the situation in Russia is so tenuous, as explained in the previous debate on NATO expansion, and in the context of the Baltic States. I will leave it to my colleague further details on that. But it is the judgment of the military planners in NATO that providing NATO assistance to these countries, should it be necessary, could well involve the use of nuclear weapons. I say that because inclusion of these nations in NATO at some future date is a matter that will have to be considered with great care and thoroughness by all NATO nations.

I just think at this time to incorporate the language in an act of the Congress of the United States, presumably to be signed by the President, would send an improper signal into the community of nations who are desiring to join NATO at some future date.

So I basically stated my views on it. I yield the floor, Mr. President.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from New York.

Mr. MOYNIHAN. I join my revered friend the senior Senator from Virginia in this matter and would begin by reminding the Senate that in the debate on expanding NATO to include Poland, Hungary and the Czech Republic, he forcefully made the point that the administration was already talking about a further expansion to the Baltic States. That would be a thumb in the eye of the Russians. The language from the Committee report which Senator WARNER has just read implies that the Senate has come to agreement on the matter when it clearly has not.

Estonia and Latvia have large Russian minority populations and all three have tenuous relationships with Russia. Yet it seems to be working, considering these three independent nations were held ''captive''—subsumed by the Soviet Union—for three-quarters of a century. Latvia recently dismantled a Soviet radar station, and there are some accommodations being made for minorities in these nations.

Expanding NATO to include the Baltics would be provocative in the extreme, as the Russians have made so clear. The Russians who would like to continue to make reforms in their troubled country have said: ''Don't do this.'' Those leaders who seek the greatest liberalization of Russian society have said ''Heavens, don't give this weapon to the enemies of democracy and market enterprise. Don't put us in a situation where nuclear war in Central Europe is not to be dismissed as an outlandish improbability.''

I remarked yesterday, in a statement supporting the International Monetary Fund replenishment that the situation of the Soviet military is alarming to the point of despair. In Krasnoyarsk, General Alexander Lebed, who is now governor there, has, by reports published in Moscow, undertaken to pay the Soviet strategic forces located in his Krai. The people with their hands on the triggers of the nuclear missiles are not being paid. I suggest the first rule of government is: Pay the Army. In a situation that is unstable, to take this posture regarding Nato expansion is to invite misunderstanding and worse.

Mr. President, there is nothing we can do to change the report language, but I would like to make the point that it has not been decided that any of the Baltic states should join Nato. I do not think that the term ''accelerate the Baltic States integration into NATO''—accelerate: faster than planned—such a term is not appropriate.

If it were possible in conference for the distinguished chairman and the ranking member to see that this does not become part of the conference report itself or the accompanying statement of managers, I think that would serve stability in Central Europe and the security of the United States.

I will make no accusations. The Senator from Virginia and I simply say: Do not casually get into a situation that will be thoroughly misread and deeply resented by the people we most want to have as our friends in Moscow. And particularly not on a day when the President himself is there.

With that, Mr. President, I yield the floor. I see no other Senator seeking recognition, so I respectfully suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROBERTS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The Senator from Iowa is recognized.

THE CRISIS IN AGRICULTURE

Mr. HARKIN. Mr. President, I know a lot of us were out in our States during the August recess. I was too. I had a series of meetings around the State with farm families and people in small towns and communities and rural areas. Quite frankly, what I found was more than just disturbing. What I found was that there is a looming crisis in agriculture and in our farm economy.

For some time I and a number of my colleagues have been trying to call attention in this body to the very serious situation in the farm economy. The livelihood and the life savings of hundreds of thousands of farm families are in jeopardy. The economic underpinnings of many rural communities are also at stake. In mid-July, the entire Senate went on record noting the existence of the serious farm economic problems and calling for immediate action. But later on, just before we broke for the August recess, this Senate rejected an amendment that Senator DASCHLE and I offered to restore farming protection that was taken out in the 1996 farm bill.

All we wanted to do in a very modest attempt was to take off the caps that were put on the loan rates in the 1996 farm bill. We did not in any way want to attempt at that point to change the farm bill. We just simply wanted to remove the caps. The loan rates were still there. They were just capped at the 1996 level. All we wanted to do was remove those.

As I listened to the debate on that amendment, it seemed clear to me that many of my colleagues doubted the seriousness of the problems in the farm economy. I heard statements that if we just let the market work, if exports would just get back on track, the situation would turn around, or so the argument went.

