technologies up to international standards. In addition, it should join the Nuclear Suppliers Group and develop comprehensive controls on all nuclear-related technologies. Taken together, these steps would not only contribute significantly to peace and stability in south Asia, they would also serve the interests of global nonproliferation.

The administration has accomplished much in the last 6 years: from the Nuclear Non-Proliferation Treaty to the Comprehensive Test Ban Treaty to the Chemical Weapons Convention, et cetera. I asked, today, Assistant Secretary Roth, who testified before the Foreign Relations Committee, why that occurred. Was it merely the persuasiveness of the U.S. President? Was it because of the sticks as well as carrots that we have offered? Or, as this emerging modern power goes through a transformation, is it because they are finally determining on their own that it is in their own interest not to proliferate?

I cannot fathom how, as a political leader sitting in Beijing, I could conclude that the ability of Pakistan to launch a nuclear weapon on the back of a missile that I had provided to them could possibly enhance my security. I cannot understand how anyone in Beijing could conclude that an arms race between India and Pakistan, and the prospect of what we would call theater nuclear weapons being engaged, could possibly do anything other than damage my security as a Chinese leader. I cannot imagine how they could reach that conclusion. But they have, in the past, reached similar conclusions.

But I think what we are beginning to see, and it is presumptuous of me to say this about another country, but I think we are beginning to see the political maturation of a country. It is in its nascent stages, but they are coming to some of these conclusions, not merely because of what we do, not merely because of our urging, but because they begin to see it in their own naked self-interest. The only thing I have observed that causes China, in the recent past, to act against their own naked self-interest is if they are put in a position of being told they must do this or that.

So, although sanctions are appropriate in some circumstances, and stating our view of what constitutes great power behavior is always appropriate, the idea that sanctions are always appropriate when we disagree with China is very mistaken and counterproductive.

The stakes are high. Our success or failure in integrating China more fully into the community of nations, our success or failure at convincing China to live up to the international norms of behavior in the area of nonproliferation, our success or failure in helping to shape the emergence of modern China as a great power, will have profound effect, not only on the future of east Asia and south Asia, not only on the future of Europe, but on the entire world.

Mr. President, about 25 years ago Fox Butterfield, the New York Times bureau chief in Beijing, published a book entitled ''China: Alive in the Bitter Sea.'' In it, Mr. Butterfield gave a moving account of the efforts of ordinary Chinese people to live under the often brutal authoritarian regime that existed at the time.

Today there remains much injustice in China, and the struggle of ordinary people to exercise their universally acknowledged human rights is fought with peril. The outcome of that struggle will be central to the future of the ''middle kingdom.''

But the changes over the past 25 years have been so profound that those returning to China today for the first time since Deng Xiaoping opened the doors—and I went with Senators Javits and Church and others back in those early years of engagement—those who have gone back barely recognize China to be the same country.

Engagement, engagement with a purpose, can bring about changes we seek in China, including in areas of vital importance to our national security, but only if we are both patient and principled.

If we are swayed from our course by those who believe conflict with China is inevitable, or if we are lulled into a false sense of security by those who stand on this floor and confidently predict that China will automatically transform itself into a Jeffersonian democracy as it modernizes, then we will miss out on an opportunity to fulfill our role, as small as it may be, in the search for a modern China.

Mr. President, to conclude, the stakes are high. This is no time for the U.S. Senate—in this significant summer, at this moment when, if China concludes it wishes to devalue its currency, the situation in Asia could become much, much worse, when at the very moment when China is acting responsibly vis-a-vis Korea, we cause it to change its course of action; if at this moment we insist upon all of our agenda being met, we can do irreparable harm to our interests.

I yield the floor, Mr. President, with a final plea to my colleagues: Please, please, on this critical matter of the security interest of the United States of America, please revert to the tradition that has been time honored in this body. While a President of the United States is meeting with a head of state of another country, do not engage in activities, justified or not, that will sanction the country with which the President is at that moment negotiating. That is inappropriate behavior, in my opinion. That is not only partisanship, but it is against the naked self-interest of the United States, and I think it is reprehensible conduct.

