Mr. President, I ask unanimous consent to discharge the Judiciary Committee from further consideration of the nomination of Bonnie Campbell, the nominee for the Eighth Circuit Court, that her nomination be considered by the Senate immediately following the conclusion of action on the pending matter, that the debate on the nomination be limited to 2 hours equally divided and a vote on her nomination occur immediately following the use or yielding back of that time.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Is there objection?

Mr. MACK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HARKIN. Mr. President, again, every day I will come out and ask unanimous consent to get Bonnie Campbell's name out of the committee and on the floor for a vote. Yet the objections come from the Republican side of the aisle. Why, I don't know. As I said, no one has said she's not qualified. If someone wants to vote against her to be on the Eighth Circuit, that is that Senator's right—obligation, if it is a vote he or she feels in conscience that he or she must cast. But, again, I say, give her a vote.

The PRESIDING OFFICER. The 10 minutes of the Senator has expired.

Mr. HARKIN. I ask unanimous consent to wrap it up in about 2 minutes.

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

Mr. HARKIN. So it only seems fair and right we bring her out here and have a vote. If people want to vote one way or the other, that is fine. But it is not fair, 217 days.

I will end my comments again by saying the standard bearer of the Republican Party, Governor Bush of Texas, has stated there ought to be a 60-day deadline on judge nominations, in other words 60 days from the day nominated to the time they get a vote in the Senate. I endorse that. Bonnie Campbell has been sitting there 217 days. Let's bring her out for a vote.

I will yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

## ECONOMICS

Mr. MACK. Mr. President, as my colleagues know, I will be leaving the Senate at the end of my term. I want to put a few thoughts on the record over the next few days, depending on the time available.

I have four grandchildren—three grandsons and one granddaughter—Ronnie Elam, Brett Elam, Blake Caldwell, and Addison McGillicuddy. The comments I am going to make today really are from the perspective of thinking about them and their future and the desire to see that they will grow up in a country and in a world where their opportunities will be equal to, if not better than, those of their parents, their grandparents, and their great-grandparents. I want them to have a better understanding when they reach that point when they have their own families.

As people look back on the last several decades of the 20th century, I want, at least from my perspective, to be able to put on the record what I believe happened from both an economic and foreign policy perspective, and from a national security perspective. So that is what my comments will reflect today, my thoughts with respect to economics primarily and some that will reflect my feelings with respect to national defense.

So I would like to talk about economics, a topic that has been one of my passions as a Member of the Congress. Economic policy was the very reason I ran for the House of Representatives back in 1982. As many of us may recall, our country remained in a deep recession at the time, still struggling to recover from the economic policies of the 1970s. Although it was still being phased in, President Reagan's economic program was under attack by our friends across the aisle. But, to me, the Reagan economic program was a bold reaffirmation of the very purpose of America.

Many people have noted the happy coincidence that the year 1776 saw the publication of two of the most important documents in world history, Adam Smith's ''Wealth Of Nations'' and Thomas Jefferson's Declaration of Independence. These works share the theme of freedom. Smith made the case for free trade and unfettered markets, as Jefferson put in words the concept that government exists to protect individual liberty.

These documents rebutted, refined, and transcended the prevailing views of 1776 Great Britain. For over a century, these principles held firm and the United States stood tall as a beacon of hope and opportunity for people from all points on the globe.

Ours was a society without a rigid class structure, a society that promised equal opportunity for all based on individual enterprise and hard work, not government privileges and connections. America had no large bureaucracies intruding upon every sphere of commercial life. We relied on the willingness of individuals to shoulder the risk and responsibility that is part and parcel of private enterprise.

But this distinctly American way was challenged by two worldwide crises in the 20th century. First came the Great Depression. Although gross government mismanagement of the money supply and counterproductive trade policies were the cause of this crisis, government was put forward as the cure. This led to the proliferation of alphabet agencies seeking to steer every aspect of the American economy, as government assumed a new income redistribution role.

The second crisis was the rise of totalitarianism on the European Continent. The United States won World War II, but in the process of saving Europe from one brand of tyranny, an equally evil force came to occupy half of Europe, and the war effort was used as the justification for price controls and economic intervention that was unprecedented in the United States.

