higher interest rate charges on their indebtedness. Will there be a debate about it? No. Will it be public? Will it be a democratic system? No. It will be done in secret, just as everything else is done in secret. That is why this story talks about the FBI being called out in other circumstances to find out who leaked information about what is happening at the Fed.

Why ought it be a crime to leak information? The American people ought to have information about what is happening in monetary policy. We ought to disinfect the Federal Reserve Board by opening the doors and providing some sunlight into their process, so the American people can become, at least in some minor way, a part of the process in determining whether this country ought to have higher interest rates.

I simply want to point out how incredible this story is, written by John Berry. John Berry always writes stories from the institutional side of the Fed. I do not know, if he stepped back, six or eight paces away, he would see the absurdity of this institution which is now a dinosaur, the last remaining dinosaur in Washington operating in secret behind closed doors with those who are coming from around the country, hired by their boards of directors in the regional Fed banks—the boards of directors are local bankers—coming to Washington, DC, to make public decisions about interest rate policy that all Americans will be confronting.

This obviously commends a much longer discussion than this. But next Tuesday the Federal Reserve Board, if it is thinking straight, will decide to just say no to higher interest rates.

Inflation is down one-tenth of 1 percent, announced last week. You can almost find no inflation in this economy. It is down 5 years in a row. Unemployment is down to 5.1 percent. The models that the Federal Reserve Board use simply are not working. They have always felt you cannot have lower unemployment because lower unemployment would mean higher inflation. Now they are scratching their heads, wondering how is this happening? How is it that unemployment has come down to 5.1 percent and there is no new inflation?

If the Fed would open its doors and send some of its folks around the country to talk to real people, they will find wage earners know what the Fed has not known for the last two decades. Wage earners know wages have not been going up, they have been going down. The pressure to create more inflation from higher wages is not happening in this global economy. The global economy and circumstances of our participation in it are pushing wages down, not up. It is time the Fed changes its models or goes out and talks to real American people about this and maybe they would come to the right conclusion next Tuesday.

FEDERAL JUDGES

Mr. DORGAN. One point about Federal judges. We are nearing the end of this congressional session. Some of us believe this Congress ought not adjourn until the majority party does for us what we did for them—yes, even in election years—and that is clear off the calendar and clear through the committee, judges, Federal judges that have been appointed by this President. The fact is, the record is not good. We have seen stutter-stepping and stalling. Some of us are going to decide, one of these days, nothing more is going to happen in this Senate until those many judges out there waiting for confirmation by this Senate are brought before this Senate for a vote.

DEFENSE POLICY AND DEFENSE SPENDING

Mr. DORGAN. Now, having said that, and there will be more discussion about that in future days, I want to turn just for a moment to the discussion we have seen on the floor of the Senate now for 45 minutes this morning.

Senators have every right to come to this floor and talk about defense policy, and the Senators who came are Senators for whom I have great respect. But I have real disagreement with those who would leverage the issue of American troops going in harm's way to the Persian Gulf this morning, leaving their loved ones because the Commander in Chief and our military people feel it is necessary to send them to the Persian Gulf. I have real concern about those who would leverage that with criticism of the President for his defense budget proposals just weeks before an election, in an obvious attempt to try to find a way to undermine President Clinton on this Senate floor. But it not only tries to pull the rug out from under President Clinton, I think it sends all the wrong signals at this moment as this country prepares to confront foreign policy initiatives that are serious.

The discussion on the floor is, ''President Clinton wants to cut defense spending.'' Let us look at the record just for a moment. Oh, the President has cut some in defense. I will give you an example of what he cut, he and Vice President GORE. There was a 16-page regulation on how to buy cream-filled cookies at the Pentagon. They cut that. It does not take 16 pages of regulations anymore to buy cream-filled cookies because this administration said that does not make any sense. That is nuts. Let us streamline all that.

They tried to buy $25,000 worth of ant bait to kill ants. It took them months and dozens and dozens of pages of regulations and forms. They cut that.

So, has the President wanted to cut some in defense? Yes—unnecessary regulations, unnecessary bureaucracy. It is about time. We ought to commend them for that, not criticize them.

Now, on the question of spending, what was sent to this Congress from the Defense Department? A budget. The cold war is over. The Soviet Union does not exist. And from the height of the cold war we are now spending less than we were spending then. Does anyone in this country think that we ought to spend now as much on military preparedness and defense as we did at the very height of the cold war? Does anyone believe that? Of course not. We are not at the height of the cold war. Things have changed. Defense spending has come down some—not a great deal, but some. So what is the debate?

The debate is this. The Pentagon prepares a budget. The uniformed personnel, the service Secretaries going through the White House, they prepare a budget, send it to the Congress, and they say: Here is what we think, as an Army, Navy, a group of Marines, and the Air Force, here is what we think is necessary to defend America. Here is what we think we must build, what we must spend. Here is what we think we must accomplish to defend America.

That budget came to this Congress, giving us the best recommendations of those who wear our uniform in this country, the generals and the admirals, the service Secretaries, saying here is what we want to defend America. But when it got here it was not enough. We had folks in this Chamber saying, ''You know, we think you are dead wrong. It is true we are the folks who stand up and boast every morning about how much we want to cut Federal spending, but we think you are wrong. We think, Mr. and Mrs. Pentagon, over there in that big building, we think you ought to spend $13 billion more. We think you ought to buy more trucks, more ships, more planes, more submarines. We think you ought to spend more money because we think you are wrong.''

Everybody has a right to his or her opinion on what it takes to defend this country. Everybody has a right to stand up and talk about that. I do not deny that. But I would like to talk about a couple of the specifics, because I think in many respects this has a whole lot more to do with politics than it has to do with policy. It has a whole lot more to do with elections than it has to do with the defense of this country. I want to run through just a couple of charts, because I think it is instructive on this issue.

One of the big items we have been debating is the issue of star wars. I know they do not like to call it that, but star wars. There is a proposal called the Defend America Act. Who on Earth can be opposed to defending America? The Defend America Act is to build an astrodome over America, an astrodome effect that would prevent missiles from coming in and hitting our country. We have already spent somewhere around $99 billion on research and development on missiles. We have built one ABM site—incidentally, we built it in my State. It was declared mothballed the very month it was declared operational, after the equivalent of today's $25 billion was spent on it. But we have people saying that it does not matter what the cost is, we need to build this.