So, I went out to my State to have some meetings in August to sort of take the temperature and gauge just how serious the situation was. In the intervening time since we left here, the situation has become, I am sad to say, far worse. The bottom literally has dropped out of commodity prices. I point out that the falling commodity prices cover both livestock and crops. Often, at least in my State, if the commodity price of a crop was low, the livestock prices might be up a little bit, and the farmer would at least have something to sell to make some money. Now all of the major commodities—corn, soybeans, pork, and beef—are all deeply in the red.

So at this point I don't see how there can be any doubt that we have an economic disaster in the farm sector.

I have some charts that will show just what happened over the last 6 weeks since the Senate considered this amendment that Senator DASCHLE and I offered on July 17.

Here are central Illinois, corn prices. Here is where they were when we debated the amendment. Here is where they are now—a 21 percent decline in 6 weeks in the corn prices.

Here is central Illinois, soybean prices—again, a 21 percent decline in the past 6 weeks.

Here is Kansas City, hard red winter wheat prices—down 13 percent in the past 6 weeks, and headed south. There is nothing to indicate that it is going to come up.

Since July 16, the day the Senate passed its version of the agriculture appropriations bill, the following market prices declined:

Dodge City, KS, wheat—down 20 percent;

North central Iowa corn—down 26.1 percent;

North central Iowa soybeans—down 20.7 percent;

South Iowa and Minnesota hogs—down 11.5 percent;

Billings, MT, feed barley—down 20 percent.

That is just since the middle of July.

Here are the charts that I used in July to show what was happening to commodity prices, going clear back to 1990. It sort of drifts along, and we had a big spike in here from 1994 up to 1996. Then, after the 1996 farm bill was passed, the prices have been coming

down and coming down. This little red figure shows just what happened since we were here in July.

I dare say if we do nothing, if we sit here and twiddle our thumbs and do nothing, that line will continue to go down during the fall months.

That was corn.

Here is the farm-level soybean price. Again, since the farm bill passed, the price has been coming down; now in the last 6 weeks, its down even more.

Here is the wheat price. Again, it spiked up here about 1996, has been generally coming down the last 6 weeks—a precipitous drop in the price of wheat.

Again, as I said, Mr. President, I don't think there can be doubt any longer that we have an economic disaster in the farm sector.

In my State, corn prices have fallen to the levels of the farm crisis years of the 1980s, and they still remain under downward pressures. As I say, there is nothing indicating that it is going to pull these back up. The prices have fallen over 25 percent since mid-July and are about $1 a bushel below the cost of production.

USDA's most recent estimation indicates that 1998 net farm income will be 20 percent lower than it was in 1996—about $42.5 billion. And it was about $53.3 billion in 1996.

I could go on and on citing more discouraging figures. But it is obvious that the numbers tell the story. It is simply no longer possible to deny the severity of the problems in the farm economy. Those problems are already spilling over into rural economies and into our small towns and communities.

If the situation continues, it will affect our entire national economy.

Let me just, again, underscore the consequences if we do not act. If we do not act, we are going to lose thousands of farm families that we cannot afford to lose. Many of us here remember the 1980s farm crisis. I can just tell you that my State of Iowa can't bear to go through that again. Our Nation can't bear to go through that again.

Farmers are, indeed, resourceful people. Farmers and farm families can handle a lot of adversity and survive in business and maintain their families on the farm. But when commodity prices fall the way they have recently, farmers are at the mercy of the market. If we do not have some actions to ameliorate the effects of these low commodity prices, we are going to see a lot of farm families forced out of business. They will be gone forever and often gone from their community entirely. By and large, they will not be able to return when the farm economy turns around. Farming is too capital intensive for that kind of in and out and in again type of approach.

Basically, we are talking here a lot about younger farm families who have money borrowed and who do not have a lot of equity built up, who are the most vulnerable to severe downturns in the farm economy like we are now seeing. They are energetic, they are perhaps some of the most educated farmers we have ever had in America, but they often do not have the financial resources to hang on through the kind of long, serious economic downturn that we have now. These younger farmers are the ones we can least afford to lose; they are the future of agriculture and the future of our rural communities. As they are forced out of agriculture, food production becomes concentrated in fewer and fewer hands, and this is not a healthy trend for rural communities, consumers or our Nation as a whole.

