I was extremely disappointed in this Republican Congress and their decision to cut agriculture disaster funding during conference committee negotiations of the emergency supplemental appropriations bill last week. I was also struck by the fact that the administration even weighed in by threatening its first veto ever of this supplemental if it contained disaster assistance for our farm families. Making these cuts on the backs of our farmers and ranchers when they are struggling to make ends meet is unconscionable.

Mr. Speaker, it is about priorities, and the decision made by this Republican Congress and administration does not reflect the commonsense priorities and values that many Arkansans and I were raised on and still believe in.

Agriculture is Arkansas' largest industry and ranks among the top 10 States in the production of rice, poultry, cotton, catfish and baitfish. In fact, one in every five Arkansas jobs is directly related to agriculture. According to a forecast by USDA's Economic Research Service, farm income is estimated to decline by $16.5 billion in 2006 as a result of increased production costs and reductions in market assistance. Reduction in farm income, combined with the hardships experienced during the 2005 crop year, will lead our Nation's farm economy into the worst decline of the 21st century.

As you can see from the poster here, Mr. Speaker, the red line, the top line, indicates the amount of money that it costs our farmers to grow crops. The bottom line demonstrates the amount of money they have received. They are losing money. In 1985, farmers spent anywhere from $80,000 to $85,000 on a new tractor. Today, a farmer will spend anywhere from $140,000 to $150,000 on a new tractor.

As the chart shows, our farm families have seen a steady increase in the cost to produce their crops, while at the same time the prices they receive for their crops remain the same and are lower than they were 10 years ago. In fact, in 1980, cotton was going for 60 cents a pound. Today, it is 42 cents a pound. Rice was going for $11.50 per hundred weight. Today, it is $7 per hundred weight. Soybeans, in 1980, $5.71 a bushel. Today, just a slight increase, at $6.09 a bushel.

In 2005, our Nation's farm families faced severe droughts, hurricane damaging winds and other natural events causing damage and devastation to their crops and livestock. Americans have been hit hard by the drastic increase in gasoline, diesel and natural gas prices. Our Nation's farm sector relies heavily on diesel fueled farm equipment to plant, harvest and transport their products to market. Increased fuel, fertilizer and other record high input costs have pushed many farmers out of business altogether, forcing them to auction off their family farms.

I have been urging this Republican Congress and administration to pass disaster assistance for our farm families since September of last year. I stand here tonight holding this binder, a binder recently presented to me by Ken Shea of Dumas, Arkansas. It is filled with farm auction after farm auction, fliers, notices of bankrupt farm families from Arkansas. Even if a disaster bill was passed today, it would be too late for these farm families and many others who are trying desperately to avoid bankruptcy. Every day that passes without providing disaster assistance, more families are auctioning off their farms.

I am a cosponsor of H.R. 3702, an agriculture disaster assistance bill which was introduced in September of last year.

Mr. Speaker, I stand here tonight urging the Republican leadership to give us a hearing and a vote on this bill.

CONGRESSIONAL CONSTITUTION CAUCUS' CONSTITUTION HOUR—CONSENT DECREES

Mr. GARRETT of New Jersey. Mr. Speaker, I rise to claim my time out of order.

The SPEAKER pro tempore. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. GARRETT of New Jersey. I do thank you, Mr. Speaker.

Tonight, I come here as we do each week as members of the Constitutional Caucus come here on a regular basis to present a series of 5-minutes following the day's activities and the day's votes. We do so tonight to focus on really one of the most important and significant issues dealing with our Constitution and threats to our constitutional rights as well.

Before I do that, let me just say this, that I wish to show my utmost appreciation earlier this evening for the majority whip coming out and joining us to discuss a piece of his legislation that goes to this very fundamental issue and also for his efforts to work to protect those basic liberties of every American.

The threats that I am referring to is our Founding Fathers' principles of self-government and the jeopardy that comes in the form of consent decrees. For those of you who are not familiar with exactly what consent decrees are, in essence, they are simply this. They are judicial actions that are entered into between opposing parties, in this case by the party bringing the action, private individuals, usually, and State or local entities. State or local governments are basically compelled at the end of a court case to enter into these agreements. They are then, therefore, called consent decrees. In their name and on their face, they sound innocent enough. In reality, they simply can be because they are protecting rights of some sort or the other. But they can also have in the long-term a cumulative effect, a threat to the legislative process and also to the hardworking American taxpayer who supports it as well.

