1997, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York? The Chair hears none and, without objection, appoints the following conferees: Messrs. GILMAN, GOODLING, HYDE, ROTH, BEREUTER, SMITH of New Jersey, BURTON of Indiana, MS. ROS-LEHTINEN, and Messrs. HAMILTON, GEJDENSON, LANTOS, TORRICELLI, BERMAN, and ACKERMAN.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each:

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. MALONEY] is recognized for 5 minutes.

[Mrs. MALONEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Ms. ROS-LEHTINEN] is recognized for 5 minutes.

[Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

WE NEED TO INCREASE PRODUCTIVITY AND SAVINGS

The SPEAKER pro tempore (Mr. KIM). Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, a challenge is facing this country, and I think there is excellent news for our future, for families, for wages that give families a decent living, if we make some simple changes down here in Washington.

Washington cannot do everything, and eventually, you know, in this country we are going to have to produce a good product that people around the world in this country want to buy, and we can sell it at a reasonable price.

Government can do some things to make sure that happens.

Think for a moment as you look at tax policies around the world and in the industrialized nations, and I see our chairman of the Committee on Ways and Means here. We in the United States penalize savings and investment more than any of those countries. If you look at what has happened the last decade, we see the United States trailing in savings. Out of every take-home dollar in the United States, we are saving about 4 cents. That compares with about 18 cents in Japan, up to 34 cents out of every take-home dollar saved in South Korea. So we are shy on savings.

Part of it is because we have tax policies that discourage savings, almost penalize savings.

If you look at the investment, the new investment in machinery and equipment over the last 10 years, again we see the United States investing less per worker than those other industrialized countries. So it is not surprising that the result is a lower, slower rate of increase in productivity.

Make no mistake, the United States is the most productive nation in the world, but our rate of increase in productivity is slipping over the last decade. We cannot afford that.

What is happening in this post-cold-war economy is that Eastern Europe, the Asian tigers, are doing everything they can to attract capital.

I was talking to some of the Wall Street financiers 3 weeks ago. They are saying with some of their portfolio funds they are now investing in other countries because they think they might be able to get a higher rate of return.

Look, in this next campaign we are going to be talking about new taxes, we are going to be talking should it be a flat tax, should it be some kind of a national income tax, should it be some kind of a value-added tax? All of those taxes are essentially the same in achieving the goals of encouraging savings and encouraging investment.

The country that attracts that investment and expands the capital in their country is going to be the country that ends up with a higher standard of living. We have got to do that.

Here are some of the things that we can do to increase the savings rate in this country:

We have got to reduce the negative savings that is caused by Government overspending. Government now borrows about 18 cents out of every dollar we spend. That means that if you look at all of the money that was lent out in the United States last year, the Federal Government borrowed almost 42 percent of all of the money lent out in the United States last year.

We remember our lessons in economics. The greater the demand, the higher the price. That is why Alan Greenspan came to our Committee on the Budget and said, ''If you guys can balance this budget, you are going to see interest rates drop between 1.5 and 2 percent.'' That means a tremendous difference in what happens to the economy, it makes a tremendous difference in reducing the price of everything we borrow money for, from cars to homes to college educations.

I would yield to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. If the gentleman will yield, is it not true that on a 2½ interest rate reduction for a $75,000 home over a 30-year period of time, the American consumers, the American homeowners, would save $37,000?

Mr. SMITH of Michigan. Is that not amazing? And I am going to give an example for some folks down in Hillsdale County, where the homes are a little less. If you had a $50,000 home and you ended up having—you had a mortgage that lasted over 30 years, it would reduce the amount of money that those homeowners paid by $30,000.

Think of what would happen if it was a business deciding to invest a half a million dollars in some new equipment or build new machinery. It would reduce the cost of that equipment and machinery, we would end up putting better tools in the hands of the greatest work force in the world; that is, the American work force; and we would see our productivity take off.

I mean, that is why Alan Greenspan followed it up saying, look, if you can do this and interest rates drop, you will see this economy growing like it has never grown before.

THE SHADOW OF CRIME OVER AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. CHRISTENSEN] is recognized for 5 minutes.

Mr. CHRISTENSEN. Mr. Speaker, a long shadow is falling over America. Slowly the shadow is blotting out the sunny streets and parks where children play. It is blocking out the moonlight where couples walk. It is even blocking out the warm welcoming glow of our houses at night.

That shadow is crime, and after many years of thinking it could not fall on the quiet communities from which we have come, it has. The violence that trails gangs and drugs like a vicious dog drove homicides in my city of Omaha to an all time high in 1995. There were 41 killings last year in Omaha, 8 more than in 1994. Omaha's police made nearly 20 percent more juvenile arrests in 1995 than in 1994. And the shadow even claimed the life of one of our brave men in blue.

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Many of our districts may have been free from the worst of crime for many years, but now we must turn and face the shadow, and drive it back.