, without destroying the ability of a competitor to compete.

But my point is this: We are the greatest exporting nation in the world. Protectionist efforts are being directed at us all over the world. Similar debates are occurring in every parliament and every congress on Earth. In fact, right now there are efforts in the European Community to change our ability to market U.S. sardines. And the French have tried to label foreign scallops as not being scallops. I can't pronounce the French name for scallops. Why are they doing that? Is not a scallop a scallop? Quite frankly, even though the French scallops are smaller, they are superior to ocean scallops. Why are they doing that in France?

Mr. MCCAIN. Mr. President, is the Senator aware that the suit was brought against France for exactly that—mislabeling scallops? The United States is one of them. WTO ultimately ruled against the French and changed the regulation, as they will rule against this. But it would take years to do it.

Mr. GRAMM. Why do the French want to say a scallop is not a scallop? Because they wanted to cheat French consumers. They wanted to make French consumers consume their domestically produced scallops rather than being able to buy scallops from around the whole world.

Why is concern focused only on the people who produce things and not the people who consume things? How extraordinarily different that world view is. Quite frankly, when I look to the future, it frightens me that at the very time when we are seeing developing countries start to open up trade, developed countries are restricting trade. We are the greatest trading country in the world, with the largest export and the largest import base of any country on the planet. Yet somehow something is said to be wrong.

I am reminded of Pericles, who gave the funeral oration each year in Athens to honor those who had died during the Peloponnesian War. Other than the Gettysburg Address, probably the most famous speech ever given was Pericles's funeral oration. It is very interesting that of all the things Pericles could have chosen to show the greatness about Athens, he picked out trade, and specifically, imports. He didn't pick out exports, although he could have said that if you go all over the world you will find products from Athens. But he didn't say that. He said: “Because of the greatness of our city, the fruits of the whole earth flow in upon us, so that we enjoy the goods of other countries as freely as of our own.” To Pericles, that fact represented the greatness of Athens.

But yet, in America, the greatest, richest, freest country in history, we are debating a proposal that a catfish is not a catfish because catfish are too cheap and we want to restrict competition by forcing people who produce catfish in Vietnam to call it something other than catfish. Quite frankly I think that is a problem.

Let me make a couple of other points.

What is a red snapper? I thought I knew what a red snapper from the gulf was. I am sure the Presiding Officer, if I asked him to draw a picture of a red snapper, would draw the same picture of a red snapper: a red fish that is kind of flat. But if you asked Senator STEVENS or Senator MURKOWSKI to draw a red snapper, they would draw a very different fish because, in fact, the red snapper of the gulf coast is a very different product from the red snapper of Alaska. Should we pass a law that says you can call one a red snapper but not the other? Would that make any sense?

I have already talked about crab, and the example of the French parliamentarian. Can you imagine the great passion he could muster in making his argument—an argument that quite frankly, would be a better case than we have here? The difference between the Alaskan king crab and the crummy little French crab is far starker than the difference between these two catfish.

All over the world today, this very same debate is going on about what is crab and what is not crab, what are scallops and what are not scallops, or what are sardines and what are not sardines. Does this debate serve any purpose other than to cheat people, to limit trade, and to produce declining living standards?

Finally, let me say that this effort won't end with seafood. Is pima cotton the same thing as short-strand cotton? Is the cotton produced in Arizona and West Texas the same cotton that is produced in Georgia and central Texas? Is Egyptian cotton the same as U.S. cotton? Could we not find ourselves in a similar debate over, literally, buying sheets?

I have a son who is getting married on the 19th of January. I have become an expert on bedding. When you want to give someone the nicest sheets, you get sheets made of pima cotton or Egyptian cotton, because that is long-strand cotton. And you look for a large number of threads per square inch.

If the United States Senate changes by legislation what catfish is for the purpose of trade—even though scientists classify catfish differently—is it hard to imagine that we might actually see a proposal that says Egyptian cotton is not cotton? Is that out of anybody's imagination? It is not out of my imagination. We could literally have a situation where a superior product—long-strand cotton—could not be sold because it was not allowed to be called cotton and consumers were not able to know what it was.

I understand cotton. I must be like every other Member of Congress in

that I have been given thousands of T-shirts every year. If it is not 100-percent cotton, I give it away. First I give it to my staff. If they don't want it, I send it off to somebody who is collecting clothes. It is not that I would take it if it said "Free Love" or something like that on it. But I want 100-percent cotton.

What if, for political reasons, we started saying that some kinds of cotton are not cotton? The only reason someone would want to do that would be to impede trade. The purpose of this effort to prevent the use of the name "catfish"—the name used by fisheries scientists—for imported catfish is to impede trade.

Catfish, at the end of the day, is important to our trading partners in Vietnam. We could cheat them. And we could cheat catfish consumers, who probably would never know it. The millions of people who eat catfish have no idea that we are debating this today.

I am guessing that some catfish producers are looking over my shoulder and sending letters back to Texarkana or the Golden Triangle—where people grow catfish—asking whether PHIL GRAMM cares about catfish producers. Yet nobody is looking over my shoulder asking whether I care about the catfish consumer.

This is how bad law is made. Even though nobody other than a few catfish producers is ever going to know how senators vote, I urge my colleagues to vote with Senator McCain because this is an important issue. If we start changing names to impede trade, who is more vulnerable to this kind of cheating than the United States of America? If we can do this to Vietnamese catfish, it can be done to every agricultural product that we produce.

In fact, it is being done to our beef exports today in Europe using phony science. The scientific community says growth hormones have no impact. Yet the Europeans, for protectionist reasons, have reached the conclusion they do. It is limiting American cattle growers and it is cheating Europeans out of a superior diet.

The problem with cheating in little ways in trade is that it undercuts our credibility when we tell other nations to treat people fairly and to respect free trade.

I want to make one final argument. I know people flinch when I say it, but it needs to be said. I personally do not believe that the Vietnamese or the Chinese or anybody else will put us out of the catfish industry. But God did not guarantee that people have a right to be in the catfish business. I did not get to play in the NBA or the NFL. I did not get to act in movies. Nobody guaranteed me those rights. If other people can produce a catfish product that is better and cheaper than our catfish, what is wrong with letting consumers buy that catfish and letting us engage in the production of products that we do better?

One final point, and then I will end my statement. Trade creates progress

and increases living standards. Take textiles. For years, political representatives of the South tried to protect textiles—a low-wage industry that in the old days provided very poor working conditions and very poor benefits. By the way, Americans pay twice as much for their clothing as they would pay if we had free trade in textiles. Our textile policy literally steals money out of the pockets of working men and women in America, and cheats them every day through protectionism in textiles.

Now any job is a godsend to anybody who wants to work. But Senator McCain and I recently were in South Carolina together campaigning at a BMW plant. I was struck by the fact that the old textile plants had gone broke anyway, and the same people who had worked in the textile mills now were working at BMW at three times the wages and with substantially better working conditions.

I urge my colleagues: Let's not get into the business of saying that a catfish is not a catfish for a quick benefit today, because in 100 or 1,000 or 10,000 other ways the same game can be practiced on us. And we are far more vulnerable than the poor Vietnamese because they do not produce and sell many things. We produce and sell things all over the world. And when we start this kind of business, it encourages others to do the same against us. Certainly then the impact would become significant enough that people would pay attention.

So I thank Senator McCain. His objection to this proposal is in part because the proposal is unfair, and in part because of the way the proposal was enacted. But as trivial as this issue may seem now, at 4:35 on the 18th of December, when we should long ago have gone to our homes and made merry with our families—as trivial as it sounds at the moment, saying that a catfish is not a catfish for political reasons is dangerous business. It may benefit a few producers—although not the consumers, who nobody cares about—in a couple of States today, but it could hurt every State in the Union and every consumer in the world tomorrow. That is why Senator McCain is right on this issue.

I yield the floor.

Mr. LOTT. Mr. President, I understand that Senator McCain is offering an amendment to the farm bill which would strike a key provision of the fiscal year 2002 Agriculture Appropriations Conference Report. Earlier this year, the House and Senate sent to the President an Agriculture Appropriations report which contained language banning the commercial and legal use of the word "catfish" by importers and restaurants for the Vietnamese basafish. I rise to support our earlier conference agreement, and I voice my opposition to the McCain amendment to the farm bill. As many of you know, the domestic catfish industry is very important to my home State of Mississippi. Commercially-raised North

American catfish farms and processing facilities bring jobs and benefits to many people living in the communities of the Mississippi Delta, one of the poorest regions in America. I fear that the McCain amendment will undo much of the hard work by private companies and government officials to bring economic development to this region.

I have heard from catfish producers and processors in Mississippi, Alabama, Arkansas, and Louisiana regarding the unfair marketing of the Vietnamese basafish as a "catfish" in stores and markets across the entire country. I agree with their arguments that by permitting this Vietnamese fish to be imported and marketed as a "catfish" the Food and Drug Administration, FDA, is allowing customers to be misinformed and defrauded. Domestic catfish industry officials rightfully fear they will lose revenue and that their businesses and workers' livelihoods will be endangered.

The scientific fact is that the basafish is not closely related to the North American channel catfish and thus should be commercially and legally identified as a separate variety of fish so that American consumers are fully informed as to what they are buying.

The Vietnamese basafish and the North American channel catfish are as genetically-related to one another as a cow and a pig. All we want is for the FDA to provide the same scientifically-based commercial distinction between these two items as they give between beef and pork. We want sound science to define what is a catfish and what is not. I ask unanimous consent that a copy of the attached taxonomic chart be printed in the RECORD following my statement to reinforce the above argument.

Now, some will argue that the fiscal year 2002 Agriculture Appropriations report discourages free trade. I disagree with such an assessment. It is not our intention to ban the importation of the Vietnamese basafish into the United States through this legislation. The fiscal year 2002 Agriculture Appropriations report will only require the FDA to recognize what science does, that this fish is not a "catfish."

I believe that the Agriculture Appropriations report actually encourages fair trade between America and emerging markets like Vietnam. Throughout this past year, my constituent catfish producers and processors have expressed their willingness and ability to compete head-to-head with consumers against the Vietnamese basafish for the frozen filet market demand, provided that Federal and State regulators direct importers and restaurants to honestly and correctly market the Vietnamese basafish as a Vietnamese basafish and not as a "catfish". Under a regulatory system based on sound science my constituents are confident that the North American channel catfish will easily outsell the Vietnamese basafish in the United States.

I encourage my colleagues to vote for fair trade, sound science, and informed consumers by opposing the McCain amendment.

Mr. MCCAIN. Mr. President, I wish to draw my colleagues' attention to an action Congress recently took, but which they most likely know nothing about, a severe restriction on all catfish imports into the United States. Much more is at stake here than trade in strange-looking fish with whiskers. In fact, this import barrier has grave implications for the U.S.-Vietnam Bilateral Trade Agreement, for our trade relations with a host of nations, and for American consumers and fishermen. America's commitment to free trade, and the prosperity we enjoy as a result of open trade policies, have been put at risk by a small group of Members of Congress on behalf of the catfish industry in their States, without debate or a vote in the Congress. Consequently, Senators GRAMM, KERRY, and I are offering an amendment to the farm bill to elevate the national interest over these parochial interests by stripping this narrow-minded import restriction from the books and ensuring that we define "catfish" for trade purposes in a way that reflects sound science, not the politics of protectionism.

During consideration of the Senate version of the Agriculture Appropriations bill for fiscal year 2002, I voiced deep concern about the managers' decision to "clear" a package of 35 amendments just before final passage of the bill. The vast majority of Senators had received no information about the content of these amendments and had had no chance to review them.

As it turns out, I had good reason to be concerned. Included in the managers' package was an innocuous-sounding amendment banning the Food and Drug Administration from using any funds to process imports of fish or fish products labeled as "catfish" unless the fish have a certain Latin family name. In fact, of the 2,500 species of catfish on Earth, this amendment allows the FDA to process only a certain type raised in North America, and specifically those that grow in six southern States. The practical effect is to restrict all catfish imports into our country by requiring that they be labeled as something other than catfish, an underhanded way for U.S. catfish producers to shut out the competition. With a clever trick of Latin phraseology and without even a ceremonial nod to the vast body of trade laws and practices we rigorously observe, this damaging amendment, slipped into the managers' package and ultimately signed into law as part of the Agriculture Appropriations bill, literally bans Federal officials from processing any and all catfish imports labeled as what they are, catfish.

Proponents of this ban used the insidious technique of granting ownership of the term "catfish" to only North American catfish growers, as if

southern agribusinesses have exclusive rights to the name of a fish that is farmed around the world, from Brazil to Thailand. According to the Food and Drug Administration and the American Fisheries Society, the *Pangasius* species of catfish imported from Vietnam and other countries are "freshwater catfishes of Africa and southern Asia." In addition, current FDA regulations prohibit these products from being labeled simply as "catfish." Under existing regulations, a qualifier such as "basa" or "striped" must accompany the term "catfish" so that consumers are able to make an informed choice about what they're eating.

These fish were indeed catfish until Congress, with little review and no debate, determined them not to be. No other animal or plant name has been defined in statute this way. All other acceptable market names for fish are determined by the FDA, in cooperation with the National Marine Fisheries Service, after a review of scientific literature and market practices.

What are the effects of this import restriction? As with any protectionist measure, blocking trade and relying on only domestic production will increase the price of catfish for the many Americans who enjoy eating it. One in three seafood restaurants in America serves catfish, attesting to its popularity. This trade ban will raise the prices wholesalers and their retail customers pay for catfish, and Americans who eat catfish will feel that price increase, a price increase imposed purely to line the pockets of Southern agribusinesses and their lobbyists, who have conducted a scurrilous campaign against foreign catfish for the most parochial reasons.

The ban on catfish imports has other grave implications. It patently violates our solemn trade agreement with Vietnam, the very same trade agreement the Senate ratified by a vote of 88-12 only two months ago. The ink was not yet dry on that agreement when the catfish lobby and their Congressional allies slipped their midnight amendment into a must-pass appropriations bill.

Over the last 10 years, our Nation has engaged in a gradual process of normalizing diplomatic and trade relations with Vietnam. Our engagement has yielded results: the prosperity and daily freedoms of the Vietnamese people have increased as Vietnam has opened to the world. The engine of this change has been the rapid economic growth brought about by an end to the closed economy under which the Vietnamese people stagnated during the 1980s. Many Americans, including many veterans, who have visited Vietnam have been struck by these changes, and the potential for capitalism in Vietnam to advance our interest in freedom and democracy there. We have a long way to go, but we are planting the seeds of progress through our engagement with the Vietnamese, as reflected most recently in ratification of the bilateral trade agreement

by both the United States Senate and the Vietnamese National Assembly. Indeed, the trade agreement only took effect this week.

This trade agreement is the pinnacle of the normalization process between our countries. It completes the efforts of four American presidents to establish normal relations between the United States and Vietnam. It is the institutional anchor of our relationship with Vietnam, the 14th-largest nation on Earth, and one with which we share a number of important interests.

Yet in the wake of such historic progress, and after preaching for years to the Vietnamese about the need to get government out of the business of micromanaging the economy, we have sadly implicated ourselves in the very sin our trade policy claims to reject. The amendment slipped into the Agriculture Appropriations bill openly violates the national treatment provisions of our trade agreement with Vietnam, in a troubling example of the very parochialism we have urged the Vietnamese government to abandon by ratifying the agreement.

The amendment Senator GRAMM and I are offering today would repeal this import restriction on catfish. Our amendment would define "catfish" according to existing FDA procedures that follow scientific standards and market practices.

Not only is the restrictive catfish language offensive in principle to our free trade policies, our recent overwhelming ratification of the Bilateral Trade Agreement, and our relationship with Vietnam; it also flagrantly disregards the facts about the catfish trade. I'd like to rebut this campaign of misinformation by setting straight these facts, as reported by agricultural officials at our embassy in Hanoi who have investigated the Vietnamese catfish industry in depth.

The U.S. Embassy in Vietnam summarizes the situation in this way: "Based on embassy discussions with Vietnamese government and industry officials and a review of recent reports by U.S.-based experts, the embassy does not believe there is evidence to support claims that Vietnamese catfish exports to the United States are subsidized, unhealthy, undermining, or having an 'injurious' impact on the catfish market in the U.S." Our embassy goes on to state: "In the case of catfish, the embassy has found little or no evidence that the U.S. industry or health of the consuming public is facing a threat from Vietnam's emerging catfish export industry. . . . Nor does there appear to be substance to claims that catfish raised in Vietnam are less healthy than [those raised in] other countries." The U.S. embassy reports the following: Subsidies: American officials indicate that the Vietnamese government provides no direct subsidies to its catfish industry; Health and Safety Standards: The embassy is unable to identify any evidence to support claims that Vietnamese catfish are of ques-

tionable quality and may pose health risks. FDA officials have visited Vietnam and have confirmed quality standards there. U.S. importers of Vietnamese catfish are required to certify that their imports comply with FDA requirements, and FDA inspections certify that these imports meet American standards; A normal increase in imports: The embassy finds no evidence to suggest that Vietnam is purposely directing catfish exports to the United States to establish market share; and Labeling: The Vietnamese reached an agreement with the FDA on a labeling scheme to differentiate Vietnamese catfish from American catfish in U.S. retail markets. As our embassy reports, the primary objective should be to provide American consumers with informed choices, not diminish the choice by restricting imports.