I just point out that in Russia, the former Soviet Union, they are breaking up these old, huge farms because they did not work. I don't think we want to go down that path of having larger and larger land holdings in this country.

Now, I just focused my remarks on younger farmers and young farm families. I mentioned that, Mr. President, at one of my farm meetings in Iowa, and there were a number of older farmers there who jumped all over me and said, well, you are missing us. I said, yes, but I want to talk about the younger farmers and how they don't have a lot of equity. One of the older farmers shook his finger at me and said that is just my point. I have built up my equity in my farm. That is my retirement. I haven't made a lot of money.

I am reminded of the old adage: Farmers live poor and die rich. They have a lot of land, they have a lot of equity built up, but they have never made a lot of money. He said that is my retirement, and I see it going away before my very eyes because of these low commodity prices, because of what is happening out there, because they are having to borrow now, because they are digging into their equity base just to stay afloat.

So it is not just the younger farmers. I think it spreads across the whole spectrum.

I also read in the newspaper a comment made by a certain politician, who will remain unnamed, who said basically if farmers are having trouble now, it is because they were simply not managing their farms correctly; they were bad managers. That is my own words, ''bad managers.''

Well, he mentioned this, and this was, of course, the topic of conversation at one of my farm meetings, and several of the farmers there pointed to the fact that they had survived the 1980s. And as they pointed out, any farmer that got through the 1980s is not a bad manager. If they could manage their debt loads and the low prices and the shakeout that we had in agriculture in the 1980s, they are pretty good managers. But now they can't handle this. Farm debt is now at the highest level it has been since 1985, and that was the beginning of the washout of a lot of farmers in the mid and late 1980s.

We can all look to the causes, what causes all this. Well, I don't know that they are all that complicated. We have had good crop production conditions. We are going to have a bumper crop of soybeans this year, the largest production of soybeans this year. We are going to have a big crop of soybeans in my State, too. Corn may not have a record year, but may be the second largest record year. So we have a lot of supplies and a lot of farm commodities in the world market.

At the same time, the demand has gotten weak for a number of reasons, not the least of which has been the economic downturn in Asia. I saw some figures—I don't have the charts for them. I will bring them up in the next couple of days—which showed our exports to Asia not off all that much in terms of quantity but in terms of price. What we are getting for what we are selling is way, way down. And so we have a very weak foreign market there. They don't have any money in Asia, and so a lot of our sales have eroded.

Now, another aspect is the strength of the U.S. dollar versus the currencies of these other countries that compete with us to sell ag exports. The weakness of those currencies allows those other countries to gain a competitive advantage over us. Now, there isn't a farmer in my State that has any ability to control that. If these other currencies are weak and they can undercut us in selling their commodities to other countries, there is not a darned thing that one or ten or a thousand farmers in my State can do about it. But it is a fact and that is what is happening. So they have gained competitive advantage over us.

In addition, farmers in several areas of the U.S. have suffered severe losses because of weather and crop disease problems. So while we have a bumper crop, we have places such as North Dakota and Texas where they have had tremendous drought problems and weather problems and they don't have a crop at all or they have crop disease problems.

So you put all this together, and with total freedom to plant and then farmers have planted—in fact, I have heard more than one comment in my State about how much of the conserved land that we had in the past is now being planted, and that farmers are planting them more intensely. And again, if you understand ag economics, you understand that if you have a fixed base, fixed amount of land, you are going to try to get the most production out of that land, even if the prices fall.

That is why I don't think there are a lot of people—I know a lot of people understand it. I know the Presiding Officer understands ag economics. But a lot of them think that a farmer is like General Motors, that if prices fall you can cut back production to meet the supply and demand situation. The farmer can't do that. One farmer is not General Motors. That one farmer has no control over the total supply and the total demand.

Secondly, it is counterintuitive. You would think if prices would fall, for example, in corn, a corn farmer would say, well, if the prices are down, I am not going to plant corn; I will plant something else. We heard a lot of this during the debate on the farm bill. Well, quite frankly, what happens, if the price drops, the farmer looks at his fixed base and says, gee, you know, the marginal cost of planting an extra acre or 2 or 5 or 10 acres of corn is almost nothing, and maybe I can plant more intensively and I can get more out of that fixed unit that I have. And therefore, even if the prices drop, I will have more production out of that unit and that will cover the lower prices. Therefore, low prices don't lead to decreased production of crops. It, in fact, can lead to increased production of a crop.

