



WASHINGTON, D.C., MARCH 31, 2009—Congressman Frank Lucas (R-OK) participated in the Franklin Center for Global Policy Exchange’s fifth 2009 “Benevolus Series” policy discussions on Wednesday, March 31, 2009, in the Longworth House Office Building. Rep. Lucas has been serving in the U.S. House of Representatives since 1994 and is the Republican Ranking Member of the House Committee on Agriculture, where he’s been a central figure in shaping agricultural policy in Congress. He also serves on the House Financial Services Committee and the House Committee on Science and is a member of the Republican Whip team.

The Congressman opened the session by suggesting that the normal alliance between the Secretary of the Department of Agriculture and the Congressional Agriculture Committees was under some stress, due to the Administration’s proposals on a host of issues: chief among them agriculture subsidies. He said the Committee is currently working on finishing the implementation of the 2008 Farm Bill and he hopes to see all its provisions carried out in a timely fashion. While discussing the legislation, he noted that the Blue Dog Democrat caucus was displaying its independent streak both in Committee as well as on the House floor in terms of the annual budget.

Rep. Lucas is interested to see how the Cap-and-Trade bill will affect agricultural practices.

In the Financial Services sector, the Congressman discussed his own legislation to change accounting procedures known as “mark-to-market” so that they are better able to capture the true value of certain financial assets. Mr. Lucas noted that the old accounting rules led in some part to the “roller coaster ride” of the financial markets, since investors and lenders could not get a clear picture of the value of assets. Though arcane, this accounting change was drawing bipartisan support as a common sense way to help private markets function more efficiently.

Rep. Lucas then turned to the hotly debated limits on executive pay, saying that shareholders, not the federal government or Congress, should make those decisions. Also, since he has always opposed government setting a minimum wage, government should not set a maximum wage either. Speaking more broadly, the Congressman observed that he had rarely if ever seen the government so willing to interfere private sector affairs.

In the question and answer session, Mr. Lucas addressed several different issues:

- Crop insurance -- Mr. Lucas said efforts to tighten payment limitations would be extremely difficult because of the program’s complexity and that so many different types of crops would need to be addressed.
- Trade with Cuba – While noting his opposition to supporting communist nations, Mr. Lucas said he would be willing to consider selling certain US commodities to Cuba under the right conditions. Mr. Lucas expected a dramatic loosening of restrictions on the Cuban government within President Obama’s first term.
- Food safety legislation – The first question was whether the Agriculture Committee would have its own proposal, said the Congressman. Before moving, however, he felt the Committee would wait to see what legislation emerged from other Committees, notably the Energy and Commerce Committee, which has partial jurisdiction over food safety regulation.
- Auto Bailouts – The government’s action to save General Motors (GM) should be of concern to many Americans, since GM’s problems were largely of its own making. Mr. Lucas noted that bankruptcy restructuring may be the best option for the automaker, given its current situation.
- Troubled Asset Relief Program (TARP) – With the private sector being subjected to broader government intervention through the TARP and other government assistance programs, Mr.

Lucas was concerned about how the companies who accepted that assistance would eventually “unhook” themselves from the federal government.

- Economic Recovery -- Rep. Lucas felt confident that the economy would get better and questioned the accuracy of media comparisons of the current economic situation to the Great Depression. He noted that many lawmakers weren't of age during the harsh recession of the 1980s, for instance, which is why today's economy felt like a depression.