The facts are clear, the midnight amendment passed without a vote is based not on any concern for the health and well-being of the American consumer. The restriction on catfish imports slipped into the Agriculture Appropriations bill serves only the interests of the catfish producers in six southern States who profit by restricting the choice of the American consumer by banning the competition.

The catfish lobby's advertising campaign on behalf of its protectionist agenda has few facts to rely on to support its case, so it stands on scurrilous fear-mongering to make its claim that catfish raised in good old Mississippi mud are the only fish with whiskers safe to eat. One of these negative advertisements, which ran in the national trade weekly *Supermarket News*, tells us in shrill tones, "Never trust a catfish with a foreign accent!" This ad characterizes Vietnamese catfish as dirty and goes on to say, "They've grown up flapping around in Third World rivers and dining on whatever they can get their fins on. . . . Those other guys probably couldn't spell U.S. even if they tried." How enlightened.

I believe a far more accurate assessment is provided in the *Far Eastern Economic Review*, in its feature article on this issue: "For a bunch of profit-starved fisherfolk, the U.S. catfish lobby had deep enough pockets to wage a highly xenophobic advertising campaign against their Vietnamese competitors."

Unfortunately, this protectionist campaign against catfish imports has global repercussions. Peru has brought a case against the European Union in the World Trade Organization because the Europeans have claimed exclusive rights to the use of the word "sardine" for trade purposes. The Europeans would define sardines to be sardines only if they are caught off European waters, thereby threatening the sardine fisheries in the Western Hemisphere. Prior to passage of the catfish-labeling language in the Agriculture Appropriations bill, the United States Trade Representative had committed

to file a brief supporting Peru's position before the WTO that such a restrictive definition unfairly protected European fishermen at the expense of sardine fishermen in the Western Hemisphere. Like the Peruvians, a large number of American fishermen would suffer the effects of an implicit European import ban on the sardines that are their livelihood.

Yet as a direct consequence of the passage of the restrictive catfish-labeling language in the Agriculture Appropriations bill, USTR has withdrawn its brief supporting the Peruvian position in the sardine case against the European Union because the catfish amendment written into law makes the United States guilty of the same type of protectionist labeling scheme for which we have brought suit against the Europeans in the WTO. The WTO has previously ruled against such manipulation of trade definitions which, if allowed to stand in this case, could be used as a precedent to close off foreign markets to a number of U.S. products. I doubt the sponsors of the restrictive catfish language in the Agriculture Appropriations bill happily contemplate the potential of the Pandora's Box they have opened.

This blanket restriction on catfish imports, passed without debate and without a vote on its merits, has no place in our laws. I urge my colleagues to join us in striking it from the books and allowing science, not politics, to define what a catfish is by supporting our amendment.

Mr. KERRY. Mr. President, I rise as a cosponsor of Senator McCain's amendment. This amendment would repeal a provision in the recently enacted Agriculture Appropriations bill that prohibits for the current fiscal year, the FDA from using any funds to process imports of fish or fish products labeled as "catfish" unless the fish have a certain scientific family name that is only found in North America. The House-passed version of the Farm bill contains a similar provision that would make the ban on imports permanent. The amendment we are offering seeks to reverse this position as well.

A number of scientific classification organizations have identified over 30 distinct families of catfish world-wide and over 2,500 different species within these families. Quite frankly, the classification of species is a subject that I think is best left with the scientific community and the experts at the National Marine Fisheries Service and the Food and Drug Administration. I understand the concerns of the American catfish industry, however these kinds of trade wars only lead to our trading partners enacting similar protectionist measures against U.S. food producers.

For example, the European Union has passed a provision that prohibits the use of the word sardine for anything other than the European species of sardine. The Office of the U.S. Trade Representative was arguing to the World



Trade Organization that the EU's new import policy restricting the labeling of sardines was unfair. After all, North American herring are a part of the sardine family, just like Vietnamese basa is part of the catfish family. Once the Agriculture Conference Report became law however, with its one year ban on imported catfish, everything stopped. American fishermen and processors in the Northeast have the Peruvian and Canadian governments to thank for stepping in to file a complaint with the WTO; otherwise American fishermen and processors have little hope of ever entering into the EU export market.

Back in 1993 the French government attempted a similar provision for scallops. Only European caught scallops could be sold as "Noix de Coquille Saint-Jacques", which reduced the market value of imported scallops by 25 percent. The U.S. and a number of other nations protested to the WTO and overturned the decision.

The U.S.-Vietnam bilateral trade agreement, which came into force this week, requires that each country give "national treatment" to the products of the other country when those products share a likeness with domestic products. By denying American importers the right to bring in Vietnamese catfish under the name "catfish", the provision enacted in the Agricultural Appropriations Conference report, and the language in the House-passed farm bill, violate the trade agreement by denying the same treatment to Vietnamese catfish as we give to American raised catfish.

The U.S.-Vietnam trade agreement is a vehicle for opening the Vietnamese economy to American goods and services. It is the precursor to a WTO agreement. For the United States to violate the letter and the spirit of that agreement by restricting the importation of Vietnamese catfish will undermine the process of implementation of that agreement before it has even begun.

I wish to remind my colleagues that Brazil, Thailand, and Guyana are all members of the WTO and all three countries also export catfish to the U.S. This provision would deny them access to our markets as well, and I would not be surprised if they successfully protest this matter to the WTO should we choose not to repeal this provision.

I understand the desire of my colleagues in the Senate and the House to try to help their domestic catfish farmers who have hit on hard times. I believe one of the ways to do this is to make it clear to the American consumer where the fish that they are purchasing comes from. Existing FDA and Customs regulations require country of origin labeling on catfish that is imported by U.S. companies. In fact, one of those importers in my home State of Massachusetts has shown me the label on his catfish. It leaves no doubt about the origin of the fish. However, I believe we should go a step further to in-

clude country of origin labeling for fish products at the consumer level as well. Consumers have a right to know where their food comes from.

I urge my colleagues to support this amendment.

Ms. SNOWE. Mr. President, I am very concerned about the precedent of arbitrarily determining the acceptable market name of any fish. We have never before set into statute a market name for any animal or plant. In the case of fish, the Food and Drug Administration works with the National Marine Fisheries Service to review the available scientific literature and common market practices. They will then provide the fishing industry with guidance on acceptable names for their catch. This is to ensure that the consumers are getting what they expect.

We have seen other countries draw arbitrary lines in the sand. In 1995, the French tried to say that only the local French scallop could be called by their common name, "coquilles St. Jacques." The result was that scallop fishermen in the United States who export their catch to France were essentially blocked from the market. You simply can't create a new name for a scallop and have consumers recognize what it is.

Peru and Chile challenged the French restriction at the WTO. The United States filed briefs in support of that challenge. The WTO ruled that the French restriction had no scientific basis and could not stand.

Unfortunately, that was not the end of this trend of discriminatory naming practices. Right now, the European Union has a restriction in place that prevents U.S. sardine fishermen from both the east and west coasts from selling their catch using any form of the word "sardine." Fishermen in my home State are even prevented from clearly identifying their product as not being from the EU and selling their fish as "Maine sardines" as they had in the past.

This restriction is also being appealed at the WTO by Peru. The U.S. Trade Representative had been working with the U.S. sardine fishermen to file a brief in support of this challenge. As a result of the language included into the Fiscal Year 2002 Agriculture Appropriations bill, however, the USTR determined that filing such a brief would be contrary to statute. As a result, the U.S. sardine fishermen have to rely on the Peruvian Government to prove the scientific merits of the case and regain their market access.

We must put a stop to this trend of arbitrary and discriminatory fisheries naming practices. In 2000, the United States exported over \$10 billion worth of edible and non-edible fish and shellfish. This was a \$900 million increase over 1999. Access to foreign markets is absolutely critical to our fishermen, and these naming practices only serve to undercut their efforts. Therefore, I urge my colleagues to join with me in supporting the amendment before us.

Mr. SESSIONS. Mr. President, I rise today in opposition to an amendment which would repeal a provision in current law restricting the use of the term "catfish."

The FY 2002 Agriculture appropriations conference report, recently signed into law, restricts the use of the term catfish to the family of fish that is present in North America.

Unfortunately, there has been a campaign of misinformation about what this provision does, and I want to take this opportunity to set the record straight.

First, the provision in the agriculture appropriations bill does NOT stop the importation of Vietnamese fish into the U.S. That would be a violation of the recently approved Vietnam trade agreement.

Rather, this provision only requires the fish to be called what they really are—they are "basa" fish and not catfish.

We learned in biology class about the classification of living things. We classify living organisms from kingdom on down to species.

Specifically, the subcategories are: Kingdom, Phylum, Class, Order, Family, Genus, Species.

Vietnamese "basa" fish are not the same species as North American channel catfish. They are not of the same genus either. They aren't even in the same family of fish.

These two fish are only in the same order.

Well guess what. Humans are in the same order—primates—as gorillas and lemurs.

We don't say that lemurs and humans are close enough to call them the same thing.

What about other animals? Pigs and cows are in the same order.

If an importer was shipping pork into the U.S. and passing it off to consumers as beef, we would rightly be outraged.

Some in the Senate may say that the taxonomy of fish is different. So let's take a look at an example of my point using trout and salmon.

Atlantic salmon and lake trout are closer to each other than basa fish and North American channel catfish.

They are in the same family of fish, yet we do not say that salmon and trout should both be called salmon.

It is a similar story here: the closest a Vietnamese basa fish is to a North American channel catfish is that they are in the same order. There are over 2,200 species in this order of fish.

The opponents of this provision say that because both fish have whiskers, they both must be catfish.

Do we call all animals with stripes zebras? Do we call all animals with spots leopards? Of course we don't. Similarly, because the fish has whiskers does not mean that it is a catfish.

The whiskers on fish are called barbels, and a number of species have them, including the black drum, some sturgeon, the goat fish, the blind fish, and the nurse shark.

By restricting the use of the word catfish to those species that actually ARE catfish, we can reduce widespread consumer confusion. Substituting species is extremely misleading to consumers.

These "basa" fish are being shipped into the United States labeled as catfish. These labels claim that the frozen fish filets are cajun catfish or imply that they are from the Mississippi Delta.

In fact, they are from the Mekong Delta in South Vietnam.

As a result, American consumers believe that they are purchasing and eating U.S. farm-raised catfish when in fact they are eating Vietnamese "basa."

The Vietnamese fish sold as catfish continue to be found to be fraudulently marketed under names that the Food and Drug Administration has determined to be fictitious.

These names are used to misrepresent imports as U.S. farm-raised fish. The provision that we have previously passed will reduce this consumer confusion.

Since 1997, the import volume of frozen fish filets from Vietnam that are imported and sold as "catfish" has increased at incredibly high rates.

The volume has risen from less than 500,000 pounds to over 7 million pounds per year in the previous 3 years.

The trend has continued this year—the Vietnamese penetration into the U.S. catfish filet market alone has tripled in the last year from about 7 percent of the market to 23 percent.

The law of the United States and most countries seek to protect consumers by preventing one species of fish to be marketed under the pre-existing established market name of another species.

When the Vietnamese fish in question first started to be marketed significantly in the U.S., importers sought and received approval of the name "basa" from the FDA.

However, some importers of the lower priced Vietnamese fish sold that fish as "catfish" to customers.

The name "catfish" was already established in the U.S. market for the North American species.

FDA has the legal responsibility to prevent "economic adulteration" of food products in the U.S. market.

FDA has described "species substitution" in seafood as an example of "economic adulteration."

FDA in recent years, however, has not taken an active role in enforcing these laws, and efforts made by the American farm-raised catfish industry to obtain enforcement went largely ignored.

To make matters worse, the FDA in August of 2000, at the request of import interests, authorized the Vietnamese fish to be marketed under the name "basa catfish."

My colleague from Arizona has mentioned on the Senate floor that this provision was done to protect the in-

terests of "rich" agribusinesses in Alabama, Mississippi, Arkansas and Louisiana.

I invite him to come visit the Alabama Black Belt, one of the poorest areas in the United States, and see these operations for himself.

It is clear to me that this effort to go back and strike appropriations language is an effort being made on behalf of rich importers who are substituting this Vietnamese fish for channel catfish.

In spite of full knowledge of the legality of substituting one fish species for another, importers are making more and more money passing off basa fish as channel catfish.

U.S. catfish producers and processors have spent years creating a successful market for their fish.

The Vietnamese and importers are taking advantage of this established market by substituting the basa fish for catfish.

The provision in the agriculture appropriations bill makes it clear to importers that the practice of species substitution is unlawful. This is no change in substantive law.

Nothing in the legislation imposes any restriction on the importation of Vietnamese fish of any kind. Nor does it prevent Vietnam or importers from establishing a market for Vietnamese fish.

I encourage them to expand their market. Just don't substitute it for something that it is not.

U.S. catfish farm production, which occurs mainly in Alabama, Mississippi, Arkansas, and Louisiana, accounts for 68 percent of the pounds of fish sold and 50 percent of the total value of all U.S. aquaculture, or fish farming, production. The areas where catfish production is greatest are in the Blackbelt of Alabama and the Mississippi Delta.

These are some of the poorest areas of the United States, with double-digit unemployment rates. With depressed prices for almost all other agricultural commodities, catfish production is critical to the U.S. economy, and particularly to the economy of the South.

U.S. catfish farming is one of the few successful industries in these areas of the South, and the farmers, processors, and the regions are suffering tremendously because of this dramatic surge in imports.

If the Vietnamese were raising North American channel catfish of good quality and importing them into the U.S., I would have no problem. That is fair trade.

Fair trade is not importing "basa" fish, labeling them as catfish, thereby taking advantage of an already established market, and passing them off to American consumers as American catfish.

The Vietnamese and the importers need to play by the rules.

The provision in the agriculture appropriations bill simply clarifies existing guidelines and sends a message that substituting these two species is fraud.

A vote in favor of the McCain amendment is a vote in favor of fraud, consumer confusion and species substitution. Therefore, I urge my colleagues to vote against the McCain amendment.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Iowa.

Mr. HARKIN. Mr. President, I feel constrained to say a couple things about what my friend from Texas has said. I wrote this down when he said it because I thought it was a pretty astounding statement. He said the end result of all economic activity is consumption. Think about that: The end result of all economic activity is consumption.

Whether that is true or not, and if I were to go ahead and assert that it was true, I do not think there is anything inconsistent with saying people ought to know what they are consuming. But I would even go further than that and say, from a learned former professor of economics, I still find that an astounding statement; that the end result of all economic activity is consumption. If that is the case, let's bring back slavery. Hey, the cheapest thing for the consumers is to have free labor. Why not? Let's do away with all environmental laws that protect the environment. Why not? If the end result is consumption, then forget about all that nonsense. Worker safety laws? Forget about all that nonsense, if the end result is simply consumption.

I really think what this amendment is about, and others that are like it, is really more about transparency in markets. I say to my friend from Texas, who is an economist, transparency in markets, truth in labeling, transparency, and information to the consumer.

If a country wanted to all of a sudden say that the horse meat they eat is beef, could they sell it in this country as beef if that is what they call it? It is red meat. They are in the same family of animals as cattle. They just call it beef. Why can't they sell it in this country? Truth in labeling, letting the consumer know what they are consuming, that is what it is all about.

We have had a long discussion on this. I would like to bring this to a close. I am going to ask unanimous consent that the Senator from Arkansas get 5 minutes, the Senator from Mississippi wants 1 minute, and then for wrapup the Senator from Arizona will be recognized for 1 minute, after which time I would be recognized for a motion to table. I ask unanimous consent that be the order.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, in my 5 minutes, I just want to say to the Senator from Texas, I wish I could have been in his economics class. I would have said "amen" to everything he said except his initial supposition.

His initial supposition was that we are trying to change the name of catfish. His initial supposition was there is no difference between a channel catfish and a basa catfish, that they are all catfish so just sell them as catfish. After all, we do not want to change, we don't want to get the truth. His basic supposition was wrong. And following everything after that initial supposition, you come to the wrong conclusion.

He said: Nobody cares about the consumer. What is best for the consumer? Why isn't somebody asking about the consumer?

Let me just this one time associate myself with the Senator from Iowa. I am concerned about the consumer. I am concerned about what the consumer is going to consume, what he is going to eat. Doesn't he have a right to know whether he is getting Vietnamese basa or he is getting channel catfish? He ought to have the right to know that when he goes in that restaurant, that when they are selling it as channel catfish that it is, in fact, channel catfish.

The Senator from Texas, in great eloquence and great entertainment, said what we want is protection. I don't want protection. I want honesty.

I want truth. I want fairness. At some point a name has to mean something. We pointed out—this is not me; this isn't something I dreamed up; this is science—the reality is that a channel catfish and a basa are not members of the same species. They are not members of the same scientific family. The truth is, the fact is, Atlantic salmon and a lake trout are more closely related than a channel catfish and basa.

I don't want protection. I want truth. I want the consumer to know what he or she is consuming. That is all in the world this provision was in the Agriculture appropriations bill this year. It doesn't need to be rescinded. It needs to be sustained in this vote.

The Senator from Texas asked, what is the purpose of a name? The purpose of a name is to identify. If, in fact, basa was the same as channel catfish, then I would say I am totally wrong; the catfish growers in the delta are totally wrong. But they are not the same. They are not the same fish. That should be reflected in what is labeled and what the American consumer knows he is getting.