That is what we are seeing right now—simple, basic farm economics. And so you put all these forces together, and what we have is the disaster we are having right now. But again, keep in mind these are forces beyond the control of a farmer. The farmer is at the mercy of weather, at the mercy of world commodity surpluses, at the mercy of economic problems, and they are at the mercy of other foreign currencies and their values, all of which are things that conspire together to ruin our markets.

It is because of these forces that are beyond the control of farmers that we in our country have traditionally had in place a system of farm income protection. Certainly, we want to let the market work, but we also recognize that when the market turns around, or when disaster strikes, or when things intervene to skew the market, that it should not wipe out farm families who have done everything within their power to produce and to meet the demands of the market. These farmers should not be forced out without any protection against events beyond their control.

Again, a lot of people say, Why should we treat farmers differently than any other business? The reason we have always had these policies in place is because farming is not like any other business. As Neil Harl, the distinguished professor of agricultural economics at Iowa State University, has said repeatedly, farmers are not like General Motors. Farmers are uniquely vulnerable to forces over which they have no control.

The 1996 farm bill greatly pared back protections against forces over which farmers have no control. The 1996 farm bill said to farmers: Produce all you can and export all you can. That is fine until foreign markets turn sour. That is fine until other countries' currencies are able to beat our own and they can get a competitive advantage over us because of the competitive value of their currencies. That is fine until other governments intervene, in terms of their support and their control of their own agricultural commodities. When foreign markets turn sour because of these events, like we are now seeing, the 1996 farm bill basically leaves American farmers to bear the brunt of these powerful world economic forces that are totally beyond their control.

Basically, the 1996 farm bill put farmers on a high wire and then took away the safety net. Again, I will keep reminding my colleagues that under previous farm policies farmers got a lot more help in contending with those world economic forces beyond their control. There were deficiency payments that compensated for low prices. There was the Farmer Owned Reserve which paid farmers to pull grain off of the market in times of surpluses. There were not artificially low caps on commodity loan rates. There were paid land diversions and acreage limitations to keep production in line with demand. So there were all kinds of policies in place to help farmers weather these powerful economic forces over which they have no control. But the 1996 farm bill took that all away.

Now, again, we have to ask ourselves, are we so ideologically rigidly attached to the 1996 farm bill that our hands are so tied that we cannot respond to these low farm prices and to the disaster that is facing us in rural America? Ideology is fine, but let's be practical about it. Let's use some common sense here. I do not mind if people have an ideology they want to pursue. That is fine. I think there is a lot of ideology in the 1996 farm bill. Those who had that ideology won the votes, won the bill and got it through. But, as President Clinton said when he signed the bill into law, that it is seriously flawed because there is not an adequate safety net there to help farmers through these kind of times that we will see in the future.

I think what we need is to set our ideology aside and come together here to recognize that we have a disastrous farm economy out there right now. I might also say to my colleagues and friends who want to see the 1996 farm bill continue, that if we do not take some modest steps now to make some minor fixes in the 1996 farm bill, then there will be mounting pressure to make drastic changes in farm policy. In other words, if we do not get ahead of the curve, then we may have to take very dramatic steps, and those steps could go back to something even previous to the 1996 farm bill.

So all I am saying is that there is no reason to keep the loan rates capped. We ought to take the caps off of loan rates. I also believe that we need to put into place, at least over the next couple or 3 years, just for this year, a form of a Farmer Owned Reserve where, as we have in the past, we actually paid farmers some up-front money to store their grain and then the farmer can decide when to market that grain. I call it giving the farmers more freedom to market. Right now, farmers have freedom to plant, under the 1996 farm bill. But, because of the 1996 farm bill, they are forced to market their grain at the lowest possible prices. That is inherently unfair. Let's give the farmer some more freedom to market, and that means giving the farmer the ability to store the grain, either on the farm or in local elevators or the warehouse, and then be able to market that grain over the next couple or 3 years, when, we hope, prices will recover.

If we do fund the International Monetary Fund and they can straighten out the Asian economy, it is likely that the Asian economy can rebound in the next 12 to 15 months. That would put upward pressure on our grain prices. The problem is the farmers won't have the grain then. But if we had some system where the farmer could store that, as he could in the past under the Farmer Owned Reserve, then the farmer could market that grain at the higher prices in the future.

