

From news conferences to special orders on the House floor, Democrats have blasted Republicans as allies of big energy conglomerates and as unwilling to question high energy prices.

The White House, sources inside and outside the administration tell CNN, has gotten the message. Senior advisers convened an emergency "California energy message" meeting Thursday to discuss future strategy. The meeting involved Rove, White House counselor Karen Hughes and senior advisers from the president's economic team and the Energy Department.

The political danger for Republicans has become so pronounced that House GOP leaders pulled an energy bill sponsored by Republicans Rep. Joe Barton, R-Texas, because they could not be sure they could kill a Democratic attempt to add energy price caps in California to the legislation.

Similarly, senior Senate Republicans aides said a push for electricity price caps in California could prove unstoppable if the issue comes to the floor. With Senate Democrats eager to push other matters first—such as HMO reform—the price cap issue will probably not make it to the Senate floor until congress returns from its Fourth of July recess.

At a recent gathering of Senate Republicans, one top senator said there "wasn't five votes" among Republicans to block price caps on electricity in California.

Last week, House Majority Leader Dick Armey, R-Texas, and Conference Chairman J.C. Watts, R-Oklahoma, sparred publicly over whether to hold hearings into energy prices. Armey said the exercise was "nonsense." Watts said he wanted energy companies to at least explain price fluctuations so the public would see that Republicans were at least willing to hold them accountable to consumers.

"We're not fighting fire with fire," said one exasperated senior House Republican aide. "This is a war and if the energy companies don't step up to the plate, we can't stop bad things from happening anymore. They have to be willing to fight and fight on the air."

Before the emergency White House meeting California, top White House communications aides sent a memo to all congressional Republicans last week advising that they should no longer use the phrase "price caps" but "price controls."

The theory behind the semantics, Republicans say, is that price caps sound consumer-friendly and nonthreatening, while price controls sound bureaucratic and meddlesome. The White House has long argued that price caps in California—or anywhere else—would distort markets.

This distortion, the White House has argued, would artificially lower prices, encourage consumption and diminish the supply of energy that can be profitably brought to market.

Republican sources said several utilities will participate in the advertising and that the thrust of the pitch would be that government interference in energy markets would, in the case of California, bring more blackouts.

The campaign may, in later stages, remind viewers of the gas lines in the 1970s, which many energy economists say were brought on by price controls that drastically reduced the supply of gasoline and by consumers hoarding gasoline, frightened of never having enough.

"We've been carrying their water for a long time," one Republican said of the energy industry. "And now they're going to have to provide some air cover."

The one irony is that energy economists have of late forecast that gasoline prices—

which were feared to be headed well above \$2 per gallon—will likely drop later this summer and that the energy crisis in California may not be as acute as anticipated.

The main reason, these economists say, is that high prices for gasoline and electricity sparked widespread conservation that has boosted supplies of gasoline and taken pressure off California's electricity needs.

But that doesn't mean the political equation has changed.

"Members are scared to death," said another senior House Republican aide. "They are going to be redistricted this year and they will have to sell themselves to some new voters next year. They need to be able to tell them what they did about energy."

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

SPEAKING OUT FOR RURAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, tonight we would like to pay tribute to rural America and to particularly highlight the efforts of the 140-member Congressional Rural Caucus. We have pledged ourselves to having attempts to preserve rural America, and I commend my cochairman of this caucus, the gentlewoman from Missouri (Mrs. EMERSON), and the gentleman from North Carolina (Mrs. CLAYTON) for their leadership and dedication to the rural caucus on issues that matter to rural residents across this country.

Our job as members of the Congressional Rural Caucus is to promote economic and social policies that support the continued viability of our rural communities. In many instances throughout my State of Kansas our rural communities continue to struggle. We continue to see populations in once-thriving communities decline across the Great Plains. Of 105 Kansas counties, 61 have smaller populations today than in 1900; 82 Kansas counties have lost population since just 10 years ago; and 65 counties are predicted to lose population in the next 10 years.

Kansas communities are confronted with serious challenges of prosperity and survival. While working on the farm bill, Mr. Speaker, we hope there will be a strong component for rural development in that farm bill. And as parts of the rural caucus, I chair the task force on telecommunications. Seems awfully important for us to make certain that the provisions that are often available in more urban areas of our country are made available in rural communities as well. Our communities' survival depend upon access to increasing technology.

Mr. Speaker, by providing one voice for rural America, the Congressional

Rural Caucus will ensure that rural communities will remain viable and competitive. Our job in Congress is to raise the awareness of rural issues and to preserve that way of life. As Congress debates important issues like rural development in the farm bill, and access to telecommunication technologies, we must address the opportunities and challenges that we face in rural America.

Rural Americans across the country need us to demonstrate our commitment for a better quality of life, and I urge my colleagues to join us in this fight and to speak out for rural America.

Mr. REHBERG. Mr. Speaker, will the gentleman yield?

Mr. MORAN of Kansas. I yield to the gentleman from Montana.

Mr. REHBERG. Mr. Speaker, agriculture is the number one industry in the State of Montana. That is why the two pieces of legislation I introduced, along with the gentleman from South Dakota (Mr. THUNE) and the gentlewoman from Missouri (Mrs. EMERSON) are so important to me and to rural America.

The heart of America is her rural communities. The Montana farmers and ranchers who work the soil understand that our State's motto, Oro Y Plato, gold and silver, is truly the gold of ripe wheat fields and the silver of water resources. The harvest of the farmer and rancher translate into the gold and silver of economic health in rural communities.

Families spanning generations have sustained themselves in agriculture, but it is no longer feasible. The past few years have brought disasters and record low prices to the ag economy. While safety nets are important to producers, especially in lean years, America's farmers and ranchers do not want to be dependent upon the government. So we must develop a long-term market-oriented approach to Federal farm policy to give producers the tools to help themselves and at the same time to bring much-needed economic growth to their communities. Short-term financial aid is helpful; but long-term planning, along with creative, innovative opportunities, are vital lest America's rural families lose their farms and small towns die with them.

We need to encourage producers to add value to their product. Value-added ventures will enable producers to reach up the marketing chain and capture profits generated from processing their raw commodities. Two barriers prevent producers from pooling together and adding value to their products: first, though farmers are experts in their own fields, often they do not have the technical expertise needed to launch complex value-added business ventures; second, producers are strapped for cash. Even if they had enough capital to initiate development of value-added processing, many of the combined players in the market could squeeze producer-owned entities out before they