analysis she needs to receive clear answers for her health care.

I get information from those who run businesses who talk about the fact that they are going to have to lay off employees. The list goes on and on and on. As they talk to me about what they think we should do, they have all the same commonsense ideas people across America are also coming forth with. We here in the Senate, I hope, are going to be debating a robust, full agenda of ideas about how to deal with this crisis. We will have a tremendous amount of ideas coming forward from Idaho. I told my constituents that I would get their ideas and their positions put into this debate. I am putting every one of those e-mails into the CONGRESSIONAL RECORD. I am going to talk about those e-mails and the responses and the ideas of my Idaho constituents in the debate as we move forward.

Another thing that is coming through loudly and clearly in the messages from my constituency is, they believe that the problem we face is largely a result of Congress's failure to enact a rational, meaningful energy policy for this country. Our failure to act is recognized. I believe they are right. I jokingly said in an interview today, when someone said, Congress is responsible for this, I said: It is kind of a national pastime to blame Congress for just about everything. But this time they have it right. This time Congress could have acted years ago, and we would be in a better position.

There is much we can do and need to do. We have an opportunity to do it. The American people, I hope, are watching. I hope they are weighing in heavily with their Senators and Congressmen to make sure that we act and that we don't sidestep the issue.

I think we will have an opportunity to act in the near future. The majority leader has put a bill on the floor that we hope will be coming forward soon that I believe should be a vehicle for a robust debate on energy policy. Unfortunately, this bill deals with only one issue, that of speculation in the futures markets. I want to talk about that for a minute. But my hope is we will have an open amendment process and that ideas about other pieces of the solution can be dealt with. Frankly, there is much more than simply the futures market to look at, as we seek to resolve our problems with the rising price of oil. In fact, it may be that futures market issues are in the lower category of potential results.

Our Federal Reserve Board chairman talked to us yesterday at the Banking Committee about this and said:

> Another concern that has been raised is that financial speculation has added markedly to upward pressures on oil prices. Certainly, investor interest in oil and other commodities has increased substantially of late. However, if financial speculation were pushing oil prices above the levels consistent with the fundamentals of supply and demand, we would expect inventories of crude and petroleum products to increase as supply rose and demand fell. But in fact, available data on oil inventories show notable declines over the past year.

He continues:

> This is not to say that useful steps could not have been taken to improve the transparency and functioning of our futures markets, only that such steps are unlikely to substantially affect the prices of oil or other commodities in the longer term.

One of the concerns I have is that if Congress, once again, looks for a quick fix, says, hey, there is one problem here, there is too much speculation, we will stop that speculation in the futures market, and then we will have solved the oil crisis, then Congress will have once again failed to act in a responsible fashion. We need a rational energy policy.

I like to analogize that to how we would deal with our own investment portfolio. When they invest their own resources, Americans are constantly advised not to invest everything in one asset. Yet the United States has done that in our energy policy. We are far too dependent on petroleum as our source of energy, and we are far too dependent on foreign sources of that petroleum, as we have refused to develop and produce our own resources. We need to have a much more diverse energy policy and a more diverse energy portfolio, where we look at renewable fuels and alternative fuels, nuclear power. Yes, we will have to have a significant amount of petroleum for the future. We will still have a great need for petroleum, even as we seek to diversify. But there are is a lot we can do. Add to that what often is called the fifth source of energy, which is conservation, where we can be more efficient and much more effective in reducing our utilization of energy. Every barrel of oil not used, every kilowatt of electricity not used, is equivalent to one that is produced. We have to become aggressive in looking at these kinds of solutions.

Now, I understand the public is frustrated with the $4-plus price of gas. I understand how appealing and seductive it is to say we can solve this problem if we just address those energy speculators. I actually wish that were possible. But so far, most of the experts are saying that is not the source of the real problem. The underlying problem is one of supply and demand.

Now, there are things, as I said, we can do on the issue of the speculation in the futures markets. There are proposals to work on that, not the least of which is that we need to give the CFTC the authority to conduct the oversight of our futures markets to know what is happening and make recommendations to Congress about what changes, if any, should be made.

One of the first things we can do is to move through this Senate the confirmations of three members of the CFTC who still languish on our docket: Walt Lukken, Bart Chilton, and Scott O'Malia. They need to be moved promptly. If we are going to address the oversight of our futures markets, we need to put the cops on the beat and we need to not only put the members of the CFTC in place, confirm them, but we need to give them the resources for 100 new staff members that we have identified we need so they can aggressively and effectively look at and oversee the futures markets. That type of activity is appropriate.

But there are those who are proposing we do things to our futures markets that can cause great damage, and I am concerned the bill before us will do just that. The bill will not lower energy prices as it now sits because it attempts to address high oil prices but does so in a way that could actually increase volatility and make it harder for American companies to manage higher costs, and those costs will then have to be passed on to consumers.

It also will make it more difficult for companies, such as commercial producers, to hedge against higher prices. It imposes severe restrictions on investors and professional market participants. This means they would not be able to purchase the risk of higher prices from commercial producers who want to pass that risk on through derivative products.

Let me give an example. Let's say there is an oil producer who wants to build a new drilling rig and needs to finance that construction with a bank loan. Let's say this producer needs a $5 billion loan to engage in this new production that could help us. Any lender will insist that this producer lock in the price of its oil for at least 3, probably 5, years to make sure the producer has the cash flow to repay the loan. The oil producer goes to swaps dealers to look for the price of its oil and to hedge its loan for the next 3 years.

If we do not have an effective and smoothly running futures market, then that producer will not be able to effectively hedge the loan and will not be able to essentially obtain the contracts necessary to assure the bank that the producer can deliver on the loan. If the loan is not made, the investment is not made, and the production does not occur.

Those are the kinds of things that could happen if we improperly undo the smooth functioning of an effective futures market in this country.

The bill will also substantially limit the ability of pensions and other investors to protect themselves from higher prices and declining stock prices. It will allow the CFTC to break private contracts, something that I believe is going to be very detrimental in the marketplace.

But the bottom line, as I see it—and I will probably come back to the floor tomorrow to speak in more detail, as we have evaluated this bill more carefully—the bottom line is, even if the futures markets are the reason the price of oil is going up, the United States, simply by banning or regulating futures contracts in the United States, cannot change the conduct of investment in futures globally.