The welfare state in America grew by leaps and bounds. Once it was conceded that the Government is the guarantor of income, each successive call for new and bigger programs became harder and harder to resist. At the same time, the consolidation of the Soviet bloc presented the largest threat to freedom in human history, presenting new and costly challenges for America as the beacon of freedom. Exaggerations of Soviet economic success fueled the call for greater Government involvement in the U.S. economy. Over time, high tax rates and regulatory excesses accumulated like barnacles to slow the once mighty ship of American private enterprise.

It is hard for younger Americans to imagine how bleak our Nation's prospects appeared before Reagan assumed the Presidency. Recurrent, simultaneous bouts of high unemployment and high inflation confounded most economists, who viewed the two as a tradeoff. It was thought that to reduce unemployment you had to accept inflation and to reduce inflation you had to accept higher unemployment. Producers and consumers suffered from an energy crisis. And real household incomes were shrinking as fast as ''bracket creep'' was raising everyone's tax bill year after year. The response of the incumbent administration was hardly inspiring—ranging from suggesting ''voluntary'' wage and price controls to preaching that we must learn to live within limits. In short, the American establishment was telling the American people to accept the notion that they no longer controlled their own economic destinies.

Starting in the 1970s, the media aggressively advanced the notion popular in intellectual circles that America's free enterprise system was failing. This view persisted through the 1980s. The best-seller lists were crowded with books telling of the decline of America and predicting that Japan would be the economic juggernaut of the 21st century. Even in the 1992 campaign, Bill Clinton and AL GORE were extolling the virtues of the European economic systems, of social democracy and industrial planning. We hear echoes of this approach today, with candidate AL GORE's Government-knows-best mentality. GORE proposes to micromanage and fine-tune the economy, social engineering through tax credits designed to make people behave the way the Washington bureaucrats want them to—such as buying ''fuel-efficient'' eighteen-wheeler trucks.

Ronald Reagan's ''Program for Economic Recovery'' was the opposite of the Government planning approach advocated by the critics of capitalism. Reagan rejected the idea that policymakers could fine-tune the economy, much less control it from Washington. Instead, he sought to establish a stable environment conducive to economic growth. This meant getting inflation under control, and reducing taxes, regulation, and the size and scope of Government. It meant restoring the incentives for working, saving, investing, and succeeding. It meant opening America to the benefits and challenges of international trade.

Ronald Reagan's economic principles resonated within me. I had seen firsthand the obvious connection between the expansion of Government and our worsening economic performance. When I started in the banking business in 1966, I probably spent 90 to 95 percent of my time engaged in activities that I considered productive—designing new services to attract business, working to increase the market share and profitability of the bank. The rest involved Government paperwork. By the time I left in 1982, this ratio had completely flipped: I was spending 85 to 90 percent of my time trying to figure out how to comply with Government regulations and mandates. There was a constant stream of letters from the Government dictating how we should manage our business, from the Comptroller of the Currency, the Treasury, the FDIC, and the Federal Reserve, on topics ranging from flood insurance to so-called truth-in-lending. I remember a letter that went so far as to tell us the specific temperatures to set our heating and cooling thermostats in our businesses. Some people may have forgotten this level of Government intrusion.

In fact, others may believe it never could happen in a country such as America, but it has. It has happened before, and if we are not vigilant, it could happen again.

I received a letter from Federal Reserve Chairman Paul Volcker detailing which types of loans we could and could not make. To make the example, I could lend a family money to add an additional bedroom to their home. If that same family wanted to add a swimming pool to their home, I was prohibited from making that loan.

To some, this may have made sense if you believed that the Government should be managing consumer demand, but that role made no sense to me.

With my experience in the banking business, it wasn't hard to understand why we as a nation were having difficulty competing around the globe, when we had moved so many of our resources away from productive activities and into trying to comply with Government regulations. Over the years I had come to realize that all the abstract Keynesian theories I was taught in college ignored how the choices and incentives of individuals are altered by government interference in the economy. By failing to account for the real world, those theories in practice had come pretty close to ruining the economy. But along came Ronald Reagan, with a common sense approach that went back to basics—free markets, free enterprise, free trade. Here was a man who had recognized that big Government was a detriment to the economy, a man who approached things from the perspective of freedom as opposed to Government. I shared that perspective and recognized the importance of President Reagan's election. On election night, November 4, 1980, I knew that I had to get involved in this great campaign to restore freedom—but I would have never guessed that, two decades later, I would be standing here in the United States Senate.