I am confident my colleagues will ultimately do the right thing. We have plenty of time to act on, and I may even vote for, some of the proposals relating to the sanctioning of China that are contemplated in the upcoming bill. But, please look at America's interest first, look at the longstanding tradition of bipartisanship on this issue, and allow the President to conduct this major foreign policy foray on his own terms until he returns.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. BENNETT. Mr. President, I ask unanimous consent that debate only be in order to the pending agriculture appropriations bill until the hour of 6:45 p.m. this evening.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

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

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

WORLD AFFAIRS

Mr. BUMPERS. Mr. President, I, first of all, compliment my distinguished colleague from Delaware, Senator BIDEN, for what I thought was a very compelling analysis of what our relationship with China is and what it should be and what the President ought to be doing in China in the way of engagement to improve our relationship.

I agree totally with everything he said. Right now, China, obviously, is not a democracy, though about 40 percent of her economy is private enterprise in the true sense of the word we cherish here.

We have found in the past that when nations begin to permit economic freedom, usually the economic benefits that come from that become highly desirable to the people, and then they begin to seek more freedom, more democracy. On the other hand, you can argue that political democracy and social freedom should come first and everything else will follow. I would like to believe that, but I believe in the case of China, where unbelievable changes have occurred in the last 20

years, the ordinary citizen of this country cannot even begin to fathom the dramatic changes in the culture, even in the political system, and the economy of China.

So I happen to come from the school of thought that believes that when people have economic freedom, political freedom is more likely to ensue than vice versa. I understand all the arguments on human rights. And nobody is going to stand up, who is in his right mind, and say that China does not violate human rights. Of course they do. And I do not care what anybody says, under the best case scenario, you are not going to get the kind of democracy in China overnight that we enjoy in this country.

But I can tell you this. Engagement of China on these issues is going to be 10 times more beneficial to both their citizens and the world than our sitting back with a purist attitude saying that, ''If you don't do all these things we tell you to do, then we're going to quit trading with each other and we're going to quit our dialog with each other. You go ahead and start shipping missiles to Iran. You go ahead and violate the chemical weapons ban which you signed in 1992. And go ahead and violate the test ban treaty which you signed in 1992.'' Who wants that? Who thinks that is a good idea?

I am not saying China would do it, but I am simply saying we are not going to bully a nation of 1.2 billion people. And I think our chances of bringing them into the mainstream are infinitely better if we engage them.

So, No. 1, I applaud the President for going to China. I have a little difficulty with the Tiananmen Square event. But if you wanted to sour the trip from the opening gun, just have the President go there with a precondition that, ''I will not have any dialog with you in Tiananmen Square.'' He can turn right around and get on Air Force One and come home for all the good he is going to do.

Those are the realities, Mr. President. Whether we like them or not, those are the facts. And everybody who knows anything about human psychology knows what would happen if the President took that kind of a stance, which a lot of people in this body have urged him to take.

He should go there resolute on talking about human rights with the Chinese and engage them on it as strongly as he can. He should engage them on any suspected arms shipments or transfers of chemicals that we are concerned about. He should talk to them about all the violations of human rights. And he should ask them about the slave and prison labor. And he should ask them about forced abortions.

There are a lot of forces at work in this country, Mr. President. We are having a very difficult time in this country since the Soviet Union fell. For the last 50 years, politicians in this country have had a field day hating the Soviet Union. We all have. It was a bizarre situation. And the Soviet Union, while they were our allies in World War II, after World War II was over, we had a very—not tenuous—disastrous relationship with them.

And the only reason I make that point is, now that the Soviet Union no longer exists, we have been looking around for an enemy. We do not cope very well without somebody to hate, and China has been elected. You cannot justify $270 billion on defense expenditures unless you have a genuine, certified enemy. So there is a lot of that at work here.