I ask my colleagues not to help poor people in the delta—that obviously doesn't move some—I ask my colleagues to demand that our trade be fair and that the American consumer be told the truth. It is, in fact, about transparency. I ask my colleagues to reject this amendment.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I compliment the distinguished Senator from Arkansas for his very persuasive arguments on this issue today. He is absolutely right. There is not any effort being made to be unfair or to act inap-

propriately toward any legitimate importing concern selling fish or any other product in the United States.

What is important is that the consumers in the United States have the information so they know what they are buying. I have seen logos and advertisements stamped on these fish cartons that say "cajun catfish." Immediately one assumes that it is from south Louisiana. That is a distinctive name. It means something to the consumer in the southern part of the United States. That fish is basa fish from Vietnam. It does not say so on the package.

Another package said "delta catfish." You immediately assume you are talking about the Mississippi Delta from where 50 percent of the aquaculture in the United States comes. But, no, that is the Mekong Delta that is being referred to in that package. It is misleading. It is unfair. It is unfair to those who have spent \$50 million over time to develop a market for Lower Mississippi River Valley pond-raised catfish. That is how much has been invested over a period of years.

Now it has become a food of choice for many Americans. They go into the supermarket and now they buy what they see is delta catfish. But it is not what they think it is. That is unfair to them. That is what this amendment seeks to correct. It simply says the Food and Drug Administration ought to ensure that these fish are labeled so consumers know what they are.

We have it from the National Warmwater Aquaculture Center that this basa fish is not of the same family. It is not of the same species as is the delta pond-raised catfish.

The PRESIDING OFFICER. The Senator has used his 1 minute.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, I think we ought to do something right away about dungeness crab and blue crabs. This is a remarkable argument we have been having. This is about several issues. This is why it is important.

One, it is about process. In this place there are three kinds of Senators: Republican Senators, Democrat Senators, and appropriators. This was done on an appropriations bill. This is a major policy change that affects the lives of thousands and thousands of people. It was done on an appropriations bill.

Two, it was inserted in a managers' amendment, in a managers' amendment which none of us saw because I asked this body if anybody knew what was in the managers' amendment. Not one person said they knew, including the managers of the bill themselves.

Three, this is all about protectionism and free trade. If we do it here, we will do it on something else, and we will do it on something else, whether it be crabs or whether it be scallops or whether it be cattle or whatever it be in the name of protectionism and jobs.

I am a little bit offended when we talk about poor people. I will take you

where the poorest people in America live. That is on our Indian reservations in the State of Arizona. Let's not talk about poor people. Those poor people who live on these Indian reservations would like to eat catfish. They don't want it priced out of the market because we put some phony name on it.

There is a lot to do with this amendment besides the name of a catfish. I hope my colleagues will restore a normal process where we have an open and honest debate on major policies such as this rather than being stuck in a managers' amendment. I hope we will recognize that protectionism is not good for America. This is another manifestation of it.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, under the unanimous consent, I move to table the amendment offered by the Senator from Arizona, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Alaska (Mr. MURKOWSKI), the Senator from North Carolina (Mr. HELMS), the Senator from Mississippi (Mr. LOTT), and the Senator from Kansas (Mr. BROWNBACK) are necessarily absent.

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote "yea."

The PRESIDING OFFICER. (Mr. CORZINE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 68, nays 27, as follows:

[Rollcall Vote No. 373 Leg.]

YEAS—68

Allen	Dorgan	Mikulski
Baucus	Durbin	Miller
Bayh	Edwards	Nelson (NE)
Bingaman	Enzi	Nickles
Bond	Feingold	Reed
Boxer	Frist	Reid
Breaux	Grassley	Roberts
Bunning	Harkin	Rockefeller
Burns	Hatch	Santorum
Byrd	Hollings	Sarbanes
Campbell	Hutchinson	Sessions
Carnahan	Hutchison	Shelby
Cleland	Inhofe	Smith (NH)
Clinton	Inouye	Specter
Cochran	Jeffords	Stabenow
Conrad	Johnson	Stevens
Corzine	Kohl	Thomas
Craig	Landrieu	Thurmond
Crapo	Leahy	Torricelli
Daschle	Levin	Warner
Dayton	Lieberman	Wellstone
DeWine	Lincoln	Wyden
Domenici	McConnell	

NAYS—27

Allard	Cantwell	Collins
Bennett	Carper	Dodd
Biden	Chafee	Ensign

Feinstein	Kennedy	Nelson (FL)
Fitzgerald	Kerry	Schumer
Graham	Kyl	Smith (OR)
Gramm	Lugar	Snowe
Gregg	McCain	Thompson
Hagel	Murray	Voinovich

## NOT VOTING—5

Akaka	Helms	Murkowski
Brownback	Lott	

Mr. HARKIN. I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. LANDRIEU. Mr. President, I thank both of the Senators from Arkansas and the Senators from Mississippi. Senator BREAUX and I join with them in sponsoring this provision in the Agriculture appropriations bill. I thank my colleagues for wisely defeating this amendment.

Allow me to take a few moments to say that for Louisiana this is a very important industry. Catfish farmers in Catahoula Parish, Franklin Parish, and other parishes throughout our Mississippi Delta have spent years and a lot of money, as the Senator from Mississippi knows, in developing these farms and investing their hard-earned dollars in marketing this product to a nation that was somewhat reluctant some years ago to accept this. Now catfish is commonplace in restaurants across the country.

Speaking for a State that represents the greatest restaurants in this Nation, let me say it is not only the farmers who benefit, but also our restaurants and our consumers. I thank the Senate for their wise tabling of the McCain amendment. I am for free trade but fair trade, and tabling this amendment was a step in that direction.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry for the information of all Senators: Am I correct the next order of business under the unanimous consent agreement is the Cochran-Roberts amendment, 2 hours evenly divided?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. I thank the Chair.

AMENDMENT NO. 2671 TO AMENDMENT NO. 2471

Mr. COCHRAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself and Mr. ROBERTS proposes an amendment numbered 2671 to amendment No. 2471.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted and Proposed")

Mr. COCHRAN. Mr. President, because the distinguished Senator from Iowa is involved in a very important

discussion on the economic stimulus bill, as a high ranking member of the Senate Finance Committee, he is supposed to be in a meeting discussing that right now. He is interested in this legislation, and I yield such time as he may consume to comment on the Cochran-Roberts amendment.

Mr. GRASSLEY. Mr. President, I thank the distinguished Senator for yielding me time. I will address one specific issue of the bill, which is the farmer savings account, and then I would like to speak to the trade-distorting aspects of the farm bill legislation that is before us, which the Cochran-Roberts amendment takes into consideration and alleviates a lot of problems that other farm proposals before us have.

I will start with the farmer savings account. I want to make clear the farmer savings account is not an idea that comes only from America. Other countries, not exactly as in this bill, have come up with the idea of farmer savings accounts to help sustain family farmers from two standpoints: One, in a way that is not trade distorting and violative of the trading agreements; and, two, to continue support for the family farmer in a way that is not trade distorting.

Few occupations face more uncertainties than agriculture. Each spring, farmers across the nation put their seed in the ground and pray for sufficient rain and heat. A single storm during the growing season can wipe out an entire year's work and place farmers in dire financial distress. Each fall, farmers go to the fields to harvest their crops, the value of which is completely subject to volatile and unpredictable commodity markets.

As a result of these factors, farmers experience frequent cyclical downturns in income which can make it difficult to continue their operations from one year to the next. Farmers need the ability to offset these cyclical downturns by deferring income from more prosperous years to use during the lean years.

The farmer savings accounts provision in the Roberts-Cochran title would allow a producer to establish a farm counter-cyclical savings account in the name of the producer in a bank or financial institution that has been approved by the Ag Secretary. The Secretary would provide a matching contribution that is equal to the amount deposited by the producer into the account, up to a maximum of 2 percent of the average adjusted gross revenue of the producer.

A producer could withdraw the account funds from the account if the estimated net income for a year from the agricultural enterprises of the producer is less than the adjusted gross revenue of the producer.

It is important to keep in mind that unlike other counter-cyclical programs before the Senate, this counter-cyclical approach is not dependent on commodity prices, farm production, or

farm income. Therefore, this approach is "green-box," or fully compliant with our international trade obligations. It would not subject our farmers to the possibility of retaliation by our trading partners.

Moreover, this amendment benefits producers of non-program commodities that would otherwise be ineligible for assistance under our federal farm support programs. Producers of livestock, fruits, and vegetables are often overlooked by our federal farm programs. This amendment would give these producers the same counter-cyclical self-help program that it gives producers of program commodities.

In recent years, I have strongly advocated the creation of FARRM accounts to allow farmers to deposit funds in an account and defer income taxes for 5 years. Of course, this legislation would have to be considered within the context of the Finance Committee.

The provision we are considering would ensure that matching contributions equal to the amount deposited by the family farmer, up to a maximum of 2 percent of the average adjusted gross revenue of the producer, would be placed in special savings accounts.

I have been an advocate of this idea for a very long time. In fact, this is similar to the provision I introduced in my own commodity title working draft earlier this fall. This type of proposal will provide farmers an incentive to save money when they have the money to save. With this type of program, farmers can begin to fashion their own countercyclical protection.

Now, this program sometimes is belittled with the fact that farmers are not making enough money to put away anything in savings. Let's not try to set a pattern and assume something for 2.5 million farmers, because 2.5 million farmers are not one to the other the same; they each have different circumstances. We can provide an environment where the farmer can make a determination for himself. This bill does that.

In addition, if we are successful in advancing this concept through the Senate, I will push hard to protect these funds from up-front taxable consequences by modifying the bipartisan farm accounts legislation I have already introduced in the Senate.

In conclusion, I urge my Senate colleagues to support the Roberts-Cochran amendment. This amendment will give all farmers the much-needed opportunity to help themselves through less prosperous years. And it meets this need without risking a violation of our international trade agreements.

Now, when it comes to the trade issues, I don't think there has been enough discussion either in the other body or this body on the impact of various proposals on our trade agreements with the concern about whether or not they violate trade agreements so we can be retaliated against. The Cochran-Roberts proposal takes that into consideration.

Our family farmers are highly dependent on exports. For instance, in a given year, the United States exports about one-quarter to one-third of the farm products it produces, either as agricultural commodities or in a value-added form. For the past 25 years, the U.S. has exported far more agricultural goods than it has imported.

One of the principal benefits of the Uruguay Round negotiations, perhaps the most important benefit for U.S. agriculture, was the improved condition of market access. For the first time, all agricultural tariffs were "bound," and agricultural tariffs were reduced by 36 percent on average over a 6-year period.

In addition, the U.S. made a binding commitment not to exceed its amber box spending limitation. Because we take our legally binding commitments seriously, and because we want our trading partners to do the same, we have never violated those commitments. Were we to do so, the United States and its trading partners would likely be subjected to harmful trade retaliation.

What would retaliation mean for our family farmers?

If a WTO complaint were brought against the United States for exceeding its domestic support commitments, it is possible that many countries could become complainants in the case and allege injury to their farmers and their economy.

If the U.S. were found in violation of our trade obligations, we would be expected to change our current farm program, midstream. If we were not able to, the complaining countries would receive authorization to retaliate by raising duties on U.S. goods.

The likely first target of any retaliation would be U.S. agricultural exports, because countries fashion their retaliation lists to pressure the non-complaint country to change its practices. The products chosen for retaliation are those that are the most successful exports.

For example, U.S. exports of animal feed products and components could be targeted. This could affect corn, soybeans, wheat, beef, pork, or any of our agricultural exports. However, a country would not be limited to agricultural goods only; if it did not import significant amounts of U.S. agricultural goods, a successful complaining party could also target industrial products.

Tariff retaliation against U.S. agricultural products would back products into the U.S. market placing ever greater downward pressure on domestic price. U.S. farm domestic prices would weaken even further, and this could cause the price of U.S. farm programs to rise dramatically.

This would particularly be true in basic farm commodities such as wheat, corn, and soybeans where a large portion of the U.S. crop is exported. But if the programs that supported the commodity price were the same programs

that were violating our trade commitments, we would not be allowed to provide our family farmers any support, at least above that limit.

If our farmers experience a bad year and our farm programs pay out large amounts in no-trade compliant payments, we would be forced to freeze or alter our farm assistance payments. Simply put, the type of program the Senate Agriculture Committee approved would fail family farmers when their need is the greatest.

Also, tariff retaliation against U.S. industrial goods due to excessive "amber-box" ag spending could create a substantial political backlash against U.S. farm programs. U.S. exporters of non-agricultural products who might suddenly be caught in the crossfire of retaliation would demand that their government officials correct the problem so that they can regain their hard-earned access to foreign exports.

U.S. credibility would be undercut if it were determined that the United States was not living up to its current commitments. It's very realistic that the Democratic farm bill we are considering would cause U.S. farmers to become increasingly dependent upon government payments that could vanish at a time when the economic situation is worsening and the federal budget surplus is disappearing.

A decision by the United States to exceed its WTO domestic subsidy commitments would undermine the current Uruguay Round arrangement and make it much harder for the United States to achieve a workable multilateral agreement in the new WTO trade negotiations. This could be extremely important to farmers if the budget surplus evaporates and Congress is unable, or unwilling, in more difficult economic times to continue to fund farm programs at recent levels.

It is very important the farm bill we pass be one that advances our trade agenda and does not hinder it. The farm bill needs to help family farmers, not limit their potential marketplace. Family farmers in Iowa and across the United States need profitability, and there is no profitability check from the Federal Government. The profitability comes from the marketplace. The Government cannot provide profitability, only that marketplace can. I think the Cochran-Roberts legislation has taken us to a point where we can be WTO compliant, help our farmers, and move ahead.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I thank the distinguished Senator from Iowa for his comments. His leadership in the areas of trade and agriculture have been very helpful in the Senate over the years as we have been called upon to legislate in this subject area. I am grateful to him for his complements to this legislation as they relate to our obligations in the World Trade Organization and likewise in the importance and support

from the Government for those engaged in production agriculture.

This legislation attempts to preserve the best of current farm law, improve programs that have proven to work in the areas of conservation and income protection.

The Marketing Loan Program, which has been a centerpiece of our agricultural programs in the last two farm bills, is carried forward in this legislation. We have a predictable level of income support that is not coupled to planting decisions by farmers. This leaves them with the freedom to make planting decisions not based on what the Government will pay them for doing or not doing but on the basis of what they think is best for their farm and their individual circumstances. Their freedom in this farm bill to make those planting decisions will be very popular with farmers and for those who will depend on this legislation in the years ahead.

That is one of the distinguishing characteristics between the Cochran-Roberts approach and the committee bill that is pending before the Senate. The committee bill depends upon high loan rates guaranteed to distort the market to encourage overproduction. That is not going to be the result under the Cochran-Roberts amendment.

The Cochran-Roberts amendment provides, as the Senator from Iowa points out, for a new way to encourage farmers to save. It provides a matching formula for the Government to come in and help encourage the savings by farmers, much as a 401-K program does for others engaged in business in our country. Farmers will be able to use their funds to deal with the counter-cyclical price distortion if prices go down as they customarily do. There are good years and bad years. We all know that. This will offer an opportunity to hedge against those bad years.

There is a substantial emphasis in this legislation on conservation. Two billion dollars in additional funding is authorized in this amendment for conservation programs and to provide technical assistance to farmers to help them make decisions that are consistent with good management practices to protect soil and water resources.

There are also reauthorization provisions for the Conservation Reserve Program, the Wetlands Reserve Program, the Wildlife Habitat Incentives Program, all of which have helped assure that those gradual and marginal lands are not farmed. The encouragement of benefits from the Government for making decisions not to plant on marginal lands will be carried forward and expanded in this legislation.

I am hopeful that the Senate will look with favor at the difference between this bill and the committee bill in the area of rural development. The rural development title of the committee bill mandates that certain levels of spending be made on a lot of new programs that are authorized and funded in this legislation.

Our approach is to authorize a wide range of rural development programs, rural water and sewer system programs, other infrastructure programs, and housing programs that will help those who live in small towns and rural communities enjoy the full benefits that those who live in more urban areas would enjoy. It costs more in many of these areas to provide those kinds of services. So the Federal Government is authorized to provide funding to help ensure that the quality of life for those in rural America is enhanced. But the programs are not mandated at certain high levels.

The program managers in the Department of Agriculture and Department of Agriculture officials are given more latitude. The Congress is given more flexibility in appropriating each year the levels of funding that should be made available to those specific programs, rather than mandating certain high levels. This gives us budget flexibility. We know we are entering an era now where we are going to be hard pressed to stay within our budgets. This is important in this area of legislation as well.

We are not on a certain path towards deficit spending, but I am afraid if we follow the course that is outlined in the committee bill, that will be the result.

There are others who want to speak on this legislation. We have a time limitation of 1 hour per side.

Let me at this point say that the distinguished Senator from Kansas, who is the cosponsor of this amendment, is due in large part the credit for coming up with the strategy for this amendment and a lot of the content for this amendment. He was chairman of the Agriculture Committee in the House of Representatives before he came to the Senate. He has long been a leader in agriculture in America. I respect his judgment. It has been a pleasure working with him in crafting this amendment.