I think those two items, taking off the loan rate caps and giving the farmers the ability to store their grain and to market it when they want to rather than dumping it on the market this fall, are the two things that we could do to save the 1996 farm bill. They are modest steps. They don't take away planting flexibility. They don't take away all of the abilities that we gave the farmers. It does not reinstitute any kind of set-asides or Government mandates on what a farmer has to plant or where they have to plant. All that would stay in place. Those were the good features of the 1996 farm bill.

But, what we need to do in order to save those, I believe, is to take a couple of these modest steps. If we do not do that, we are going to see a lot of grain dumped on the market this fall. We are going to see these prices go down even further, and we will have a full-blown depression in rural America. It is almost there right now. It is almost there. We are on the brink of it in rural America. Many farmers basically see this as their last year if we do not do something.

So, again, I take this time on the floor to point out to my colleagues that we have to address this. I do not believe it is a partisan matter. I think bipartisan support is growing all over this country. I have seen letters, documents from different places around the country that indicate that we ought to do something. North Dakota Governor Edward T. Schafer and Republican legislators supported what the North Dakota Farmers' Union and the North Dakota farmers both embraced in an agreement last week. One of them was a 1-year lifting of the loan rate caps. So here we have, I think, some bipartisan support for doing this. I do not think it is a partisan effort.

Again, we have to be practical. We cannot be held prisoner by an ideology or blind devotion to every last provision of a farm bill passed over 2 years ago, 2 years ago when we saw some of the highest prices we have ever seen for crops. That is when the farm bill was passed. Now we are in the basement.

So let's work for a practical solution that will help our farm families and rural communities this fall. Let's take the caps off of loan rates. Let's have at least a 1-year provision for a Farmer Owned Reserve to give the farmer the opportunity to market when prices are high. We must act soon. It is our responsibility. I think it would be a dereliction of our duty to leave here in October without passing legislation to address the deepening farm income crisis in our Nation. I hope and expect sometime within the next several days, perhaps next week, Senator DASCHLE and I and others, hopefully in a bipartisan manner, will again be offering an amendment to lift the loan rate caps, to get the loan rates up, the marketing loan basis for these farmers this fall.

I am hopeful that our colleagues will really take a serious look at this, because we are facing a farm crisis in America unlike any we have seen in a long, long time, and we have to act and we have to act now.

Mr. President, I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Arizona.

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3500, AS FURTHER MODIFIED

Mr. MCCAIN. Mr. President, I ask unanimous consent to modify my amendment, and the modification is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator's amendment is so modified.

The amendment, as further modified, is as follows:

On page 33, line 4, before the colon insert the following: "; and (4) North Korea is not actively pursuing the acquisition or development of a nuclear capability (other than the light-water reactors provided for by the 1994 Agreed Framework Between the United States and North Korea).

Mr. MCCAIN. Mr. President, the modification, by the way, takes out the provision, at the request of the administration and others, that requires that the North Koreans be fully meeting their obligations under the treaty on the nonproliferation of nuclear weapons. I did that with some reluctance, but, at the same time, the important aspect of this amendment is that the President must certify that North Korea is not actively pursuing the acquisition or development of nuclear capability, other than light-water reactors provided for in the 1994 Agreed Framework between the United States and North Korea.

I think it is the desire of the distinguished manager that we vote on this amendment. First of all, I ask, if it has not taken place, that the Hutchison second-degree amendment be voice voted at this time.

The PRESIDING OFFICER. The question is on agreeing to the Hutchison amendment.

Mr. MCCONNELL. If the Senator from Arizona will withhold for just a moment.

Mr. MCCAIN. Mr. President, I will make some additional remarks which are so compelling, and as soon as the Senator from Kentucky desires, I will yield so that we can proceed with this vote. I know the Senator from Kentucky is very interested in concluding this legislation, as are the rest of us. Given the conditions in the world today, I argue this is one of the most important pieces of legislation that we will consider in the Senate.

Yesterday there was an article in the New York Times, parts of which I think are important to note.

It is titled "Missile Test By North Korea: Dark Omen for Washington." Part of the article says:

The officials and arms experts said the test also suggested that North Korea had made real progress towards building Taepodong-2, which is reportedly capable of traveling 2,400 to 3,600 miles and could strike targets throughout Asia and as far away as Alaska.