These decrees have resulted in judges engaging themselves in affairs outside of their constitutional job description, outside of the very framework of the protections that we have established in our documents of checks and balances. I say that their intents are noble and good in many cases, and that is to protect our rights, but by engaging in such blatant activism, they are actually threatening self-government itself, rights outside what our Founding Fathers intended.

I agree with what the majority whip had indicated before. This is not simply a case of dealing with judicial activism because it really goes beyond that and does not engage in that at all times. It is an understanding that our Founding Fathers had, and we have reminded those who have listened to these programs, listened to us coming to the floor each week to discuss constitutional issues, that we must be very mindful always of protecting those rights set forth by the Fathers, especially the rights of States as established in the 10th amendment. All rights not specifically delegated to the Federal Government are retained by the people and the States, respectively.

Consent decrees, therefore, can place an undue burden on the States and local officials. They can last literally for decades, long after the local officials or State officials who may have been involved with those cases in the first instance have long since left office. Newly elected officials may have come into place to find they are bound by those previously entered into decrees. They are now unable to place in policies that could rectify the situation, unable to put in policies that could solve the situation for future generations, and unable to put in policies that basically could save the taxpayers money at the end.

Judges have already tried to engage in other ways in activism, obviously of taking away our rights as we have discussed before, taking away our property rights and the democratic right to construct our marriage institutions.

But consent decrees go one step further. They chip away at the authority of our local officials, allowing judges and not the people who were democratically elected to represent them. This is not just a decision and opinions of Members of Congress. The Supreme Court has also spoken on this. In fact, in a unanimous decision back in 2004, the U.S. Supreme Court called for limiting these types of decrees in the case of Frew v. Hawkins. The court proclaimed there that Federal consent decrees could encroach on State and local

power. They continued that these decrees may ''improperly deprive future officials of their designated and executive powers.'' They may also lead ''to Federal court oversight of State programs for long periods of time even absent an ongoing violation of the law.''

Mr. Speaker, for these reasons, I am more than proud to support my good friend from Missouri and his legislation, H.R. 1229, the Federal Consent Decree Fairness Act. This is legislation that would provide relief to newly elected mayors and other State officials who inherit these overly broad and outdated decrees. It would limit their ability to govern. And it would be able to respond to priorities of their constituents for the future.

This legislation will put term limits on existing decrees while setting out guidelines for the future. We must ensure that they are limited in nature, not opening the doors for future violations. Again, I commend the gentleman from Missouri.

RED INK CONTINUES TO PILE UP

Ms. KAPTUR. Mr. Speaker, I ask unanimous consent to reclaim my time and to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentlewoman from Ohio is recognized for 5 minutes.

There was no objection.

Ms. KAPTUR. Mr. Speaker, the red ink continues to pile up, both in our budget deficit and in America's trade deficit. The Commerce Department reported on Friday that the trade deficit is rising again, pushed up by oil prices and a flood of more imports from China. With oil imports over $70 a barrel, we know this trade deficit is going to swell as the year proceeds. The Commerce Department reported that the gap between what the United States sells abroad and what it imports rose to $63.4 billion in April, 2.5 percent higher than the March imbalance of $61.9 billion. We know that the trade deficit in both February and March just fell a tad, but it had hit an all-time high this January of $66.2 billion. And while economists noted that the April deficit was smaller than the $65 billion that had been expected, it is still the sixth largest trade deficit on record.

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This is a chart that takes a look at what has been happening ever since this Congress unfortunately passed NAFTA back in the early 1990s, followed by permanent normal trade relations with China, and what could be normal about that? Every single year the red ink gets deeper.

Through the first 4 months of this year, the trade deficit is running 1.9 percent above the same period a year ago putting our country on track to run up a record deficit again for a fifth straight year. Last year's deficit, as this chart indicates, was three-quarters of $1 trillion, three-quarters of $1 trillion.

To cover this red ink, we have to borrow. We have to import capital to offset what we are not exporting in goods. America is in uncharted waters. We have never, ever experienced this situation before. Some people have commented that our country is handing over $2 billion a day to foreigners to cover this trade gap. The increase in the April trade deficit reflected a .7 percent rise in imports which climbed to $179.1 billion, the second highest level on record. In other words, the trend is in the wrong direction.