I yield such time as he may consume to the distinguished Senator from Kansas, Mr. ROBERTS.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Mr. President, I thank the distinguished Senator, a good friend whom I think every farmer understands. Every farmer and rancher understands that it has been Senator THAD COCHRAN who has provided the investment in American agriculture so as to keep our heads above water and invest in the man and woman whose job it is to feed America and a very troubled and hungry world. I thank him for his contribution.

As Senator COCHRAN said, we want to preserve the best in the current farm bill—much criticized, I understand, but basically build on that. My concern in regard to the Daschle-Harkin bill is that changing the Daschle-Harkin bill really takes us back to the past. I am talking about agricultural program policy that was built several decades

ago. I used to support those bills. But I don't think it really fits the modern reality that faces agriculture today. I think it will lead us right back to calls for additional emergency assistance which we have tried to avoid.

With all due respect, I do not think the proposal that is before us today is strictly bipartisan in the true sense of the word. When I say that, I understand we all have partisan differences. I understand we all have serious intent. I am not challenging anybody's intent or questioning anybody's intent.

But especially on the commodity and conservation titles—and as the distinguished Senator pointed out on the rural development title—it has been a one-way street. I guess you could call it bipartisan. As a matter of fact, someone on the other side indicated the Republican position on this bill has been one of stalling. I don't think that is the case. I think we had very important amendments. I think we have a very strong difference of opinion as to where our farm program policy ought to go. But I guess you could call this bill bipartisan except for the front loading of the funding. We have \$73 billion over a 10-year period. This farm bill is 5 years. Based on budget, it is already outdated. As a matter of fact, the administration says it is not the money, it is the policy we worry about.

But if you look at the underlying bill, the Daschle-Harkin bill, it is front loaded to the tune of about \$46 billion. That only leaves \$28 million in regard to any future bill or any baseline we would use in the future.

That is something on which there is a strong difference of opinion. If you want to say that is partisan, I suppose you can. I think that is a significant difference of opinion. I guess you could call it bipartisan, except that the underlying bill is opposed by the administration and by the President.

I suppose then you could say, well, yes, the President, the Secretary of Agriculture, the Trade Ambassador, don't think it is a good idea for all the reasons the distinguished Senator from Iowa has pointed out, but I wouldn't say it is exactly bipartisan in that regard.

Then, of course, you could say it is bipartisan except for the WTO problems down the road. The Senator from Iowa did point this out: What if we reach a WTO agreement—that is a mighty big if; I know we are going to have a difficult time doing that—and all of a sudden in this bill that “amber box”—and all that is is a box that all of a sudden is flashing “amber” as fast as it can—indicates you are over the limit in regard to the WTO cap. Then you have to come back in, and you could be fined. You could be in the business of trade retaliation. You could even, conceivably, have the Secretary of Agriculture come back and ask farmers and ranchers to give back some of the investment they have already received. I don't think we want that. So it is bipartisan except for, of course, that little minor disagreement.

Then it could be bipartisan except for the farm savings account. We have the farm savings account in our bill. The Daschle bill does not have that. I am not saying they would not have it or they are not acceptable to some portion of it, but that is not bipartisan either.

It is not bipartisan in regard to the situation of going back to loan rates and target prices as the investment by which we are going to protect our farmers as opposed to direct payments. We have a strong difference of opinion. So that really isn't a bipartisan situation either.

It certainly isn't bipartisan in regard to how we use crop insurance. Crop insurance reform: It took us 18 months—us, meaning Senator Bob Kerrey, the former Senator from Nebraska, myself, Senator COCHRAN, Senator BURNS, and others—to forge together and put together crop insurance reform.

Where does the Daschle bill, and also the Harkin bill, get the money to increase loan rates? From crop insurance. That is not very bipartisan. We had a strong difference of opinion.

It would be very bipartisan if in fact it were not for the really strong difference of opinion in regard to State water rights. That is the bill that was introduced by Senator REID. It has Senator CRAPO of Idaho and others from the West very worried about it. So it isn't very bipartisan in that regard either.

Then we have mandatory conservation programs. And then we have this statement that we could go to conference a lot more quickly if in fact we would just pass the Daschle bill.

My colleagues, the differences between the bill that is referred to as Daschle-Harkin and the House bill are enormous. You are not going to get that done until next year anyway. On the contrary, in the Cochran-Roberts approach I think we could probably go to conference and settle it out in a day or two. We could get that done.

So when people say it is partisan or bipartisan, or there are strong differences of opinion, or people are stalling, I think a little clarification certainly is in order.

Let me just say I have touched on some of the specifics I had in my prepared remarks. I am not going to go over the process. If anybody wants to talk about process and what we deem as a better way to approach the process of this bill, they can go back to the statements Senator COCHRAN and I made last Friday.

But let me say, again, that I believe the commodity title in the bill would really take us back to the past. Our producers will receive higher payments through higher loan rates—if they have a crop to harvest. If they have no crop to harvest, they receive no loan deficiency payments.

The bill also includes a “technical correction” to the bill that addresses a \$15.5 billion scoring problem in the dairy title of the committee-passed



bill. That is quite a technical correction. Again, that is a strong difference of opinion.

If you are going to return to target prices, I would say to my colleagues, that only results in payments to the producers if the price for that crop year is below the target price. And it has happened time and time again when a State up in the Dakotas, or a State such as Kansas, in high-risk agriculture will lose a crop, and the price rises above the target price, and then, when the farmer needs the payments the worst, then is when he does not get it, either from the target price or the loan rate. That is something we tried to fix in 1996 with our direct payment program. And that is basically the feature of our bill.

I talked a little bit about the front-loading of the bill, which I think leaves us in a very precarious situation in the years of the coming deficits if in fact that takes place.

Senator COCHRAN also pointed out that the underlying bill, the Daschle bill, front-loads spending for the popular programs, including EQIP, the Wetlands Reserve Program, WHIP, and the Farmland Protection Program.

I think we could make a pretty good case, I say to Senator COCHRAN, that our bill is better in regard to the environment and conservation than the underlying bill. So we are basically mortgaging future farm bills simply to buy off votes on this one. I do not think that is good policy, and it is not good for the future of our farmers.

We think we have the better approach. We take a very commonsense approach to conservation. It puts funding into those popular programs I just mentioned. It ramps up the funding so we have a significant baseline as we head into the next farm bill. I think the Senator from Mississippi indicated \$2 billion in that regard. That is a big investment. We don't go "Back to the Future." We don't raise loan rates or return to the target prices of the past. Instead, we increase the direct payment—listen up, all farmers, ranchers, and their lenders—we increase the direct payment levels back to near their 1997 levels while adding a payment for soybeans and minor oilseeds.

This does create a guaranteed payment that the producers and their bankers can count on, even in years of crop losses when they need it the most. They do not have that guarantee in the committee-passed bill.

Again, I would like to reflect on what the Senator from Iowa said. It is WTO legal. It will not really shoot our negotiators in the foot in these international trade negotiations. He is directly on point in warning what could happen on down the road.

Our bill is supported by President Bush and Secretary of Agriculture Ann Veneman. So you are past that, and I think, obviously, you get to conference a lot quicker.

Let me say that to the Kansas farmer and, for that matter, to the Mississippi

farmer or the Montana farmer, or any of our colleagues who are privileged to represent agriculture and they say: Wait a minute, if you are stalling a bill, and you are going to hold up this bill, and you are not going to get progress, and you are not going to get the money invested—that the administration has said, over and over again, it is not the money, it is the policy, so the investment in agriculture will be there—if somebody comes to me and says, PAT, let's pass the farm bill, I would love to pass the farm bill in an odd-numbered year as opposed to an even-numbered year because it does get to be a tad political. But if I said: Now, wait a minute, Mr. Kansas farmer, what if that bill that you want to move, or that others on the other side want to move, contained \$46 billion up front and left no money for future farm bills, would you support that? They would probably say: No, PAT, I don't think that is a very good idea.

What if I said: Do you want to go back to loan rates? They might say: Well, I am not too sure. We never figured out whether that was income protection or market clearing. I don't know.

We need that debate. We are having that debate.

Actually, we are not having that debate. Nobody spoke to that. How are you going to pay for that? We are going to take it out of your crop insurance reform we had only last year. I don't think they will buy that and say: PAT, I don't want that kind of bill.

Then if I said: Well, Mr. Farmer in Kansas, if this bill is supported by the President and the Secretary of Agriculture, and we could conference it more quickly with the House, would you prefer this than the other? Is that stalling? They would say: No, PAT, I don't think so.

What if I said: Is it consistent with the WTO negotiations? They would look at me and say: PAT, do you think we are going to get that done? I would say: We haven't yet, but we are going to keep trying.

Lord knows, it is a difficult process. But if the bill that we passed already has more money, so that the "amber box" is flashing so you can't even see past it, they are going to say: Well, PAT, I don't think we want that bill either.

If they say, we are going to maintain the integrity of the crop insurance program in our better substitute, I think most farmers would say yes.

Then there is an analysis by the Food and Agriculture Policy Research Institute that says the Cochran-Roberts proposal will result in higher market prices for farmers in the program crops than the committee-passed bill. It says it right there. In Kansas, every Kansas farmer will understand we are losing \$1.3 billion over the life of the bill if we go with the committee bill as opposed to our substitute.

I could go on, but I think I have used up enough time and have made the

points I tried to make. I do not want to go back to the old, failed policies of the past.

As the distinguished Senator from Mississippi has indicated, let's preserve the best, and let's improve it.

I say to the Senator from Mississippi, I think you control the time, sir. So I yield back to you.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator for his comments and his leadership on this issue.

We have some time left.

Does the senior Senator from Montana wish to speak at this time or will we reserve the time?

Mr. BURNS. Whenever you all run out of gas.

Mr. COCHRAN. We have not run out of gas.

Mr. ROBERTS. Will the Senator yield so I can make a unanimous consent request at this point?

Mr. COCHRAN. I am happy to yield to the Senator for that purpose.

Mr. ROBERTS. Mr. President, I neglected to ask unanimous consent that Senator GORDON SMITH be added as a cosponsor of the amendment offered by Senator MCCAIN in regard to catfish. We want to make sure the catfish cosponsors are, indeed, added.

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

Mr. ROBERTS. I thank the Senator.

Mr. COCHRAN. I reserve the remainder of our time on this side.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have listened to the discussion. The chairman of our committee is now chairing a conference committee on one of the appropriations subcommittees. He will be back in the Chamber in a few moments. Let me consume some time to respond to a couple of the arguments.

First of all, my colleagues ably described their proposal. Their proposal is different than the proposal brought to the Chamber by the Senate Agriculture Committee. I have listened to a substantial amount of discussion about the amber box. I suspect it is probably confusing to people listening to this debate about family farming to hear about the amber box. I heard someone say perhaps if we took the wrong turn here or made the wrong decision, we would shoot our trade negotiators in the foot. With all due respect, our trade negotiators have shot themselves in the foot. In fact, they took aim before they did it which really compounds the felony.

This amber box is not of great interest to me. I understand it is part of our current trade regime. The amber box exists. So does unfair trade with stuffed molasses, so does unfair trade with potato flakes, with Canadian wheat, so does unfair trade with T-bone steaks to Tokyo. I could go on forever. While that amber box up there is shining amber for somebody, all I see are trade negotiators who negotiate bad trade deals for American farmers.

Let me talk about boxes, not amber boxes. Let me talk about the box that the American farmers are in. That is the only box I really care about. Here is the box the American farmer is in. The American farmer is farming under a farm program whose presumption was to transition them out of a farm program, give them 7 years of fixed and declining payments at the end of which there would be no farm program. The whole point was to transition to the marketplace. That all sounded good because wheat was \$5 or so a bushel back then. Just like people thought that the budget surplus was going to last forever, everybody thought—I did not—that the price of wheat would be \$5. So let's give 7 years of fixed payments, farmers can put it in the bank, draw interest and be able to transition into a market economy.

Almost immediately the market collapsed. The price of grain just collapsed. So then this farm program of fixed and declining payments didn't look good at all. Each year at the end of the year we had to pass an emergency bill to make up the difference for a farm program that didn't work.

So this is the box the farmers have been put in: They are trying to do business, selling a product whose price has collapsed. That is a box. They are trying to do business and ship their product over railroads that are monopolies in most cases. That is a box. They are trying to do business when they buy chemicals from chemical companies that are getting bigger. These companies are exacting the prices they want to exact. That is a box. When our farmers sell their grain into the grain trade, they face concentrations in virtually every area of economic activity. That is a box. Everywhere the farmer looks they are put in a box. It is not the amber box. It is just the box driving them flat broke.

Then they turned to see a farm program that at its roots was wrong. The farm program said: We won't relate at all to what is happening in the marketplace. If the grain prices are higher, we will give you a payment. Wheat is \$5.50 a bushel. Under our plan, you get a payment. Farmers don't need a payment. If wheat is \$5 or \$5.50 a bushel, family farmers don't need help from the Federal Government. That was the bankruptcy of that idea in the first place. It didn't recognize the times when farmers did not need assistance.

We have had a real struggle to get this farm bill to the floor. We had the Secretary of Agriculture calling around to our colleagues saying: Don't do this; you shouldn't write a farm bill now. The current farm bill is just dandy. Wait until next year.

We had colleagues say: The current farm bill is working just fine. Give it time. We shouldn't write a new farm bill this year.

It was a long struggle. We have overcome that. We are on the floor. We have a farm bill. Now we have a filibuster. We have had two cloture votes,

and we have not been able to break the filibuster. Eventually we will. Debating the Cochran-Roberts amendment is an important step forward, because this is the major amendment to the commodities title.

I hope perhaps when we get past this we will be able to move through the rest of the amendments and get this bill completed. That is our goal. The idea in the Cochran-Roberts amendment with respect to the commodities title is a bad idea, but I am not trying to be pejorative about what they are doing. They have a different idea. I don't happen to think it works. I think it is almost identical to Freedom to Farm. The Freedom to Farm idea was fixed payments, not withstanding what is happening in the marketplace. We know that didn't work. We can do it again, but we know that won't work.

So the question is, Do we want to revisit what we have done for the last 7 years with a few pieces of chrome added here and there, maybe a hood ornament here and there, but essentially the same basic philosophy? Or do we want countercyclical price protection so when times are tough, family farmers understand there is a bridge over these price valleys?

That seems to me to be the right approach. That is the approach in the underlying bill offered by the Senate Agriculture Committee.

The entire purpose of a farm program should be nothing more than helping this country maintain a network of family farms producing America's food. If it is not for that purpose, then let's just not have a farm program. Let's get rid of USDA. We don't need it. It was started under Abe Lincoln with nine employees over 140 years ago. We just don't need it if the purpose isn't to try to maintain a network of family farmers and ranchers who produce America's food supply.

Why is there some special attention to those family producers? Because those family producers work under conditions that almost no one else in the country does. They don't know whether they are going to get a crop. They planted a seed. It may rain too much, or not enough. Insects might come and eat it up; they may not. It might hail; it might not. You might get crop disease; you might not. If you survive all of those "mights" and get to harvest time and get that crop, get it in the back of a two-ton truck, haul it to an elevator, what might happen to you, and almost certainly did happen to you every year under Freedom to Farm, is that elevator would say: On behalf of the grain trade, we must tell you your food has no value.

That is the problem. That is the problem we are trying to fix. During tough times, can we create a farm program that offers a helping hand. That is the bill that was brought from the Agriculture Committee. It is a good bill. It has a commodity title that is now the target of this substitute. My hope is that we will defeat the Cochran-Roberts amendment.

I have the greatest respect for both of the Senators who offered this amendment. We have worked together on a wide range of issues. They are terrific Senators. But this is a bad idea. This idea needs to be defeated so we can move on with the commodity title brought to the floor from the Agriculture Committee by Senators HARKIN and DASCHLE. I hope we do that soon.

I yield 10 minutes to Senator CONRAD.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CONRAD. I thank my colleague from North Dakota. I thank our colleagues, Senator ROBERTS and Senator COCHRAN, who are valuable members of the Senate Agriculture Committee and have a sincere dedication to agriculture. We have appreciated working together even when we have had disagreements, some of them strenuous disagreements on farm policy. There is no doubt in my mind about the genuine commitment of Senator ROBERTS and Senator COCHRAN to the rural parts of our country and to agriculture in America. Certainly their hearts are in the right place, and they are thoughtful and valuable members of the Senate Agriculture Committee.

With that said, we do have a profound disagreement with respect to this amendment. If you liked the Freedom to Farm policy, then this is the amendment for you. This is a Freedom to Farm policy warmed over. Freedom to Farm had a shelf life of about a year. We were promised under that policy permanently high farm prices. That is what we were told over and over. What we saw was something quite different. What we saw was a collapse of farm prices after that legislation was put in place. In fact, I have shown on the floor many times the chart that shows the prices that farmers pay going up continually and the prices that farmers receive dropping like a rock after Freedom to Farm was passed in 1996. The prices farmers receive have been straight down, like a one-way escalator going down, ever since Freedom to Farm passed.

We have had to pass four economic disaster assistance bills for agriculture since Freedom to Farm passed, four economic disaster bills costing over \$25 billion because Freedom to Farm was a disaster itself. This amendment before us would continue that failed policy.

Senator ROBERTS keeps warning about a return to the failed policies of the past. How about the failed policies of the present?

(Mrs. CARNAHAN assumed the chair.)