Henry D. Sokolski, the executive director of the Nonproliferation Policy Education Center in Washington, said the ability to build rockets in stages opened the door to intercontinental missiles, which in theory have virtually unlimited range.

"We're entering a new era," Mr. Sokolski said.

Gary Milhollin, director of the Wisconsin Project on Nuclear Arms Control, another research organization in Washington, said the missile test was "a clear sign" of North Korea's intent to develop nuclear weapons, despite its 1994 agreement with the United States to stop in exchange for energy assistance.

Mr. Milhollin said a two-stage missile was too costly to build simply for delivering conventional weapons. "It means they plan to put a nuclear warhead on it or export it to somebody who will," he said. "The missile makes no sense otherwise."

Mr. President, these are important statements. Some argue that perhaps the North Koreans are just simply building a missile and they are not pursuing the acquisition of nuclear weapons.

As Mr. Milhollin said, it doesn't make sense. Why else would they be building a two-stage rocket without planning also to have that missile armed with a weapon of mass destruction?—from what we have seen in the past, most likely a nuclear weapon.

I don't want to go through the litany of my complaints about this agreement that was made with North Korea in 1994. I spoke at length on the floor of the Senate and with the media. I did not see any indication that the North Koreans were serious. I did see indications they were in violation of the Non-Proliferation Treaty to which they were signatories and that we were basically providing them with a bribe. I also believed and still believe that unless the North Koreans understand they have to pay a significant price, then they will continue in this most destabilizing activity.

The Florida Times Union on August 28 said:

An argument could be made that Pyongyang feels it must renew its nuclear program to keep people warm, but it also claims it cannot feed its people and has been begging successfully for free rice. If it doesn't have enough money to feed its people, how can it have enough money to build expensive nuclear facilities and two-stage rockets? Pyongyang presumably is taking money that would have been spent on food and heat if not for western charity in building a nuclear arsenal.

Unfortunately, the administration made it easy for Pyongyang to cheat. The agreement does not require inspections to verify North Korean compliance. Oddly enough, Pyongyang threatened earlier this month to pull out of the agreement over the U.S. failure to lift economic sanctions quickly enough. It has also complained about the lack of progress toward diplomatic ties. Those sound more like excuses to me for cheating on an agreement rather than reasons to break it. Not once since its inception in the aftermath of World War II has North Korea proven itself trustworthy. That makes it difficult for the United States to continue making agreements based purely on trust.

Mr. Hoagland, probably one of the most respected, if not the most respected, individual commentators on the issues of national security, said:

The U.S.-negotiated agreement that froze North Korea's nuclear weapons development in 1994 is coming apart.

With their economy in trouble, South Korea and Japan have been having second thoughts about the high levels of economic aid the deal mandates, and Congress has always been unhappy about the fuel oil shipments the administration agreed to make without congressional consultation. These concerns were undermining the accord even before the discovery this month that North Korea has been working on an underground secret facility that almost certainly violates the accord.

That discovery could be the nail in the coffin of the agreement, which pulled North Korea and the United States back from a military confrontation that could soon resume.

Mr. President, Mr. Charles Krauthammer, a man whom I have great respect for, also wrote on August 30:

Consider North Korea. In 1994, it broke the Nuclear Non-Proliferation Treaty and embarked on nuke building. How did Clinton react? By agreeing to supply North Korea indefinitely with free oil while the United States and allies build for it two brand new (ostensibly safer) $5 billion nuclear reactors in return for a promise to freeze its weapon program.

Now it turns out that while taking this gigantic bribe North Korea was building a huge new nuclear facility inside a mountain. The administration, inert and dismayed by such ungentle manliness, refuses to call this a violation of the agreement. Why? Because concrete has not been poured.

Today the Los Angeles Times editorial reads, "Time to Rethink North Korea Policy":

If ever there was a time for Washington to reappraise its policy toward North Korea, it is now. In the midst of meetings between American and North Korean negotiators in New York, the Pyongyang regime fired a new, longer-range missile across the Sea of Japan and over the Japanese mainland. That provocative act constitutes a major setback in diplomatic efforts to draw hostile North Korea into the world community.

The missile was discussed at Monday's meeting in New York, which focused on implementation of a 1994 accord under which