In addition to higher oil bills, imports of autos and auto parts were up and shipments of consumer goods from China such as furniture, televisions, video recorders and toys all rose. More imports coming in, fewer imports going out. Major U.S. companies like La-Z-Boy are having trouble in the market, because products are coming in from China where workers make pennies a day.

We have lost our entire television industry. Not a single television is made in this country any more. Companies in the automotive parts industry like Delphi are trying to struggle to hang on.

We are living through the hollowing out of our country. We are propping up this loss of real wealth and production capacity with borrowed capital. We are in uncharted waters. America has never been here before.

The markets are reflecting it. Today, in the New York Times, major headline: Broad economic worries drive global sell-off. What is happening is there are huge drops in the market. Standard & Poor 500 stock index fell 1.3 percent, erasing all of its gains for this year and closing at its lowest level since November. The NASDAQ fell more than 2 percent and the Dow Jones Industrial Average fell almost 1 percent. Damage was far worse in markets around the world.

American manufacturers claim, well, you know, the problem is just with China that their currency is undervalued by as much as 40 percent. But I can remember when they said that to me about Japan 16 years ago. MARCY, when the yen-dollar relationship comes into balance, we will have a trade surplus with Japan. No, no.

No trade surplus with Japan because they still have a closed market, and we act like they don't. So we take their products, but they don't take our products. So Japan has now become our largest financer, and every day we pay them interest on their greater and greater loans to us.

Mr. Speaker, America cannot continue on this course. In fact, analysts are saying the deficit will set an even higher record this year, probably close to $1 trillion, if we keep going at the rate that we are going today. The deficit with Japan rose by 2.8 percent in April to $7.8 billion.

The deficit with Canada rose 16.3 percent to $6.1 billion in April, while our imbalances with Mexico, with Korea, well, gosh, with about every other country in the whole world, just kept going up. The sad thing for our country is it looks like this year will be the first year in our history we will import more agricultural goods than we export. This is not the America we should be leaving to our children and grandchildren.

Let's elect people to this Congress and to this Presidency who will put America's financial house in order and make us independent again.

[From the New York Times, June 13, 2006]

BROAD ECONOMIC WORRIES DRIVE A GLOBAL SELL-OFF

(By Vikas Bajaj and Jeremy W. Peters)

Fears about higher interest rates, rising inflation and a slowing economy sent stocks sharply and broadly lower yesterday, with emerging markets taking the biggest hit.

In the United States, the Standard & Poor's 500-stock index fell 1.3 percent, erasing all of its gains for the year and closing at its lowest level since November. The Nasdaq fell more than 2 percent and the Dow Jones industrial average fell almost 1 percent.

But the damage was far worse in some other parts of the world. Trading at the Colombian stock exchange was briefly halted after its benchmark index fell more than 10 percent. Mexico's benchmark stock index fell 4.3 percent, its biggest one-day decline in more than 3 years. Markets in India, Brazil and Hungary also tumbled.

Emerging markets had enjoyed a strong surge in recent years because low interest-rate policies around the world pumped cheap money into the global economy, analysts said.

''Global liquidity has helped drive a lot of these risky assets,'' said Larry Adam, chief investment strategist at Deutsche Bank Alex Brown. ''And now you are seeing this flight to quality,'' including cash and investments in developed countries, he said.

At first glance, stocks in the United States and Western Europe do not appear to have benefited from the emerging-market retreat, but money coming out of emerging markets may be helping to cushion the blow, Mr. Adam said.

Yesterday's sell-off started early and gathered pace throughout the day. Some analysts suggested that a major catalyst was a speech by the president of the Federal Reserve Bank of Cleveland, Sandra Pianalto, in which she said that inflation was higher than her ''comfort level.''

Ms. Pianalto was the latest Fed official to express concerns about inflation in the last several days, a drumbeat that many investors think is a not-so-subtle message that the central bank will raise short-term interest rates, now at 5 percent, at its next meeting on June 29. Earlier, the Fed had indicated that it might pause in its two-year campaign of raising rates.

The Fed is ''adding to a little of this hysteria that is building,'' said James W. Paulsen, chief investment strategist at Wells Capital Management.

To be sure, Ms. Pianalto, who is one of the 11 officials who vote on Fed's interest rate