Ronald Reagan clearly saw that the problem was too much government, and the solution was more individual freedom. When he assumed the Presidency, we suffered from high inflation and high unemployment. To combat the first, he prescribed reigning in the rapid growth of the money supply, asking the Fed to minimize the damage to the economy caused by high and volatile inflation. The second problem required deep cuts in the high tax rates that were deterring work, saving, and investment. But the Fed delivered tight money a lot sooner than the Congress could deliver the tax cuts, which were phased-in over 3 years. The Fed had overreacted to the stimulus of tax cuts that had not yet arrived, exacerbating the economic downtown, throwing the budget seriously out of balance, and putting the third year of the Reagan tax rate reductions in jeopardy.

In the recession of the early 1980s, the economic policies of President Reagan that inspired me to public service came under attack. In the now famous ''Stay the Course'' campaign of 1982, the President's party retained control of the Senate, minimized losses in the House despite the dire economic times, and preserved the Reagan economic program. We also kept on track President Reagan's defense policies, which were under attack from shortsighted critics who were unwilling to pay the price to ensure our freedom. I am proud that my first campaign was in that fateful year, when President Reagan's detractors stood a chance of putting his programs in jeopardy and I was able to make a stand in favor of his programs.

As I mentioned, the Reagan economic program was my inspiration to run for office. As a freshman, I cut my teeth in the House by circulating a letter vowing support for the President's veto of any bill that tampered with the third year of the tax cuts. After I obtained the 146 signatures necessary to sustain a veto, that threat disappeared, and the Kemp-Roth tax cuts were allowed to work. President Reagan's most dramatic policy change was without a doubt this supply-side tax cut. It seems also inconceivable today that just two decades ago, marginal income tax rates were as high as 70 percent in the United States. It was little wonder that our country was in economic decline, when its most economically productive citizens could keep only a 30 percent share of their additional earnings. These high tax rates not only discouraged additional work and investment at the margin, but also confiscated capital that could have been used for job creation by the private sector.

By cutting income tax rates by 30 percent across-the-board, Reagan restored a large measure of freedom to the American taxpayer—not just the freedom to spend money that would have been taxed away, but the freedom that results when economic decisions are no longer influenced by high tax rates. It was not about the dollars that would have been collected had tax rates stayed high, but the choices that would never have been made because of these high rates—decisions to expand plant capacities or start new businesses, for instance.

President Reagan entered the White House with one paramount spending goal: to rebuild our national defense, since national security is the most fundamental responsibility of the Federal Government. He realized that to provide this desperately needed public good, while cutting tax rates to unleash the productive forces of the nation, required fiscal restraint in the non-defense portion of the Federal budget.

The difficulties that President Reagan had in taming the congressional urge to spend made a balanced budget and tax limitation amendment to the Constitution one of my top priorities when I entered Congress. It also motivated me to be the main House sponsor, along with Dick Cheney, of the Gramm-Rudman Deficit Reduction Act, which worked for at least a few years to hold spending down. Today, as much as ever, I believe some super majority restriction on the ability of Members of Congress to spend taxpayers' dollars is necessary. Unless taxes are cut to keep the revenues from flowing into Washington, the trillions of dollars of surpluses that are projected over the next decade will not last—if the taxes are collected, Congress will spend them.

Reagan also initiated a sea change in monetary policy. He did not want the Federal Reserve to manipulate the money supply in an attempt to target interest or unemployment rates. All he wanted was price stability, the elimination of high levels of inflation from the economy. The Fed should not be responsible for the level of growth in the economy—this is the role of the private sector. The best economic environment that the Fed can provide is one in which inflation expectations play a small or almost nonexistent role in long-term planning. Reagan's appointees to the Federal Reserve Board, people like Alan Greenspan, Preston Martin, Manley Johnson, Martha Seger, and Wayne Angell, shared this view and took politics out of monetary policy.

Throughout the Reagan years, the loudest and strongest advocate of stable prices in the Congress was Jack Kemp. Jack would talk tirelessly about the need for ''a dollar as good as gold,'' and his intellectual and political support for this position no doubt influenced President Reagan's selection of Greenspan as Fed Chairman. Alan Greenspan continues to hold sway at the Federal Reserve as part of the Reagan legacy, and his record at containing inflation has set a high standard. As a member of the Senate Banking Committee I have attempted to institutionalize this approach to monetary policy, sponsoring a bill that would make price stability, not economic growth or ''stabilization,'' the goal of the Federal Reserve. Thanks to the monetary policy initiated by President Reagan, this legislation is now a safeguard rather than a necessity.