Mr. CONRAD. Madam President, how about the failed policies of the Freedom to Farm bill, which has been such a disaster that each and every year for the last 4 years we have had to come to the Congress and pass an economic disaster assistance package for our farmers or see literally tens of thousands of them forced off the land.

Even the authors of the House-passed bill labeled Freedom to Farm a failure.

After 18 months of hearings, they concluded that one major change was needed in current policy. The change that the House agricultural leadership agreed upon was the addition of a countercyclical form of payments—payments that would increase if prices fell. That one feature sets the House bill apart from current policy. Yet the Cochran-Roberts bill and the Bush administration reject this fundamental feature. After 18 months of hearings, the House concluded there was one critical missing element. They put it in their bill. It is in the underlying bill, but it is not in this amendment. It is a countercyclical form of income support.

Compared to the committee-approved bill, this amendment is particularly unfriendly to the so-called minor crops—commodities such as sugar, barley, sunflowers, and canola, which are crops that are critically important in my home State—and not just in my home State but in dozens of other States as well.

For example, the Cochran-Roberts amendment fails to repeal the loan forfeiture penalty for sugar. If you are a cane or beet sugar producer, that one shortcoming will reduce the effective support rate of the sugar loan program and directly reduce the income of sugar producers.

I find it particularly puzzling that the administration has endorsed the Roberts-Cochran amendment. After months of urging that we delay the process until next year, after months of opposing the additional farm money set aside in the budget resolution, and after issuing a policy report that indicts current policy for transferring the majority of farm dollars to a minority of large farmers, the administration has apparently done a double flip and has now endorsed the amendment before us that is a testimony to the status quo. The very thing the administration has opposed they now endorse. I guess one could ask: Are you surprised?

Well, after the administration's performance in the farm bill discussion, nothing would surprise me anymore. First of all, they came out and said: Don't do a farm bill this year. Don't use the money in the budget resolution. Just wait, the money will be there next year. Then they came out and endorsed Senator LUGAR's approach. And then the next week they took back that endorsement. Then they called the farm group leaders to the White House and said: Call the members of the Agriculture Committee and tell them not to write a farm bill this year. The money will be there next year.

Well, anybody with an ounce of common sense could look at our fiscal condition and see what is abundantly clear to anybody who cares to look: The expenses of the Federal Government are going up with the war, the income is going down with economic conditions. That means every part of the budget is

going to be squeezed. And we have a Secretary of Agriculture calling members of the committee telling them don't act this year, wait until next year, the money will be there.

How is the money going to be there? How is the money going to be there, Madam Secretary? How can that be?

The Cochran-Roberts amendment also maintains the status quo with regard to loan rates. It freezes them in place rather than increasing them as the committee bill does. The amendment continues direct payments to farmers regardless of whether prices are high or low. It doesn't matter, send checks.

Let me just look at the differences commodity by commodity—the difference in the effective support level between the committee bill and Cochran-Roberts. Let's start with wheat. That is No. 1 in my State. You can see on this chart that the loan rate in the committee version is \$3 a bushel. Cochran-Roberts keeps it at the current level of \$2.58. On payments, the committee bill has 44 cents a bushel; Cochran-Roberts, 51 cents. The effective support level of the committee bill, \$3.44; \$3.09 under Cochran-Roberts.

On barley, the committee bill, which is before us, has a loan rate of \$2; Cochran-Roberts has a loan rate of \$1.65. The payments are 18 cents a bushel in the committee bill, for a total support level of \$2.18. Cochran-Roberts has a loan rate of \$1.65 and payments of 21 cents, for a total support level of \$1.86.

On corn, the committee bill has a loan rate of \$2.08, with payments of 25 cents, for a total of \$2.33. Cochran-Roberts has a loan rate of \$1.89, payments of 26 cents, for a total of \$2.15.

On soybeans, the committee bill has a loan rate of \$5.20, coupled with payments of 52 cents, for an effective support level of \$5.72. Cochran-Roberts has a loan rate of \$4.92, payments of 36 cents, and an effective support level of \$5.28.

On rice, the committee bill has a loan rate of \$6.85, payments of \$2.40, an effective support level of \$9.25. Cochran-Roberts has a loan rate of \$6.50, payments of \$2.19, and an effective support level of \$8.69.

Finally, cotton. The committee bill has a loan rate of \$55, payments of \$12.81, and a total effective support level of \$67.81. Cochran-Roberts has a loan rate of \$51.92, payments of \$11.38, an effective support level of \$63.30.

On each and every commodity, the advantage goes to the underlying committee bill—the same amount of money, but it has been done in a different way in the committee bill. It gives a higher level of support for each of these major commodities than the amendment before us.

Let me address one other element of Cochran-Roberts that I think is particularly deficient—the so-called farm accounts. There has been a lot of talk here about targeting of benefits of the farm bill to family-size farmers. But in this area, Cochran-Roberts has tar-

geting in reverse. They are targeting to the best-off farmers, those who have the highest incomes; they are targeting to those who have the biggest profit margins because they have set up a circumstance of matching funds that requires a farmer to have \$10,000 to set aside. In my State, a significant majority of farmers don't have \$10,000 to set aside to qualify for the matching funds, or to fully qualify for the matching funds.

So what you have here is Robin Hood in reverse. They are going to take from those who have the most need and give to those who have the most resources. I don't think that is a policy that can be sustained. I don't think that policy can be supported.

Madam President, I add that the previous discussions on this proposal have had the program administered by the IRS that has the information on the money that people have to put in the program. To avoid a jurisdictional problem, they have decided to convert USDA into the IRS. They have decided to make the USDA all of a sudden administer tens of thousands, perhaps hundreds of thousands, of these accounts, but they do not have the information upon which to make the judgment of whether somebody qualifies for these accounts.

This is big government writ large. This is an invitation to a massive, expansion of bureaucracy and a duplication of bureaucracy. These are the records that the IRS has, and all of a sudden we are going to duplicate these records at USDA. That is an administrative debacle that will cost taxpayers hundreds of millions of dollars.

How many tens of thousands of employees are they going to have to hire at USDA to administer these accounts? They do not have the information. They are going to have to gather the information. Can you imagine the potential for fraud? Talk about waste, fraud, and abuse. We will have everybody and their mother's uncle writing asking for their \$10,000, and who is going to—I do not know how this ever got morphed into a program from IRS that has the information to administer such a program to one being run by USDA.

They have 100,000 employees at IRS. We are going to have to have 20,000 employees at USDA to run this program. We are going to have to hire 20,000 new Federal employees to run this program. Can you imagine the invitation to fraud when you say to any farmer out there if they put aside \$10,000, they can get a matching amount from USDA and they do not have the information upon which to make these judgments? That alone ought to defeat this amendment because that is an invitation to a disaster. That is an invitation to an expansion of bureaucracy unlike one we have seen in the 15 years I have been in the Senate, and that is an invitation to waste and taxpayer abuse that I think in and of itself should defeat this amendment.

I end as I began. Although I have been tough and direct with respect to my criticisms of this amendment, I do have great respect and affection for the authors. Senator COCHRAN and Senator ROBERTS are very level-headed people who have done everything they can in the light of their philosophical leanings to support farmers across this Nation, and for that I respect them and I am grateful to them. But I very much hope this amendment, which I think is terribly flawed, will be rejected.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. I thank the Chair. Madam President, I guess we are nice guys; it is just that the program is not worth anything.

I want to set the record straight with regard to the payments. The distinguished Senator is very fond of charts, but in this particular case his chart is wrong. In regard to the direct payment rate for 2002, wheat is 76 cents. I believe the Senator indicated it was 51 cents or something like that. For corn, it is 43; grain sorghum, 52; barley, 36; for oats about 3.5; 14.9 for cotton seed; 3.39 for rice; and soybeans, 60 cents. That is not reflected in those charts. The charts are simply not accurate. Coming close to the truth is coming pretty close but it still is not the truth. I think we better get our facts and figures straight with regard to the payments.

I also point out that if the market price gets above \$3.43 in regard to wheat—I will use wheat because I am familiar with that—the farmer does not get a payment from the Daschle bill. In addition, their target prices do not come into effect until 2004.

They were talking about a bridge. That is a mighty long bridge. The bridge is washed out, the farmer cannot swim, and the farmer cannot get to the other side.

In regard to the \$3 loan rate, that is just going to encourage market distortion, but if you are really going to use the loan rate in regard to income protection, why not raise it to \$5 or \$4? Take out all direct payments and just go with the loan rate. Many of the constituencies my friend represents would find that more in keeping.

Yes, I know that Freedom to Farm in terms of restoring decisionmaking power to the producer was not as successful in regard to market prices worldwide, but we never passed the component parts to Freedom to Farm. There was a world glut of farm product. We lost our markets—the Asian market and the South American market. The value of the dollar hindered it. We did not get Presidential trade authority. We tried twice. We exported about \$61 billion in agricultural commodities back during the first years of Freedom to Farm. That is down now to around \$50 billion. Subtract the difference and that is what we have had to do with the emergency funding.

Every commodity-producing country has gone through the same travail that

our farmers are going through, but yet none of those farmers passed Freedom to Farm. For those on the other side of the aisle, Freedom to Farm is to blame for virtually everything that goes wrong in farm country; or if your alma mater loses a football game or if your daughter has a pimple on her nose, it is somehow the fault of Freedom to Farm with a chart to prove it.

With regard to the safety net, our safety net is a safety net; it is not a hammock as indicated by the majority.

I yield 10 minutes to the distinguished Senator from Montana for whatever purpose he may like.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Madam President, I thank my good friend from Kansas. I was interested in the remarks of my good friend from North Dakota. Yellowstone River separates us, so we are northern tier farmers. I want to bring up a couple points. I probably will not use my 10 minutes because I think the principal sponsors of this amendment have explained it very well.

I also want to correct another thing that we do not want to overlook. If farm programs that contain target prices were going to save the family farm, we have 50 years of that experiment to study and still we are losing farmers from the land. If they were going to work in the last 50 years, surely we would have gone through some economic cycles where we would have found something that was successful for agriculture. Nothing more is going on in agriculture that is not going on in other sections of our economy.

I have heard a lot of farmers say there is nothing wrong on the farm except the price. Our share of the consumer dollar that should go back to the farm is not getting back to the farm. We used to live on 10 cents, 15 cents, 20 cents of the consumer dollar getting back to the farm. Now we are living with around 8 cents or 9 cents. Therein lies the problem.

I supported and had a little to do with—not very much—putting together the Cochran-Roberts amendment. The real design in Freedom to Farm was to transfer the decisionmaking of what they want to do on their farms and ranches back to the farmer and the rancher and also give them the tools to minimize their risk.

We failed to do two or three of those items during the life of Freedom to Farm. We never did get reform on crop insurance, and there were several other elements in this whole era when that legislation was in effect.

Nobody has to say, when there are four major economists on the Pacific rim, it does not impact us who live in the Northwest because just about all of our production goes to the Pacific rim. When Thailand, Malaysia, Indonesia, the Philippines, and South Korea, all of those economies went in the tank at the same time, and the value of our dollar went up, it tells me that was an element that was out of the control of anybody.

What we finally did was reform crop insurance so it would work, so that the farmer and rancher could go out and protect his investment against those natural elements. We are in basically the third, fourth year of drought in our part of the world. Last year was the worst we have ever had.

To give an example, we had no snowpack and that impacts our irrigated farmers. To give another example, the Yellowstone River, which is the longest river in this Nation, is unmarred by dams. That river could probably be crossed east of Billings to Williston, ND, and one's knees would never get wet.

Mr. ROBERTS. Will the Senator yield for a question?

Mr. BURNS. Yes.

Mr. ROBERTS. Montana has been going through some mighty bad weather. I have been to Montana with the Senator and looked at the drought conditions. My question is: If one does not have a crop, under their bill, one does not get a loan rate. And if one does not have a crop when they need it, the most—they do not get a target price, and the target price for wheat is capped anyway at \$3.45. So at the time the farmer needs it the most—and the Senator has been through that big time in his State. We do that in Kansas a lot, and I know they do it in the Dakotas year after year—this bill does not help them. There is no countercyclical payment. There is no help. There is no safety payment.

Mr. BURNS. The committee bill?

Mr. ROBERTS. Yes, the committee bill, the Daschle bill. So exactly the conditions the Senator is describing, under this bill, one would not have any help.

I know what happened. The Senator from Montana knows what happened. They would be back to the Senate asking for emergency help, which we would have to provide, because the man whose job it is to feed the country needs to be provided for.

I thank the Senator for yielding.

Mr. BURNS. I thank the Senator for his question. That was a point I was going to get to, but the Senator got to it a lot quicker and maybe explained it a lot better than I would.

Mr. ROBERTS. I thank the Senator.

Mr. BURNS. Building on what the Senator from Kansas said, plus the fact we protect the integrity and improve insurance again, we add some more dollars to it so the farmer can deal with the risk of losing a crop. On the point made by the Senator from Kansas, should nothing be cut, nothing is gotten from the committee bill. That was not a correct approach.

I am someone who wants to change the CRP, the Conservation Reserve Program, to make it work as it was set up to work. I have a couple of amendments on file now that I think would do that. Conservation reserve was to accomplish a couple of things. It was to set aside the undesirable land and the highly erodible land that should never

have been broken by the plow in the history of the land. It should have never been broken up, but it was because we had high prices and farmers had the freedom to plant from fence row to fence row. Of course, with the downturn of the economy, of foreign economies, and the high dollar, the timing could not have been worse.

Nonetheless, if I hear my farmers right, they still want the flexibility. They want to still make the decision and plant and sow for the market to make those decisions, especially new crops.

When we try to write a farm bill that pertains to all of America, in the northern tier of States our flexibility is limited to very few crops because of a short growing season. In some areas, we cannot grow winter wheat; we must grow spring wheat. So our decisions on what to plant are limited because of where we are and the kind of soil we have.

When we add up all the factors, small grain producers in the State of Montana will fair better under Cochran-Roberts—or Roberts-Cochran, whichever is preferred—than the committee bill. Plus the fact we also know what it is to lose a crop. We cut a lot of acres, by law. We cut a lot of one bushel to the acre crop this year. It is the worst I have ever seen.

Of course, we have all the elements that North Dakota has also. We could talk about normalization of farm chemicals, the labels on farm chemicals. We can talk about captive shippers. I have some report language I would like to offer later on, depending on whatever survives, to deal with normalization of those labels because we have great challenges in our free trade agreements.

Now the real risk is this: If the committee bill is not WTO compliant—one can argue about our trade agreements, our trade negotiations, and one might not like it, but basically we are tied to them by law. If we are not compliant, and we lose a WTO challenge, what do we do? The Secretary of Agriculture suspends the program until it is ironed out, and it could be suspended at a time when our agricultural producers need it most. That is risky, and I ask my colleagues to consider that.

I thank my good friend from Kansas, and I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Madam President, first I inquire of the Chair as to the amount of time remaining.

The PRESIDING OFFICER. The Senator from Michigan has 36½ minutes. The Senator from Kansas has 12 minutes.

Ms. STABENOW. Madam President, while I rise to oppose the Cochran-Roberts amendment, I want to congratulate my colleagues for their dedication as members of the Agriculture Committee. I have great respect for both Senator COCHRAN and Senator ROBERTS and realize they come to this from

their respective States and how they view the needs of agriculture in our country. I come from the great State of Michigan. We have more diversity of crops than any other State, other than California. It is very heartening for me to have worked on a bill coming out of committee that for the first time addresses a number of crops and concerns of Michigan farmers that have not been addressed before.

Our farmers stock the kitchen tables of America and the world, as we know, but they have the right to put food on their own family's table as well. That is what we are debating, the best way to make that happen.

I was a member of the House Agriculture Committee for 4 years, and now I am honored to be on the Senate Agriculture Committee. Every year I have been in the Congress, we have had to pass an emergency supplemental because the Freedom to Farm Act was not enough to address the needs of American agriculture. I think now is the time to correct what was not working in the past farm bill.

In Michigan this year, we have had such an extensive drought that 82 of the 83 counties have been declared disaster areas.

We have seen 30 percent of our corn crop wiped out as a result of the drought. Everything from Christmas trees—and as a caveat, I indicate to my colleagues we are proud that the Capitol Christmas tree this year is from the Upper Peninsula in Michigan. We have had tough times for our Christmas tree farmers. Dry beans, potatoes, and hay all have been hurt by the drought. One farm official said there is no difference between what has happened to us and watching your house burn.

These are pretty dramatic times. Besides the drought, Fireblight has killed between 350,000 and 450,000 apple trees in Michigan at a cost of millions of dollars. It has just not been a good time for our farmers.

According to the Department of Agriculture, between 1992 and 1997 in Michigan we lost over 215,000 acres of productive farmland. As part of that loss, 500 family farms vanished and 2,400 full-time farmers literally left the fields.

We can do better than we have done for agriculture and the farmers of our country. I argue that the best approach is the bill before the Senate, as the committee reported it out, where every title we worked on in committee was reported out unanimously except the commodity title.

I will speak about the commodity title in a moment. For the first time, we address in the commodity title of the U.S. farm bill the issue of specialty crops through a commodity purchase. We have been able to put in place what I believe is a win-win situation: A commodity purchase every year of fresh fruits and vegetables for our School Lunch Program and for our other food programs. It is a win-win for our farmers. It supports our specialty crops, and

it is a win-win for our children and for families and seniors who benefit by the nutritional programs.