I believe Eisenhower was absolutely right when he described the military-industrial complex as a real threat to the country. It is alive and well. I have always chastised President Eisenhower, whom I admired and thought he was a pretty good President, for not having made that military-industrial complex speech when he took office instead of when he left. We are all awfully courageous when we leave office.

But in any event, there are a lot of people who simply cannot accept China because it is communistic. Even though, as I said, 40 percent of their economy is in the free market sector, politically it still is a Communist Nation. And there is no such thing as real democracy in China.

Mr. President, there are people in this body who are going to vote against the most-favored-nation status of China because of China's treatment of Christian missionaries. I read an interesting story on that this week which pointed out there are 67 million Christians in China and the number is growing all the time. I do not really know how serious the discrimination allegation about religion is in China, but I will tell you, I suspect that it is exaggerated to some extent.

But you have these people who resent China's, at least, reluctance to allow all of these various religious missionaries, especially Christian missionaries, into their country. So they are not going to vote for most-favored-nation status.

And then there is, of course, this anti-Clinton segment. Some people have a very difficult time giving the President credit for anything. And so if they can make President Clinton look bad by going to China to consort with the same people Richard Nixon consorted with, if they can get any mileage out of that, they are going to take advantage of that. So you have that political faction working.

So, Mr. President, I think the President is doing the absolutely right thing. I think he is going to be extremely well prepared for his dialog with the Chinese leaders. I personally believe that the Chinese can have some influence in tranquilizing the hostility between India and Pakistan. And when I say ''tranquilizing,'' I am talking about dampening their hostility toward each other ever so slightly.

Mr. President, I said the other day to the Arkansas Bar Association that I believe religious extremism in any form is dangerous to our Nation and to the world. And the dispute between Pakistan and India is essentially a religious dispute between the Hindus and the Moslems. And if you look around the world—you look in Bosnia, they are all ethnically the same, but you have Catholics and you have Christians and you have Moslems. The Serbs are Russian Orthodox and Christian; and Croatia is essentially Catholic; and Bosnia is essentially Moslem. That is a volatile mix. Something close to 100,000 or 200,000 people have died as a result of the hostilities generated to a large extent to those religious differences.

So if China can be a force in that part of the world to give the rest of us a little respite, a little better feeling about our ability to bring Pakistan and India together—I don't think it is unthinkable at all for a nuclear war to break out between those two nations; hostilities are intense—if China can do anything at all to ''tranquilize'' the situation, we ought to be bringing them right along and telling them ''do everything you can.''

I thought India's excuse for exploding a bomb, because they were afraid of China, was as transparent as Saran Wrap. China and India have always been enemies of a sort, but not nearly the intensity of the relationship between India and Pakistan, for example. In my opinion, they were looking for anything they could get ahold of to justify what they did, which is unforgivable.

When I think about the population of China, I was there in 1978, and the population was 800 million. The population of China since 1978 has grown by 400 million people—140 million more than there are in the United States—which brings me to the second part of this sermon.

Last night, I went downtown to receive a plaque from the Natural Resources Council which is an organization of 72 environmental groups. In my response, on a more serious note, I said I don't want to be the skunk at the lawn party, and I would like to think that I am a great environmentalist, but we talk about ozone depletion, we talk about global warming, we talk about building electric automobiles, and all of these things we are going to do to stop global warming from occurring. But the truth of the matter is we do not talk about the No. 1 environmental problem of the planet, and that is a population out of control.

When I was a young 18-year-old recruit in the Marine Corps in World War II, this Nation had 130 million people. So in that period of time, from the time I was a raw recruit in the Marine Corps until today, we have increased our population by 138 million—268 million, compared to 130 million. At that same time, we had 30 million vehicles in the United States; today, we have 200 million vehicles. Estimates are that by the year 2050 we will have 400 million vehicles. My commute time from

my home to the U.S. Senate in the 23½ years I have been here has increased by 12 minutes.