The prevailing attitude concerning trade has also shifted, thanks to President Reagan—who recognized the fallacy of protectionism. In large part, this was due to his belief in competition and free enterprise. But his attitude was also shaped by his confidence in America. He was neither afraid of foreign competition, nor embarrassed that imports might be preferred over American goods. America, as a nation of immigrants, represents the best that the world can offer. More than any consumer good, the main export of America must be the ideal of political and economic freedom, an ideal that is undercut by trade restrictions.

By signing a free trade agreement with Canada, opening free trade negotiations with Mexico, and proposing the dismantling of agricultural trade barriers in the Uruguay Round of the GATT, Ronald Reagan went on the offensive for trade liberalization. At a time when Japan-bashing was commonplace—when Members of Congress were literally bashing Japanese-made electronics into pieces on the steps of the Capitol—Reagan did not retreat from his basic free-trade principles. The remarkable success of U.S. industries from computers, semiconductors, software, biotechnology and many others over the past 2 decades has vindicated Reagan's belief that American business prospers best in an open and competitive free enterprise environment.

Today, principally as a result of the supply-side policies pursued by the Reagan administration, the U.S. economy is healthy. Both inflation and unemployment are low. Productivity is growing rapidly and incomes are rising.

Any doubts that President Reagan is responsible for today's bounty should be dispelled by considering a few fundamental questions. Would American economic growth be as robust today if the Federal Government still took 70 cents of every additional dollar of income from our most productive citizens? If the typical family was hit with a 49 percent Federal income tax rate on top of an effective payroll tax rate of 14.2 percent?

Would our economy be so strong if we were still suffering from double-digit inflation and interest rates, due to the politicized use of monetary policy to manipulate consumer demand? If the trend of the last 2 decades were toward managed trade, rather than freer trade? Would entrepreneurs and innovators abound if high inflation and high tax rates on capital gains slashed the returns to their risk-taking?

Would the Soviet Empire have fallen if it had not been for the military buildup, diplomatic leadership, and resolute defense of freedom during the presidency of Ronald Reagan? Would our country be as secure as it is today if instead of trading partners, the people of Eastern and Central Europe were still prisoners of the Soviet bloc? If our fellow Americans south of our border were still the potential victims of imported totalitarianism instead of full participants in established democracies?

Our debt to Ronald Reagan reminds me of an exchange mission I once went on, with Tom Foley and Dick Cheney.

It was a congressional delegation that went to France in 1985. On that trip, we spent most of our time in Paris. But for the last several days, we went out to the French countryside. I went to a little town called Le Mans, where I traveled around with my host, Francois, from that district. I learned a lot about what his country was experiencing.

At the end of that tour, we did what many of us would refer to as an old-fashioned town meeting, where I responded to questions from the French audience for almost 2 hours. At the end of the period, I asked Francois if it would be all right if I were to ask the audience a question. And he was gracious in my request, and I asked them: Since I am returning to America tomorrow, I would like to be able to tell other people of the State of Florida what you think about our country.

The first person stood up and said: ''We think of America as a dynamic, growing, thriving, exciting place.'' A second person that stood up said basically the same thing. The third person to address me was a fellow who probably was in his late 70's or early 80's. This fellow was stooped over, his weight being supported precariously on an old, gnarled cane. He came over closer to me, looked me directly in the eyes, and said: ''You tell the people of America that we will never forget that it was the American G.I. who saved our little town. You tell them we'll never forget!''

Well, I feel that way about Ronald Reagan, my political hero, who inspired me to enter politics. America will never forget what President Reagan did for us. He gave us back our faith and renewed our belief in this country. He gave America back its pride. He rebuilt America's defenses. His economic policies reduced taxes, reduced inflation, reduced unemployment. He put America back to work again. He reminded America what made us a great nation—our commitment to freedom. And he won the cold war without firing a single shot.

The citizens of America and the people of the world will never forget.

Mr. President, I yield the floor.

***NOTICE***

***Incomplete record of Senate proceedings. Except for concluding business which follows, today's Senate proceedings will be continued in the next issue of the Record.***