Unfortunately, this substitute wipes out all the work that we did, putting together this commodity purchase program for the first time, with \$780 million in commodity purchases for specialty crops. I very much want to see that continued in this legislation.

We know the bill that came out of committee is a four-pronged approach: Marketing loans, fixed payments, countercyclical payments, and conservation security payments. The Conservation Security Act, now, what everybody calls the innovative act of payments for all farmers on working lands, is another way we address specialty crops that have not been addressed before.

I was pleased as a Member of the House of Representatives to help fashion crop insurance to begin to move it in a direction to address specialty crops. But it has only been moving in a very small direction. The Conservation Security Act is a way to provide security again and focus on conservation and support for our specialty crops.

The farm program, unfortunately, under the Cochran-Roberts amendment does not include a countercyclical program that will help farmers in times of low prices. Without such a program, there is simply no way the program can provide an adequate safety net. That is what I believe ought to be the goal.

Under the substitute, when prices are high, farmers get large payments. In bad times, when prices are low, farmers will suffer, since there will not be a mechanism to respond to those conditions. That makes no sense to me. Fixed payments may seem attractive and bankers certainly want to know exactly what to expect each year, but we ought to be responding to the highs and lows of the marketplace and providing the help when it is needed. Fixed payments are not responsive to market conditions. They are not budget responsive. The taxpayers should save money when crop prices are higher. We should be paying less when they are higher and more when they are lower.

I believe the substitute is not balanced. It is weighted toward fixed payments. The loan rates are low and would be allowed to go even lower. The committee bill phases down fixed payments and phases in a countercyclical program that is market and budget sensitive.

Despite overwhelming calls for reforming Freedom to Farm, this substitute, in my opinion, is little more than a continuation of the existing program of marketing loans and fixed payments. In Michigan, this policy has left our farmers without income protection and necessitated over \$30 billion of supplemental payments over the past few years. The substitute loan rates are low, as I indicated. The committee bill, on the other hand, sought to help farmers by making modest increases in the loan rates.

The other point I make is in the area of conservation. Conservation is the most significant problem with the amendment other than, in my mind, what is left out in terms of specialty crops which are so critical to Michigan. The committee bill includes the Conservation Security Program which is a new innovative program that provides payments to farmers who make the effort to practice good conservation on working farmlands. It has received growing enthusiasm. I hope that will be included in the final document.

The Cochran-Roberts amendment provides significantly less funding for conservation. Under the substitute, my own farmers in Michigan would receive \$40 million less in conservation payments than under the committee bill.

I believe we have reported out a balanced bill that reflects the diversity of American agriculture and the diversity of Michigan agriculture. It addresses innovative new approaches in energy. It encourages a number of different new options and alternative energy sources that are not only good for farmers but are good for all Americans in terms of foreign energy dependence. It addresses conservation and nutrition and the commodity program in a way I think makes the most sense.

Despite my great respect for the authors of the amendment, and I do mean that sincerely, I rise to encourage my colleagues to support the bill reported from committee, to oppose the substitute, and to join in an approach that broadly supports agriculture and provides the safety net necessary for our farmers.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I yield to the manager.

Mr. ROBERTS. I yield 5 minutes to the distinguished Senator from Virginia who has been an absolute champion of Virginia peanuts.

Mr. WARNER. I thank my dear friend and colleague. I have done my best over the 23 years I have been privileged to represent the Commonwealth of Virginia to look out for the interests of our peanut farmers. I remember so well Senator Howard Heflin of Alabama. I remember Senators from Georgia. We got together through the years and worked out a fair treatment of our peanut farmers.

The peanut program is such a small crop in the overall agricultural picture of the United States of America, but it is crucial to the economy of Virginia.

History will reflect in the marking up of these bills in committee that somehow the Virginia peanut grower did not fare as well as those in some other States. To correct this inequity, Senator HELMS and I sat down with our distinguished ranking member and we showed him what had occurred, largely through oversight. I believe this oversight occurred because Virginia's peanut farms are unique when compared with other peanut States. We have very

small farms compared to other areas in the United States of America.

For family farmers, oftentimes peanuts are one of their principal sources of income, if not their only agricultural source of income. They take a lot of pride as their fathers and forefathers have taken for many, many years. Nevertheless, the committee bill—I say this with all respect to my good friend and chairman, Senator HARKIN, with whom I have worked with over these many years—somehow did not work out for Virginia.

After consulting—and Senator ALLEN joined me every step of the way on this—after consulting with Senators ROBERTS and COCHRAN, they agreed to incorporate the best provisions we could manage into this substitute amendment.

Consequently, we are ready to strongly support the Cochran-Roberts substitute because, for the time being, it gives us the best hope in Virginia to allow this industry to ride through this transition period of several years as the current quota program is phased out. But these individuals, unless they get a little bit of help, cannot survive through this transition. We have to help them.

I thank my good friends, both Senator COCHRAN and Senator ROBERTS, for helping.

We have achieved the following: For example, we will significantly raise the per ton target price. The current quota price per ton is \$610. The House passed Farm Bill contains a target price of \$480 and the Senate committee bill is currently \$520. But under the Cochran-Roberts substitute we were able to raise the target price from \$520 up to \$550 which will enable our peanut growers to survive this period of transition. This will make a big difference to Virginia peanut farmers. It will enable them to simply survive.

This is not a big moneymaking business. While many people nationwide enjoy the specialty Virginia peanut, it is expensive to grow. These provisions will allow Virginians to continue to grow this peanut as they have for generations.

In addition to the increased target price, there are several technical provisions dealing with peanuts in Cochran-Roberts. For instance, producers will be allowed to re-assign their base for each of the 5 years of the farm bill. All edible peanuts will be inspected to maintain quality control. And the marketing associations will now be allowed to build their own warehouse facilities.

Each of these small incremental steps will enable this very small but crucial industry in Virginia and parts of North Carolina to survive.

I thank Senators COCHRAN, ROBERTS, HELMS, and others. I thank my colleague, Senator ALLEN, for helping me. I am hopeful that we can provide help to these farmers.

I see my good friend, the chairman of the committee. I remember very well when he joined the Senate and came to this committee.

All I am asking for is a little bit of help for these peanut farmers. All through the years—with Senator Heflin and others around here from the peanut States—we always got together. We didn't ask for much, only just enough to survive.

I hope the distinguished Chair will allow me to yield so the chairman may reply.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I thank my friend for yielding. I say to my friend from Virginia that the very issues he is talking about in peanuts is in the committee bill. He doesn't have to vote for Cochran-Roberts. The same provision is in our bill. It is the same thing for the peanut farmers of Virginia. We took care of that in our bill.

I know my friend from Virginia is also a strong conservationist. I know he believes in good conservation. I think my friend from Virginia, if he looks at the peanut program, will see what we do in our bill. They just copied the same thing that we already voted on unanimously, I think, in committee on the peanut provisions. That is in the bill.

I hope he will take a look at the other things that are in the amendment that Cochran-Roberts cut—such as conservation and some other things which they cut in the bill. I know my friend from Virginia is a strong conservationist. He is a good hunter. I know that. He believes in the right of hunters and sportsmen. That is what we have in our bill. Our bill is strongly supported by the sportsmen of America.

There is a lot of conservation that they took out. I wish the Senator would look at that.

Mr. WARNER. Mr. President, I thank the distinguished chairman. I remember Herman Talmadge. When I came to the Senate, he said: Young man. He didn't call me Senator. He said: Young man. You just stick with me and you will make it work.

So I hope your bill does reflect this higher \$550 per ton and a few other things, including allowing the producers to be able to move their base.

I thank my friend, Senator ROBERTS.

Mr. HARKIN. Madam President, I will give him a couple more minutes.

Mr. WARNER. No. I am fine. I appreciate that courtesy. I thank the Chair for the indulgence.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. How much time remains on both sides?

The PRESIDING OFFICER. The Senator from Kansas has 6 minutes and the Senator from Iowa has 25 minutes.

Mr. ROBERTS. If I might, Senator CRAPO has asked for 5 minutes. I hope I might have a little time to sum up along with the distinguished chairman of the committee. It would take me hours to respond perhaps in some small way. That is why I asked the distinguished Senator from Iowa if he could



lend 5 minutes to the distinguished Senator from Wyoming who is a member of the committee.

Mr. HARKIN. I would be more than honored to give my friend from Wyoming 5 minutes off our time to speak against my own bill.

Mr. ROBERTS. Bless your heart, sir.

Mr. HARKIN. Thank you very much.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 5 minutes.

Mr. THOMAS. Thank you, Madam President. I thank the Senator from Iowa for sharing some of his time.

The Agriculture bill is a very complicated matter, of course. This is the first year I have served on the Agriculture Committee. I have been involved with agriculture all my life. In fact, of course, agriculture in different places means different things. But I am glad we are having this debate.

I hope we take enough time to really have a look at all the things that are involved in a farm bill. First, I think in many cases this bill has been pushed a little too quickly. I think it was pushed too hard by the committee. I have never been on a committee with a complicated bill such as this which was brought to the Members at midnight one night and expected to be voted on at 9:30 the next morning. We did that consistently through all the titles of this bill.

I have a sense that is what is happening. It is being pushed by our minority friends on the other side of the aisle with the political question. I think it is too important for that. It is something that is going to impact all of us a great deal over a good long time. I don't agree with the idea that if we don't get it done this week we will lose. I don't agree with that. I don't think that is the case at all.

I think if we had a chance to be here and deal with it in January and February, we would have the same opportunity, plus the advantage of knowing more about what we are doing and having a chance to go home and talk to our folks about how it works.

I continue to support a bill that moves more towards market-oriented policy, not one that is increasingly controlled by the Government, as has been the case over a period of time, but one that places more emphasis on all of agriculture as opposed to focusing on the so-called program crops as it has been in the past, one that recognizes the importance of our WTO obligations.

We have, of course, a great percentage of agricultural products that go into foreign trade. If we are not careful about how we do this, we may run into the so-called amber box and find problems. I think we want to recognize the value of keeping working lands in production and not setting aside land for production only to increase the production on that land.

In many cases, I believe the Harkin bill takes us in the wrong direction. It endorses higher rates. It encourages

production of U.S. products that are already losing in the world market and which could even lose more. On the other hand, I think Cochran-Roberts is a really good option for us to consider.

The commodity title provides substantial support for crop producers. But it provides support in a non-market-distorting manner.

I think, as in most every issue—but maybe this one more than most—we ought to take a look at where we want agriculture to be 10 years from now, what directions we want agriculture to take. Do we want farmers to become more and more dependent on Government subsidies? Do we want all those decisions to be based on what the Federal Government is going to provide or, indeed, do we want to have a safety net so that we can keep family farmers in business, and help do that, but also that that production is reflected in the marketplace, and that those things that are marketable are the ones that are sold?

I think that is very important. That is what we try to do in the Cochran-Roberts amendment.

The payments are considered to be WTO "green box" payments, so that important foreign trade will be there without being impeded or challenged by other countries.

The Cochran-Roberts amendment allows producers who have never received Government assistance to obtain support through the farm savings account. Producers are able to be matched by Federal funds, but they are able to set aside for a rainy day. That is a market-oriented, private-property oriented type of approach.

The conservation title boosts programs that keep our working lands in production. It recognizes the value of keeping people on the land in operation versus land retirement. Keeping working lands in production benefits open space and wildlife. Those are aspects that are terribly important to my State where much of agriculture, of course, is livestock, with the idea of keeping open space. The EQIP program helps give technical help to conservation programs and financial assistance for improving environmental quality. I think those are so important.

It provides a bonus incentive for producers who have adopted long-term conservation programs. It creates a new program for the protection of Native grasslands. The loss of open space and crop land is a severe problem, particularly, I suppose, in the West.

There are some important distinctions between the Harkin bill and the Cochran-Roberts substitute.

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. THOMAS. I hope my colleagues will give great consideration to the amendment and I urge my colleagues to support it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Madam President, how much time do we have on our side?

The PRESIDING OFFICER. The Senator has 15 minutes.

Mr. HARKIN. I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator has 18 minutes.

Mr. HARKIN. I have 18 minutes?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Madam President, I yield myself 10 minutes, and ask the Chair to remind me when my 10 minutes are up.

The PRESIDING OFFICER. The Chair will do so.

Mr. HARKIN. Madam President, I want the talk, literally, about five things that I think Senators should consider before they vote on the pending Cochran-Roberts amendment: direct payments, loan rates, the issue of WTO and our trade agreements, conservation, and then I want to mention a little bit about total spending in the bill itself.

There seems to be some confusion that somehow the Cochran-Roberts proposal is bigger in direct payments than what we have. But I would point to this chart which shows why looks can be deceiving.

Under the Cochran-Roberts amendment, for example, on soybeans—I just used one crop; it could be any of them—the payment rate on direct payments is 60 cents a bushel. Actually, it is 60.68 cents per bushel. Under our bill, it is 55 cents a bushel. So to the casual observer, looking at this, you would say: Well, of course, Cochran-Roberts is better; it gives more in direct payments than what you do, Harkin, in the committee bill.

But here is the catch. Under our bill, we pay for the whole base. We have 100 acres of soybeans. So we take 100 acres, and we just took an average of 38.25 bushels per acre, times 55 cents a bushel; that is a direct payment of \$2,104 for that 100 acres of soybean base.

Under Cochran-Roberts, take the same 100 acres, and they use the old triple base back. That is a 15-percent reduction. Actually, that came in the 1990 budget reconciliation bill, if I am not mistaken. It was that triple base rule, and they put it in there. So now it is not paid on 100 acres, but it is paid on 85 acres.

They have the same 38.25 bushels an acre, just like we have—the same yield—and they pay on 85 acres. And then they only pay 78.4 percent of that. Where did that 78.4 percent come from? That is comparing the yield during the base period from 1981 to 1985 to the yield from 1998 to 2001. And it comes out to 78.4 percent.

So when you get through all the convoluted workings of the Cochran-Roberts amendment, the same 100 acres of soybeans that a farmer would raise next year, they would pay \$1,547 for that 100 acres under Cochran-Roberts. We pay \$2,104, even though our payment rate is 55 cents a bushel. Theirs is more than 60 cents a bushel. But we do it honestly, openly. Update your base

and update your yield: 100 acres times your yield, times 55 cents.

They say, oh, they are paying 60 cents a bushel, but it is on 85 acres—15 percent less than the 100 acres—times your yield, times 78.4 percent.

So I hope no one is going to be fooled that somehow Cochran-Roberts has more direct payments out there than we do. It is just not so. It may be higher, but it is on fewer acres, and it is on 78.4 percent of the yield of that field.

So, again, when it comes to direct payments, Cochran-Roberts is convoluted. They go back to all these old payment acres and outdated yields. But we actually pay more.

Next, I would like to cover loan rates. Under Cochran-Roberts, they continue current law, which establishes maximum loan rates and allows the Secretary to lower the loan rates according to a formula of 85 percent of the 5-year average price for grains and oilseeds. You drop high and low-price years. So we can look at this. This will be the loan rates shown right here on this chart.

Let's just take wheat. I know the Senator from Kansas likes wheat. It is a big crop in his area. It is a good crop for the country.

Under our bill, the loan rate for wheat, right now, is \$3 per bushel. Now, Cochran and Roberts might tell you that really their loan rate is going to be \$2—what is it?—\$2.53.

Mr. ROBERTS. It is \$2.58.

Mr. HARKIN. I am sorry. It is \$2.58. That is what they are saying, \$2.58 per bushel. But that is the highest they can go. It is not the lowest they can go. Under their loan rates, because they use this old formula, it can go down from \$2.58 to \$2.30. If we have a high stocks-to-use ratio, which we do right now in wheat, the Secretary has the authority to lower that another 10 percent, down to \$2.07 a bushel. So, again, under Cochran-Roberts, the loan rate can go to \$2.07 a bushel for wheat. Under our bill, it can go no lower than \$3 a bushel.

On corn, it is the same thing. Under corn, Cochran-Roberts caps it at \$1.89, as shown right here on the chart. We are at \$2.08. They say: Hey, cap it at \$1.89. That is all the higher it can go, but it can go a lot lower. It can go down to, I think, \$1.56 a bushel, as shown on this chart right here.

So don't think that this is the Cochran-Roberts loan rate, as shown on this chart right here, not by a minute. It is down in here someplace, down around in here, as shown on this chart.

This is our loan rate: \$2.08. The same is true of all the other grains—sorghum, barley, and oats.

So when it comes to loan rates, Cochran-Roberts, again, is trying to fool you. They are trying to say: Their loan rate is less than ours, but it is pretty high. That is not so. Because under the formula, it can be reduced down, and then the Secretary has the authority to reduce it even lower.

We do not give the Secretary that authority. We take that authority away

from the Secretary. Our loan rates are honest. It is \$3 for wheat. You cannot go a nickel lower than that. The Secretary does not have the authority to lower it.

On WTO, there have been some questions raised about WTO compliance, whether or not we are going to be okay on the WTO. Under WTO, we have what is called an amber box. This is product specific, what we spend on our crops. Under the WTO provisions, we are allowed to spend \$19.1 billion a year. I understand some people over here have said that under the committee bill we might exceed that; then we will be not in compliance with WTO.