Today, we are taking 2.5 million acres of arable land that was previously used to grow food to feed ourselves and to export to a hungry world, out of cultivation every year and we are adding 2.5 million people to the population. You do not have to be a rocket scientist to understand that you have a train wreck coming. On top of that, our agricultural yields are becoming static. Soybean yields were up slightly last year, corn yields were flat; wheat yields that we have seen increase over the years are becoming static. We could, perhaps, put a lot more money into research and reverse that trend so that we get greater and greater yields, but isn't it amazing our priorities, when we spend $1.8 billion a year on agricultural research, and we send $40 billion a year down at the Pentagon for them to make things explode louder.

Now, it is really tragic when you think about the problem of the population increase of the planet, not to say anything of the United States. By the year 2100, barring an epidemic or a pandemic, we are going to be standing shoulder to shoulder on this planet. Yes, people, by their very numbers, are polluters. We have to be fed. That means we use up our land. We have to be housed. That means we use up our resources to build houses. We have to be transported so we have to go in an automobile that puts a lot of noxious fumes into the atmosphere and uses up our resources at an exponential rate. On and on it goes.

When you start talking about the problems of the population increase of the planet and what it means for our grandchildren—it makes me shudder to think about it. I must say I take strong exception to those who hold up our foreign aid spending to all of the countries who have family planning programs, when every single country that has a family planning program shows the abortion rate goes down. But I don't want to get into the abortion debate either. I am simply saying you can shove this problem under the rug, which we have been doing a magnificent job of for the last many years, or you can face up to it as China has tried to do.

In 1978, when I was in China the last time, they had a family planning program going there. Since that time, it has worked partially in the big urban areas. It is not working in the rural areas. They still have a culture there that you have to have children to help you till the crops. You have to have children to help you do everything, so they keep having children.

Mrs. Bumpers, just came back from Africa. She was over there trying to help Africans immunize their children. She was in Zimbabwe and the Ivory Coast. She said it was the most exhilarating experience she ever had in her life, watching mothers bring their babies through the hot sands and dust, into these clinics, where they were having what they called national immunization days. She began to give polio doses herself. She said it was the most gratifying experience she had ever had.

She was amazed with some of the progress they are making in Africa. One of the things they have done on the Ivory Coast is cut the birth rate, with family planning, from six per woman to four.

Now, here is a relatively primitive country called the Ivory Coast in Africa, which seems to have a better grip on what the real problems of the world are than we have. There is more to that. I don't want to take any more time, Mr. President. I have said all I can say about what I consider to be the real problems. One of the frustrating things is—and I don't say this with any degree of acrimony or bitterness at all, and it has been a great honor to be one of the less than 1,800 people who ever served in the U.S. Senate, and I will leave here with a heart full of gratitude, hopefully strengthened by great relationships with many colleagues. But I am disenchanted, to some extent, about our inability and our unwillingness to deal with some of the real problems. We do a great job of dealing with the politics of problems, but we have a tough time facing up to the fact that our children are not being well educated.

I am dismayed when I think about the $50 billion or $60 billion surplus we are supposed to have at the end of this year and people are talking about tax cuts. I would not have any objection to that, Mr. President, if that tax cut went to the lower-income groups in this country who are still being relegated to last place. This is a personal opinion. One of the reasons the stock market has gone crazy in the last several years is because there is so much money floating around in this country, people have no choice but to invest it. They are not going to put it into T-bills when they can put it in Microsoft, or something else that will pay 20 to 30 percent, or even more, than a 6-percent bond will. But I can tell you that all of this money that exists in this country that people largely have made out of the stock market has not filtered down to the bottom 40 percent of the people in this country.

I would vote for another minimum wage increase because every statistic I have seen has shown that, No. 1, you don't lose jobs—the traditional argument made against it—and, No. 2, this country is not going to be what it ought to be unless we bring other people up. Every statistic I have seen in the last year is that the rich are still getting richer and the poor, by comparison, are getting poorer.