Well, we used CBO estimates to determine how much we might spend. Right now under the current levels of spending, we are spending about \$11 billion. We are allowed 19.1, but we are spending about 11. Under 1731, using CBO estimates we will be spending about \$13.6 billion. The maximum that we would spend under 1731 would be \$16.6 billion, a far cry from \$19.1 billion. Again, if we are allowed to spend \$19.1 billion to support farm income and to support family farmers and get them a better price for their grains, why should we be down here at \$11.1 billion? Why don't we get closer to \$19.1 billion?

Again, even under the worst case scenario, using CBO estimates we are going to be almost \$3 billion less than what we are allowed. Why should we handcuff ourselves? I ask—I hope my friend will respond—why do we have to be down here at such low levels? We might as well take advantage of what WTO has given us, \$19.1 billion, and use as much as we can without exceeding this.

Under the WTO rules and under our bill, if it looks as though we ever are going to exceed this, the Secretary has the authority to cut payments. So there is an escape hatch. If the worst possible case scenario happened—worst case happened—it would have to be about like it was in 1985. If we had a year like 1985, we might get close to 19.1. But that was 16 years ago. We haven't had a year like that since, and I don't think it is likely we ever will. Again, under WTO we are in full compliance. That is a red herring.

The PRESIDING OFFICER (Mr. DURBIN). THE SENATOR HAS USED 10 MINUTES.

Mr. HARKIN. I yield myself another 5 minutes.

If anybody tells you we are going to violate WTO, that is nonsense; absolute, utter poppycock.

Then under the amber box, we also have nonproduct specific. This is what we spend on crop insurance and conservation, things such as that. Under this nonproduct specific, right now, I believe, again, we are allowed \$10 billion. This is 5 percent. We are allowed 5 percent of the value of our total agricultural production that we can use here for things such as for counter-cyclical and for crop insurance, we are allowed to spend 5 percent. We are

right now, I believe, at about \$7 billion. Under 1731, we will be even lower than that. We will never even get close to that 5 percent, or \$10 billion cap.

I also draw your attention to the green box. This is conservation, rural development. We are allowed to spend anything we want, anything without violating WTO. So what does Cochran-Roberts do? They take money out of this. They cut funding for conservation. They cut funding for rural development. They even cut some money out of research, when we have no limits on how much we can spend there. So don't let anybody fool you to think that somehow we are not compliant with WTO. We are.

The last thing I will discuss—and this is not specific—is to show what they were cutting in conservation. Under the wildlife incentives program, wildlife habitat, we put in \$1.25 billion. They put in only \$350 million. This is for 5 years. Under the farmland protection program, where we buy up farmland and keep it from going into urban development, we put in \$1.75 billion. They only put in \$432 million. The conservation security program, \$387 million, we put in 5 years; they zeroed it out.

The Secretary of Agriculture earlier put out a book. It is called "Food and Agriculture Policy, Taking Stock for the New Century." Here it is on page 10, conservation and the environment. They say, the principles for conservation: Sustained past environmental gains.

Then on page 81—if I remember this book right, on page 81 it says "the new approach." They are talking about incentives for stewardship on working farmlands.

The new approach is broader. It may be the best option for compensating farmers for the environmental amenities they provide as well as recognizing the past efforts of "good actors" who already practice enhanced stewardship. The Department of Agriculture and the administration have supported conservation on working lands, helping farmers who have been good stewards in the past.

That is what we do. We put the money in there, \$387 million, just what the administration said they wanted. Cochran-Roberts zeroes it out. And guess what. I am told the administration supports Cochran-Roberts. They zero it out.

Something is not adding up here. Something is not adding up here on this because the administration now is saying they support Cochran-Roberts. I don't know if they do. Does the administration support your amendment?

Mr. ROBERTS. Yes, sir.

Mr. HARKIN. The administration is supporting the Cochran-Roberts amendment even though earlier this year they wanted money in a program like this to pay farmers on working lands. They zero it out. I guess this administration doesn't give a hoot about conservation. That is exactly it. They want to talk about it. They want to put it in a nice, fancy book. But they don't want to pay for it. They don't

want to pay farmers for being good conservationists. They want to support Cochran-Roberts.

This is why I talked about conservation, maintaining and paying farmers for what they are already doing.

This is the one chart on which I think even Mr. ROBERTS will agree with me. Last week we had an editorial in the newspaper saying this is a piggy farm bill, we are spending too much money. I mentioned this last Friday. I asked my staff to make up a chart.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HARKIN. How much time do I have left?

The PRESIDING OFFICER. Three minutes remaining in total.

Mr. HARKIN. I will reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Kansas is recognized.

Mr. ROBERTS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. ROBERTS. I thought I had 7 minutes. I can't squeeze 1 more minute out of—didn't we say 7 minutes before we got into the colloquy on Senator HARKIN's time, the distinguished Senator from Virginia who was extolling great virtue and compliments to the distinguished Senator on his time?

The PRESIDING OFFICER. The Chair would like to give wide latitude to the Senator from Kansas, but the Senator from Virginia exceeded his time.

Mr. ROBERTS. I thought the Senator from Iowa had yielded his time to hear all the accolades directed toward his personage.

The PRESIDING OFFICER. That part of the Senator's statement was charged to the Senator from Iowa.

Mr. ROBERTS. So then I have 7 minutes remaining?

The PRESIDING OFFICER. Six minutes, and not counting the time just used by the Senator from Kansas.

Mr. ROBERTS. I was just making an inquiry to the Chair about the timing.

The PRESIDING OFFICER. Understood. The Senator may proceed.

Mr. ROBERTS. I am delighted to yield to the Senator from Idaho who has been a champion for State water rights in an amendment introduced on the committee bill. There is an option there for the State to opt out. This is a very important issue to the entire West—for that matter, any State. I am delighted to yield 3 minutes to the leader with regard to this issue.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CAPO. Mr. President, I rise today in support of the amendment proposed by Senators COCHRAN and ROBERTS, not only because of the reasons that have been discussed already but because of important provisions contained in the underlying bill that are unnecessary.

We have already spent a tremendous amount of time in this Chamber debat-

ing the dairy provisions that were not removed from the legislation. For that reason alone, we ought to substitute the Cochran-Roberts provisions.

Moreover, as Senator ROBERTS has indicated, the underlying bill contains very dangerous provisions relating to water rights that represent a new intrusion of the Federal Government into the domain of State-controlled sovereignty over water rights. We will be debating that later if we are not successful at this point in substituting the Cochran-Roberts amendment. For those two reasons alone, we ought to substitute the Cochran-Roberts provisions for the amendments in the underlying legislation to prevent unfortunate and inappropriate farm policy from proceeding in the Senate farm bill.

I also congratulate Senator ROBERTS and Senator COCHRAN on their innovative farm countercyclical payments account. This farm savings account allows farmers to deposit money into an account and receive a match from the Federal Government. This assistance is nonmarket distorting and, importantly, available to all agricultural producers, including specialty crops and ranchers.

I also thank our Senators for not weakening the planting restrictions in their proposal. These, too, help specialty crop farmers in America. I realize our time is short, so I will cut short my remarks.

I will conclude on this point. Comment has been made that the Cochran-Roberts amendment is not sufficient in the area of conservation. I differ with that. I commend Senators ROBERTS and COCHRAN for the strong commitment in their provision to protect conservation. Our farm bill, as many people in America don't realize, is one of the strongest protections of the environment that we have and that we consider in Congress on a regular basis. The provisions in the Cochran-Roberts proposal are strong commitments to continuing and strengthening our conservation programs across this country.

Some of the charts show differences in numbers that look dramatic. But one must remember that there is a numbers game being played. The numbers used in the Cochran-Roberts proposal utilize the farm budget over a 10-year cycle, which is the way that our budget is established to appropriate it. The numbers utilized in the underlying bill squeeze all of that into 5 years and say nothing about what happens in the outlying 5 years, appearing that they are spending more money when, in reality, they are squeezing it into a front-loaded proposal. We have to compare apples and apples. When we do, we will see that the Cochran-Roberts proposal has strong protections for farmers and commodity dealers, and protections and improvements in our conservation programs, and it doesn't contain the unfortunate attacks on State water sovereignty and unfortunate dairy provisions that the underlying provision contains.

For those reasons, I strongly encourage the Senate to support the Cochran-Roberts proposal.

I yield back the remainder of my time.

Mr. BROWNBACK. Mr. President, I rise today for two purposes: first, to support the amendment from my friend and colleague from Kansas, and second to briefly discuss an important priority of mine, carbon sequestration.

Shortly, we will vote on the Cochran-Roberts amendment, which is in essence, a substitute farm bill, with the main difference lying in the commodity title. I urge my colleagues to support this amendment for a variety of reasons: this proposal helps farmers during hard times by retaining loan rates and increasing the fixed, decoupled payments that farmers now get, but in place of the target price programs, Cochran-Roberts adds a farm savings account. These savings accounts will be available to all producers to help with the risks of production and market risks. These savings accounts give farmers the tools they need to manage their finances and provides up to \$1.2 billion in matching funds annually.

The Cochran-Roberts proposal provides market-oriented loan rates and promotes dependable policy. This proposal provides farmers a consistent, predictable income safety net and maintains flexibility in market-oriented planting.

The current Marketing Loan Program is continued for traditional program crops under this legislation. Overproduction is minimized by ensuring more market-oriented loan rates. In times of low prices farmers are protected through counter-cyclical income protection.

The reason these changes are so important is that we must guard against locking into place policies that guarantee overproduction and low prices while also providing adequate protection against market lows. This is a very difficult balance to achieve, but it is curious that the same opponents of freedom to farm, who chided the policy as guaranteeing overproduction, are now advocating policies which will do far more to increase overproduction because they distort the market forces that would otherwise instruct farmers to pull back.

I understand the desire to complete action on a farm bill before the end of this year, of the concern that there won't be as much money available in next year's farm bill. But I say to my colleagues, this bill is too important to rush through and do poorly merely for the sake of time.

I am pleased to join my colleague from Kansas, Mr. ROBERTS, in supporting this legislation. This is responsible farm legislation that will help the hard working farmers of my State. The President and Secretary Veneman have stated their support for this legislation and I encourage my colleagues in Senate to pass this responsible farm legislation.

Last week, this body adopted an amendment from Senator WYDEN and my self to establish a carbon trading pilot program through farmer owned cooperatives. This will allow our farmers an opportunity to explore the market realities of this promising process that reduces carbon dioxide, a greenhouse gas linked to climate change, while also improving water and soil quality. Co-ops will now be able to aggregate sequestered soil carbon into tons and market it to utilities and other industries eager to offset their emissions. This is all still an experimental idea, which is exactly why we need to pilot program to explore the numerous questions surrounding this issue. This pilot program will help us measure both the environmental gain and the economic potential for a carbon market farmers can participate in.

Although I have concerns about much of the existing farm bill, I applaud the leadership of Senator HARKIN and Senator LUGAR on the subject of conservation in this farm bill and specifically, the research and grant money for carbon sequestration contained in their bill. This is a critically important new market opportunity for farmers and the energy title of Senator HARKIN's bill moves us to great deal forward on a number of important fronts.

I am pleased that the Cochran-Roberts amendment recognizes this strength and keeps this title largely in tact.

In closing, I urge my colleague to vote for the Cochran-Roberts amendment.

Mr. ALLARD. Mr. President, I would like to speak on behalf of the farm bill legislation and, specifically, the substitute being offered by Senators COCHRAN and ROBERTS. This is important legislation. Farm policy is always important, not only to farmers but to America. This legislation is also important to the State of Colorado because farming is important to the State of Colorado.

As a member of the House Agriculture Committee I participated in the drafting of the current farm legislation and, as a member of the Senate Agricultural Committee, I participated in the drafting of the farm bill we are about to consider. The drafting of farm policy is an interesting procedure and I am happy that I have twice had the opportunity to be a part of it.

Many of the provisions in the Committee-passed version of the farm bill were bipartisan and have remained virtually the same in the Cochran-Roberts substitute. The provisions in the Nutrition, Rural Development, Credit, Energy, Research and Forestry titles have remained largely unchanged. There are, however, some provisions in Cochran-Roberts that I believe will be very helpful to our farmers.

This bill allows for the implementation of a farm savings account program. Farmers can, in good times, contribute their own funds, which can be matched dollar-for-dollar up to certain

amounts, by the USDA. I think that this is a wonderful way to help our farmers help themselves. It is not unlike the Thrift Savings Plan that we offer our own staffers here in the Senate. By putting back their own money for harder years of improvements like new farm equipment farmers can begin to set themselves back on their own feet and decrease their reliance on the U.S. Government.

Cochran-Roberts also maintains the integrity of the crop insurance program reforms. Specifically this legislation provides farmers with essential risk management if there is a crop failure. And, according to an analysis by the Food and Agricultural Policy Research Institute the Cochran-Roberts bill will result in higher market prices for farmers than the committee-passed version. This is because the high loan rates in the committee-passed bill will provide incentives for over-production of crops. This, obviously, will result in lower market prices and increase the need for additional agricultural assistance. That is not what we want for America's farms.

Cochran-Roberts will also provide for reasonable conservation funding. Under this legislation, funding for conservation programs would increase. Let me give you a few examples. Funding for EQIP, the Environmental Quality Incentives Program, would ramp up to \$1.65 billion by 2006. The conservation on Working Lands program is a new program that is included in EQIP and would receive funding in the amount of \$100 million in 2002. This funding would increase to \$300 million by 2006. EQIP is a program which I strongly support. The essence of this program came from legislation I introduced while in the House and serving on the House Agriculture Committee to provide money for cost share practices to reduce soil erosion and protect water quality. It is an important program that has tremendous environmental benefits in rural and urban areas. The acreage cap in the Wetlands Reserve Program would be increased so that up to 250,000 acres could be enrolled annually. Funding for the Wildlife Habitat Incentive Program would increase from \$50 million in 2002 to \$100 million in 2006.

I want to spend a little time on the Farmland Protection Program. When this program was established in the 1996 farm bill, funding was limited to \$35 million over the life of the bill. Now, due to the immense popularity and success of the program we are funding at its highest level ever, \$435 million over the course of the bill. The funding for the program ramps up from \$65 million in fiscal year 02 to \$100 million in fiscal year 06. This voluntary program provides funds to help purchase development rights to keep productive farmland in agricultural uses. In Colorado, the program has been successfully used to leverage additional State and private funding to help farmers and ranchers stay on the land. In addition, Farmland Protection Pro-

gram would be clarified to provide that agricultural lands include ranch-lands and allows participation by non-profits and would require conservation plans for lands under easement.

Forty million dollars would also be provided for conservation on private grazing lands and the Natural Resources Conservation Service would be funded to provide coordinated technical, educational and other related assistance programs to conserve and enhance private grazing land resources, and related benefits, to all citizens of the United States.

In addition to providing increased funding to many conservation programs this legislation would establish a new program, the Grasslands Reserve program, that would aid in preserving native grasslands. Enrollment in this program would be 30-year, permanent easements and total enrollment would be capped at 2 million acres. Technical assistance and cost-sharing would be provided for the restoration of grasslands.

I would also like to point out that this bill sticks to the trade obligations that we have made. I believe it is very important that we provide responsible assistance to our farmers. However, I believe it is equally important that we adhere to the responsibilities that we have as a result of WTO agreements. In addition, this Farm Bill substitute comes in under the budget allocation of \$73.5 billion that was agreed to in the budget resolution. While many think that we can buy our way out of hard times, as a member of the Budget Committee, I believe that it is very important that we stick to the numbers outlined for in the budget resolution.

Finally, equally important to getting a farm bill passed, is passing a farm bill that can be signed into law. Secretary Veneman and the administration are behind this bill. Secretary Veneman sent a letter indicating her strong support for this legislation and the White House has also expressed their support for the provisions contained in Cochran-Roberts.

Now I would like to talk to something that is very important to me. I think that it is very important we focus on in the farm bill is research. As a veterinarian, this is an area that I believe in strongly. In order for our nation to continue to have one of the most abundant and safest food supplies in the world we must continue funding our research priorities. Our world is one that has continued to become more integrated. We can no longer assume that because a disease does not occur naturally in our country we need not worry about it. We must also be aware of the potential impact of diseases that are not naturally occurring.

To this end, I worked to include several provisions in the research and forestry titles. The first allows for research and extension grants on infectious animal diseases. This will assist in developing programs for prevention and control methodologies for infectious animal diseases that impact

trade, including vesicular stomatitis, bovine tuberculosis, transmissible spongiform encephalopathy, brucellosis and *E. coli* O157:H7 infection, which is the pathogenic form of *E. coli* infections. It also set aside laboratory tests for quicker detection of infected animals and the presence of diseases among herds; and prevention strategies, including vaccination programs.

The second research provision that I included in the Research Title establishes research and extension grants for beef cattle genetics evaluation research. It provides that the USDA shall give priority to proposals to establish and coordinate priorities for the genetic evaluation of domestic beef cattle. It consolidates research efforts in order to reduce duplication of efforts and maximize the return to the beef industry and streamlines the process between the development and adoption of new genetic evaluation methodologies by the industries. The research will also identify new traits and technologies for inclusion in genetic programs in order to reduce the cost of beef production and provide consumers with a healthy and affordable protein source.

The Forestry Title includes a provision which I sponsored to establish Forest Fire Research Centers. There is an increasing threat to fire in millions of acres of forestlands and rangelands throughout the United States. This threat is especially great in the interior States of the western United States, where the Forest Service estimates that 39,000,000 acres of National Forest System lands are at high risk of catastrophic wildfire.

Today's forestlands and rangelands are the consequences of land management practices that emphasized the control and prevention of fires, and such practices disrupted the occurrence of frequent low-intensity fires that had periodically removed flammable undergrowth. As a result of these management practices, forestlands and rangelands in the United States are no longer naturally functioning ecosystems, and drought cycles and the invasion of insects and disease have resulted in vast areas of dead or dying trees, overstocked stands and the invasion of undesirable species.

Population movement into wildland/urban interface areas exacerbate the fire danger, and the increasing number of larger, more intense fires pose grave hazards to human health, safety, property and infrastructure in these areas. In addition smoke from wildfires, which contain fine particulate matter and other hazardous pollutants, pose substantial health risks to people living in the wildland/urban interface.

The budgets and resources of local, State, and Federal entities supporting firefighting efforts have been stretched to their limits. In addition, diminishing Federal resources (including personnel) have limited the ability of Federal fire researchers to respond to management needs, and to utilize tech-

nological advancements for analyzing fire management costs.

This legislation will require the Secretary of Agriculture shall establish at least two forest fire research centers at institutions of higher education that have expertise in natural resource development and are located in close proximity to other Federal natural resource, forest management and land management agencies. The two forest fire research centers shall be located in—A. California, Idaho, Montana, Oregon, or Washington and B. Arizona, Colorado, New Mexico, Nevada, or Wyoming.

The purpose of the Research Center is to conduct integrative, interdisciplinary research into the ecological, socio-economic, and environmental impacts of fire control and use managing ecosystems and landscapes; and develop mechanisms to rapidly transfer new fire control and management technologies to fire and land managers.

Lastly, the Secretary of Agriculture, in consultation with the Secretary of Interior, shall establish an advisory committee composed of fire and land managers and fire researchers to determine the areas of emphasis and establish priorities for research projects conducted at forest fire research centers.

Again, I believe that research of all kinds is fundamental. Which is why I am pleased that the committee-passed legislation also contains several provisions that allow for the enhancement and expansion of research in the area of renewable energy. A number of grants were created to help increase the use of renewable resources. These grants will provide funds for biorefineries to convert biomass into fuel and assistance for rural electric co-ops to develop renewable energy sources to help serve their area's energy needs. These grants will also provide education and technical assistance to help farmers develop and market renewable energy resources and programs to educate the public about the benefits of biodiesel fuel use.

Before I close I want to talk again about the need for the inclusion of the language that would include fighting birds in the interstate shipment ban that exists in the Animal Welfare Act. I would like to point out that the need for this stems largely from the need to give individual states the ability to enforce their laws. When a state legislature passes a law they expect to be able to enforce it. But when a loophole in Federal law allows for that law to be "ducked" there is a problem. The current provisions in the interstate shipment section of the Animal Welfare Act provides just such a loophole. Because live birds are specifically excluded from inclusion in the interstate transport ban they are the only animal that can legally be taken across state lines for the purpose of fighting. There is absolutely no need for this exclusion. When a person is caught in a State where cockfighting is illegal they can

simply claim that they are transporting the birds to one of the 3 States where cockfighting is legal. And, law enforcement has to let them go. There is no way for law enforcement officers to determine if they really are transporting the birds or if the cockfight will be held right down the road. States should not have to trip over Federal law in the pursuit of enforcing their own laws.

As I and many of my colleagues have previously stated, this is an important issue and I hope that we can do what makes the most sense, and will be best for, all of America's farmers.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. There are 2 minutes 13 seconds for the Senator from Kansas, and 2 minutes 39 seconds for the Senator from Iowa.

Mr. HARKIN. Mr. President, I will let the Senator from Kansas, my good friend, close. It is his amendment.

Senator ROBERTS is a great friend of mine. We have worked together for many years. We have a different philosophy and a different policy on agriculture. Senator ROBERTS believes very strongly in Freedom to Farm. I understand and respect that. Quite frankly, there were some good things I said earlier in committee that shocked him to death about Freedom to Farm. Planning flexibility, for example, we keep that in there.

But what I have heard from my farmers in Iowa, and all over this country, is that we need to modify Freedom to Farm. We don't need to throw it all out the window, but we need to modify it because what has been lacking is a decent income farm safety net. That is why we are here every year, year after year, with billions of dollars to help bail out farmers.

So what we have done in our bill is kept the best of the old Freedom to Farm, but we put in a good safety net. We have four legs to our chair, or stool, of support: Direct payments, good loan rates, conservation payments, and a countercyclical payment when prices are low. Cochran-Roberts has two legs; that is all. They have direct payments, and they have some modest lower loan rates, and that is all.

Our farmers are saying they need a better safety net. That is what we did. We modified Freedom to Farm. Farmers want more conservation. We have the money for conservation in that, which Cochran-Roberts takes out.

Energy: We put in a new title on energy. Our farmers are saying that is the market for the future. They say: We are going to make ethanol, soy diesel, and we will create biomass energy. That is going to be our market for the future.

Mr. President, they gut that program.

Rural development: Every farmer I have ever spoken to says: It doesn't do anything good if you save my farm and

our small towns go down the drain. We need better job opportunities in rural communities.

That is what we have in our bill. That is what Cochran-Roberts takes away. If all you want to do is continue what we have been doing for the past 5 years on Freedom to Farm, then you will want to support Cochran-Roberts. But if you want to modify Freedom to Farm, not throw it all out, but have a good safety net, good conservation programs, and energy programs so we will have more ethanol in the country and develop more soy diesel and other things, and if you want a strong rural development program that will provide for jobs and economic opportunity for off-farm income in rural America, that is in the committee bill.

That is why Cochran-Roberts should be defeated. We don't need to continue down the road just with Freedom to Farm as we have in the past 5 years. Let's modify it.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Kansas is recognized.

Mr. ROBERTS. Mr. President, there are several basic reasons I urge colleagues to support the Cochran-Roberts amendment.

No. 1, there has been a great deal of discussion about which bill serves small farmers versus big farmers—most especially from the Senator from North Dakota. Under Cochran-Roberts, the payment limitation is \$165,000 total for direct payments for the farm accounts that are in the bill, and then also the loan deficiency payments.

Second, truth in budgeting: The committee bill spends \$46 billion over the first 5 years, allotted over a 10-year part of the bill, only leaving \$28 billion. We are robbing the future to pay for the current bill.

Then we have the issue of the guaranteed payments. Again, again, and again I say if the farmer loses a crop, he is not eligible for the loan rate at the target price. The target price is capped. It only goes to about \$3.45. There is more protection under our bill. Under the WTO, let me quote from the Food and Agriculture Policy Research Institute:

Given the structure of the changes, we calculate a 30 percent chance that the U.S. will exceed this limit in the 2000 marketing year.

And they also go ahead and say:

The countercyclical program begins payments in the 2004 marketing year essentially replacing green box expenditures with amber box expenditures.

I think it is too dangerous a road to go down. The President and the administration support this amendment, and we can conference it more quickly with the House. This is not a stalling bill. This is an amendment to get this farm bill done.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The Senator from Iowa.

Mr. HARKIN. I assume all time has expired.

The PRESIDING OFFICER. Yes.

Mr. HARKIN. Mr. President, I move to table the Cochran-Roberts amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Mississippi (Mr. LOTT), and the Senator from Texas (Mr. GRAMM) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 40, as follows:

[Rollcall Vote No. 374 Leg.]

#### YEAS—55

Baucus	Dorgan	Mikulski
Bayh	Durbin	Miller
Biden	Edwards	Murray
Bingaman	Feingold	Nelson (FL)
Boxer	Feinstein	Nelson (NE)
Breaux	Graham	Reed
Byrd	Harkin	Reid
Cantwell	Hollings	Rockefeller
Carnahan	Inouye	Sarbanes
Carper	Jeffords	Schumer
Chafee	Johnson	Smith (OR)
Cleland	Kennedy	Snowe
Clinton	Kerry	Specter
Collins	Kohl	Stabenow
Conrad	Landrieu	Torricelli
Corzine	Leahy	Wellstone
Daschle	Levin	Wyden
Dayton	Lieberman	
Dodd	Lincoln	

#### NAYS—40

Allard	Enzi	Nickles
Allen	Fitzgerald	Roberts
Bennett	Frist	Santorum
Bond	Grassley	Sessions
Brownback	Gregg	Shelby
Bunning	Hagel	Smith (NH)
Burns	Hatch	Stevens
Campbell	Hutchinson	Thomas
Cochran	Hutchison	Thompson
Craig	Inhofe	Thurmond
Crapo	Kyl	Voinovich
DeWine	Lugar	Warner
Domenici	McCain	
Ensign	McConnell	

#### NOT VOTING—5

Akaka	Helms	Murkowski
Gramm	Lott	

The motion was agreed to.

Mr. HARKIN. I move to reconsider the vote by which the motion was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. Mr. President, we are making progress. We had a good debate on the Cochran-Roberts amendment. Two good friends and two very valuable members of the Agriculture Committee have had a good debate on this. It was the substantive vote on whether or not we were going to stick with the committee bill. There are other amend-

ments that will be offered that might change things on the edges, but this was the substantive vote on whether or not we would go with the committee bill.

I hope now that we can begin to dispose of some amendments in a timely fashion. Right now, if I am not mistaken, one of the underlying amendments is the amendment offered by Senator SMITH, and there was a second degree offered by Senator TORRICELLI. I would like to move to table that amendment, but obviously they want to speak a little bit longer on it. I checked with them and Senator SMITH and Senator TORRICELLI and Senator DORGAN agreed on 3 minutes each on that.

I ask unanimous consent the author of the amendment, Senator SMITH, be allowed to speak for 3 minutes; following him, Senator TORRICELLI for 3 minutes, and Senator DORGAN for 3 minutes, and at the end of that time, all time end and I be recognized for a motion to table the underlying Smith amendment.

I call for the regular order.

AMENDMENT NO. 2596

The PRESIDING OFFICER. The Smith amendment numbered 2596 is now pending.

Mr. HARKIN. I ask unanimous consent that the Senator from New Hampshire be allowed to speak for 3 minutes, Senator TORRICELLI for 3 minutes, and Senator DORGAN for 3 minutes, and at the end of that time I be recognized to move to table.

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

The Senator from New Hampshire is recognized for 3 minutes.

Mr. SMITH of New Hampshire. Mr. President, I thank my colleague, Senator TORRICELLI, for his cooperation in working together on two amendments which are slightly different but share the same goals. I am pleased to work with him.

Cuba is currently one of the nations listed by the State Department as a state sponsor of terrorism. They are in good company: Iraq, North Korea, Iran, Syria, Libya, and the Sudan.

Until the State Department removes Cuba from this list of state sponsors of terrorism, the U.S. Government should not permit the private financing of agricultural sales to prop up that regime. That is essentially what Senator TORRICELLI and I are talking about.

The administration is opposed to the language in the bill and Senator TORRICELLI and I modify that language. If the President certifies that Cuba has stopped sponsoring terrorism or that American fugitives who are hiding in Cuba who committed atrocious crimes—some of the crimes in the home State of Senator TORRICELLI from New Jersey—they ought to be returned.

That is the gist of the amendments. I remind my colleagues what President Bush said: Every nation in every region has a decision to make. Either you are



with us or you are with the terrorists. From this day forward, any nation that continues to harbor or support terrorism will be regarded by the United States as a hostile regime.

It seems to me reasonable that if there are murderers who Fidel Castro is hiding in Cuba, he could easily return them so they could be prosecuted in New Jersey or other States where they committed the terrible crimes. If Cuba is on the State Department list of terrorist nations, it seems reasonable they ought to be removed before we give them help. I rest my case.

I hope my colleagues will support the Torricelli-Smith amendment.

I yield the floor.

The PRESIDING OFFICER. Under the unanimous consent request, the Senator from New Jersey is recognized for 3 minutes.

Mr. TORRICELLI. I thank Senators SMITH, HELMS, ENSIGN, GRAHAM, and NELSON for being part of this effort.

The administration supports these amendments and opposes the provision in the bill. It would be shocking if the President of the United States did not support us. President Bush has made very clear, in this world, you are with us in the fight against terrorism or you are against us.

We are in the middle of a worldwide fight against terrorism and almost unbelievably in this Senate this bill contains a provision that the United States would allow private banks, guaranteed by the U.S. Government, to sell products to Fidel Castro's Cuba while the State Department has listed Cuba as harboring terrorists—not one terrorist group but four terrorist groups.

Further, it is amending the bill to say to Fidel Castro: If you want the privilege of our finance, get yourself off the terrorist list; if you want the privilege of our finance, return the 77 fugitives living in Cuba wanted for murder, hijacking, and terrorist activities.

I ask my colleagues to think about what we are doing, what kind of a message we are sending. We send troops halfway around the world to fight terrorists. But now on the floor of the Senate, before our troops even come home, we are authorizing the financing of exports to a country we have identified as harboring terrorists. It doesn't make sense. Of course, the President is opposed to it. Of course, we should be opposed to it. But it will be argued that we need this for business, that we need this to help our farmers. I don't believe there is a farmer in America who wants to make a buck selling products to people who harbor fugitives from justice. But even if they did, what kind of a business proposition is this?

Fidel Castro owes \$11 billion to financial institutions, he has not paid it back; \$20 billion to former Soviet Union; he hasn't paid it back. His current account deficit is \$700 million. He can't meet the bills. Even if you loaned him the money, he couldn't pay it back.

Don't let anybody tell you that in doing this we are not being a generous people. Fidel Castro can buy American food. He has to pay for it. The United States has given more food and medicine to Cuba in the last 10 years than any one nation has given to any other nation in modern history. He is getting donations. He can buy our food. We just should not finance it because he can't buy it back and he doesn't deserve it.

Consistency in America foreign policy; financing sales to a nation on our terrorist list, never.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, does anyone in the Senate Chamber think Fidel Castro has ever missed a meal because for 40 years we have said to family farmers in America: You can't sell food to Cuba? What meal has he missed? You know and I know this 40-year failed policy is a policy that takes a swing at Fidel Castro and it hits poor people, and sick people, and hungry people in Cuba. And it hurts American farmers here at home. We know that.

Let me ask the question about consistency. We hear these discussions about Cuba. Is there a sanction against private financing to send food to Communist China? No, there is not. Is there a prohibition against private financing to send food to Vietnam, which is a Communist country? No, there is not. Is there a prohibition against sending food to North Korea, a Communist country? No. Is there a prohibition of private financing to send food to Libya or Iran? The answer is no. No.

So we are told that somehow there needs to be a sanction, or a continued sanction for the past 40 years, to prohibit private financing to send food to Cuba. It is a foolish failed public policy, and everyone knows it.

How long does it take to understand that a policy doesn't work? Ten years? Twenty years? With Cuba, it has been 40 years.

American farmers are told they should pay the price for this foreign policy. What is the price? The price is your Canadian neighbors can sell food to Cuba. The French can sell, the English can sell, and all of the European countries can sell. It is just the United States farmers who are told: You can't sell food to Cuba.

That is a foolish public policy. It is time to stop it, this notion about a Communist country. This is the only country in the world which employs this policy, and it doesn't work.

As I said when I started, Fidel Castro has not missed a meal because of this policy. But hungry people, sick people, and poor people have been severely disadvantaged for a long while. That is not what this country ought to be doing in foreign policy.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Iowa.

Mr. HARKIN. Mr. President, I move to table the Smith amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Mississippi (Mr. LOTT), the Senator from Ohio (Mr. VOINOVICH), and the Senator from Texas (Mr. GRAMM) are necessarily absent.

The PRESIDING OFFICER (Mr. MILLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 61, nays 33, as follows:

[Rollcall Vote No. 375 Leg.]

#### YEAS—61

Baucus	Daschle	Landrieu
Bayh	Dayton	Leahy
Biden	DeWine	Levin
Bingaman	Dodd	Lincoln
Bond	Dorgan	Lugar
Boxer	Durbin	Mikulski
Breaux	Edwards	Miller
Brownback	Enzi	Murray
Burns	Feingold	Nelson (NE)
Campbell	Feinstein	Nickles
Cantwell	Fitzgerald	Reed
Carnahan	Grassley	Roberts
Carper	Hagel	Rockefeller
Chafee	Harkin	Sarbanes
Cleland	Hutchinson	Stabenow
Clinton	Inouye	Thomas
Cochran	Jeffords	Warner
Collins	Johnson	Wellstone
Conrad	Kennedy	Wyden
Craig	Kerry	
Crapo	Kohl	

#### NAYS—33

Allard	Hatch	Schumer
Allen	Hollings	Sessions
Bennett	Hutchison	Shelby
Bunning	Inhofe	Smith (NH)
Byrd	Kyl	Smith (OR)
Corzine	Lieberman	Snowe
Domenici	McCain	Specter
Ensign	McConnell	Stevens
Frist	Nelson (FL)	Thompson
Graham	Reid	Thurmond
Gregg	Santorum	Torricelli

#### NOT VOTING—6

Akaka	Helms	Murkowski
Gramm	Lott	Voinovich

The motion was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business with Senators allowed to speak therein for a period not to exceed 10 minutes each.

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

#### UNANIMOUS CONSENT REQUEST

Mr. HUTCHINSON. Mr. President, parliamentary inquiry: What is the pending business?