I would be hard-pressed to vote for a tax cut for the well-off when children are going to school all over Arkansas, being taught by teachers who go into teaching at an entry level of $20,000. Do you know what I think, Mr. President? I think teaching is the toughest job in America. I would rather clean the streets of Washington, DC, and carry garbage than teach school. One of the reasons I feel that way is because I married a schoolteacher and I know what they go through. It is the toughest job in the world. They go through 4 years of college and get a degree in education and go into the schools of my State at an entry level of $20,000. If they are lucky, the next year they will get a cost-of-living increase.

My daughter, who is my pride and joy, is with a law firm downtown. She is not going to teach for $25,000 or $30,000 a year, and she would be a magnificent teacher. There are people all over the country—men and women—who would be great teachers, who are not going into the teaching profession because it simply doesn't pay enough. When you compound the fact—if you agree with me that it is the toughest job on earth—it surely doesn't pay enough.

I was doing an interview this afternoon with a prominent author here in Washington who is writing a book. We were talking about the American people and what is going on. There is something going on in this country that nobody really quite understands. I don't. I probably wasn't very helpful to him because I didn't have any brilliant analysis of what is going on in the country. But I said, ''I think the disenchantment is more a result of the way people feel that the educational system is failing them than anything else.'' I also believe that television, which ought to be this magnificent medium of communicating and making our children so much smarter, is failing us miserably.

Mr. President, I have gone from China to population to schoolteaching in all my meanderings here. But I can tell you there isn't anything wrong with this country that setting our priorities straight would not cure. Until we have an educated electorate, and until we provide an education for every child in this country, not just an education at the elementary and secondary level, but at the college level, until we make the commitment that every kid in this country gets a college education, or at least is not denied a college education for lack of money, don't talk to me about tax cuts.

What makes a country great? What makes a country great is how well their people are educated and, therefore, how civil their people are to each other, what their conduct is. When I see people engaged in certain kinds of conduct you want to ask them, ''Why are you doing that?'' They do it because their parents or nobody else ever told them not to. I could sit here and list all day long the things that are my favorite pet peeves. I am always saying to Betty, ''I wonder why that kid did that.'' She says, ''Because nobody ever told him better.''

So Mr. President, I certainly am not giving up on this Nation. The people of

this country are rhapsodic about one thing, and that is that we got our budget house in order. The fact that we have a surplus this year is nothing short of a miracle, and the people know it. But if we start spending it and squandering it instead of dealing with the problems we still have we will be back in trouble. The other day, Mr. President, you were in the Appropriations Committee when I made a short speech about what a tough time we had crafting this agriculture bill.

I said, ''You know we don't have any money to do much of anything.''

A couple of weeks ago, I had a delegation come to me from the Mississippi River delta, the poorest part of my State. Four communities described graphically for me how, every time they have a heavy rain, sewage runs down the street and runs down the ditches. The health consequences of that are absolutely incalculable. I said, ''I have looked high and low, looked everywhere in this budget, and every other budget, trying to find $2.8 million to alleviate this problem.'' Because I made that speech there in the committee, I think I about got it solved. But I can tell you, that is going to be the greatest thing that has ever happened to those people in those communities. When I was a kid, we didn't understand why people died of typhoid fever in the summer because the outhouse was just 10 steps away from the water well. That is sort of the situation these people are living in.

Mr. President, we have a lot of unmet needs in this country, and I am not voting for any tax cuts until we address those.

I yield the floor.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

COMMODITY FUTURES TRADING COMMISSION

Mr. FAIRCLOTH. Mr. President, I do not have an amendment. I simply want to discuss very briefly an issue that I may later offer an amendment on to this legislation, and it is an issue that I understand you are also interested in, Mr. President. It is concerning the Commodity Futures Trading Commission. The Chairwoman of the Commission, Brooksley Born, is attempting to reverse the current policy at the CFTC that Congress directed over 5 years ago.

Mr. President, the issue is this. We have a $28 trillion swaps market in the United States. The vast majority of these swaps are privately negotiated contracts. They are not traded on any exchange; they are privately negotiated contracts. The business has grown rapidly in the last few years. It has become an important financial tool for institutions to hedge their risks. But, clearly, it is not a trading issue, this is a—it is redundant to say—privately traded issue. These are swaps between those companies.

Yet, the CFTC now has under review a ''concept release''—a good bureaucratic term—a ''concept release'' to regulate these privately negotiated instruments. Essentially, the CFTC wants to vastly broaden its regulatory authority over a multitrillion-dollar market. The problem is that these are negotiations, again, between private firms. Furthermore, if one of the parties in the contract is a bank, these products are regulated by the bank regulators. And we do not need a dual regulation.

The result of the CFTC action will be that a trillion-dollar industry will, very simply, be driven out of this country. It will be driven overseas.

In case anyone thinks that this is just my opinion, in a move that I have rarely seen in Washington—we certainly haven't been seeing lately—in an incredible move, Chairman Greenspan, Secretary Rubin, and Secretary Arthur Levitt issued a joint statement saying they have ''grave concerns'' with what is being proposed to be done by Ms. Born.

How often do you see the three principal financial regulators of the country come together to express grave concern over an issue and rebuke another financial regulator? You simply do not see it happen. They are concerned, and the potential for great loss to this country is just tantamount to it happening.

The Treasury Department has even gone to such lengths as to formally send legislation to the Congress to stop this potential regulation. It is the Treasury Department under Secretary Rubin, and they may even go to such lengths to stop it.

I want to, if I may, Mr. President, read a joint statement. This statement was issued by Mr. Rubin, Mr. Greenspan, and Mr. Levitt.

On May 7, the Commodity Futures Trading Commission (''CFTC'') issued a concept release on over-the-counter derivatives. We have grave concerns about this action and its possible consequences. The OTC derivatives market is a large and important global market. We seriously question the scope of the CFTC's jurisdiction in this area, and we are very concerned about reports that the CFTC's action may increase the legal uncertainty concerning certain types of OTC derivatives.

The concept release raises important public policy issues that should be dealt with the entire regulatory community working with Congress, and we are prepared to pursue, as appropriate, legislation that would provide greater certainty concerning the legal status of OTC derivatives.

Furthermore, Chairman JIM LEACH of the House Banking Committee has introduced similar legislation.

To me, the agreement of this number of people on one issue is unprecedented. We need to wake up and realize that we have a rogue regulator—I know of no nicer way to put it—at the CFTC that is threatening to drive a trillion-dollar business out of the United States.

My amendment, if I introduce it, would simply state that no final rule on this can be promulgated during fiscal year 1999. This is the amendment that I have contemplated.

Mr. President, this is a very complex subject. We do not need to rush to judgment. It needs thorough and careful review. It is not the type of thing that attracts a lot of attention on the Senate or the House floor. As we said, it is not a subject that is easily understood. But even for those who do not understand it, Secretary Rubin, Chairman Greenspan, and Secretary Levitt all agree with House Banking Committee Chairman JIM LEACH that it is a dangerous direction that Ms. Born is heading and one that we should not be going in.

It is simply time for us to stop and give us a year to review the implications of what she is talking about. And, further, the CFTC is up for reauthorization next year anyway. If it needs to be done, that would be the time to do it, and we could address it at that time.

Mr. President, I thank you. I look forward to working with you on this program.

Mr. President, 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. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

AMENDMENT NO. 2729

Mr. DASCHLE. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota (Mr. DASCHLE) proposes an amendment numbered 2729.

Mr. DASCHLE. 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 (No. 2729) is printed in today's RECORD under ''Amendments Submitted.'')

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

The PRESIDING OFFICER (Mr. SESSIONS). Without objection, it is so ordered.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak for up to 10 minutes each.

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