directly benefits families grow impatient with debates that lack plans of action.

"We shouldn't let people get away with talking about it without making them put some meat and bones on the issue,' said Ms. Yoest of the Family Research Council. "I think both parties are trying to do that (talk of family values) to make people believe they're for God and country.'

The research council, which takes the position that the preservation of marriage is essential to saving the family, publishes a long list of legislative and policy recommendations.

Among them: young-child tax credits, stiffer child-support enforcement, removal of disincentives to marry in welfare rules, mandatory waiting periods for divorce and laws that provide long-term re-employment privileges to parents who quit their jobs to care for young children.

Although many specifics remain unaddressed, Ms. Yoest said she is "very, very pleased' to see the subject of families raised to such a high profile in this campaign.

"This is a huge sea change,' she said.

But it's not the first time a president has urged families to, in Mr. Bush's words, "stick together.'

Another modern president, talking to federal workers, said: "Those who are living in sin, I hope you will get married. Those of you who have left your spouses, come back home. Those of you who don't know your children's names, get to know them.'

The speaker -- whose name was among the most reviled at this month's Republican convention -- was Jimmy Carter.

HEADLINE Treasury's debt policy a rating game
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Suppose your banker loved you and offered you a choice of two interest rates: You could borrow at 3.5 percent or 7 percent.

Which would you choose? Right. The less it costs, the better. That's what you and I do if we have a choice.

The U.S. Treasury works differently. They pay as little as 3.2 percent for some money -- and as much as 7.4 percent for other money.

Reasonable doubt

* Campbell R. Harvey, an associate professor of finance at Duke University's Fuqua School of Business, wonders why. Observing the record spread between short- and long-term interest rates, he thinks the Treasury should be borrowing short and paying 3.2 percent rather than borrowing long and paying 7.4 percent.

This is not a matter of academic persnicketiness. In Mr. Harvey's view, a new Treasury policy for debt would not only save the Treasury billions in interest payments, it also would serve to bring long-term interest rates down and stimulate the economy.

"The short-term rate policy (of the Federal Reserve) has been a failure as a tool to take us out of recession. The reason is that capital investment is tied to long-term rates. So is consumer credit. And mortgages,' he said recently. "What we have to do is bring down long-term rates. In the recent Humphrey-Hawkins hearings, Federal Reserve chairman (Alan) Greenspan showed significant frustration. He had lowered short-term interest rates dramatically . . . but the economy isn't responding.'

In fact, while most investors gasp at the decline in short-term rates, long-term rates have fallen very little. A comparison of yield curves confirms the modest fall in long-term rates relative to short-term rates.

Lower math

According to Salomon Brothers, a major New York investment banking firm, three-month Treasuries were yielding 5.52 percent in early August 1991 but were yielding 3.22 percent at the same time this year, a drop of 230 basis points. The decline in 30-year bond rates has been far more modest, only 76 basis points. (Please see Table 1 on Page 9H.)

The unprecedented fall in short-term rates has created the steepest yield curve in history -- steeper than any since measurements started in 1857.

That's right. 1857.

A recent study by the Leuthold Group, an institutional investment strategy firm in Minneapolis, showed that the median spread between short-term commercial paper rates and long-term corporate bond rates from 1857 to the present was only 42 basis points. The spread on July 31 was 470 basis points, the highest in any three-month period since 1857.

Message?

In more normal times, it does not cost the Treasury much to borrow some money long term and some money short. But these are not normal times: The Treasury is paying a massive premium to borrow long.

Mr. Harvey offers an alternative.

"My idea is that we can bring down long-term rates and stimulate the economy very easily,' he said. "All the Treasury has to do is tilt the maturity structure of the debt -- offer more in the short term.'

I asked what he met by "tilt,' and he explained that about $600 billion in Treasury bills (maturities of one year or less) would be renewed in the next year; $320 billion in notes and bonds; and $400 billion in new debt, a total of $1.3 trillion.

Normally, the Treasury would cover that by issuing $700 billion in new bills and $620 billion in new notes and bonds at higher interest rates. As an alternative, he suggested they issue $850 billion in bills, $250 billion in one- and two-year notes, and only $220 billion in longer notes and bonds.

Mr. Harvey estimates that the interest savings on shorter maturities, alone, would be $12 billion a year. More importantly, he believes, the reduced supply of long-term bonds will work quickly to bring down long-term interest rates and stimulate the economy.

"What the Fed is doing is inconsistent with belief in a low, long-term inflation rate,' he said. "If you believe in low inflation, you should finance short. As soon as they announce a policy shift (toward short maturities), interest rates will be affected. Long-term rates will go down.

"If they tilt the maturity structure to short term, it is a disincentive to inflate. That's policy consistent. Right now, it's not consistent.'

If consumers and corporate America aren't benefiting from lower short-term interest rates, who is?

"The primary beneficiary (of the current situation) is the banks,' he said. "The banks can make money simply by buying Treasuries. But it has not benefited the consumer.'

Skeptics should consider the yield curve above. If a bank can take in deposits at 3.22 percent and reinvest the money in, say, five-year Treasury notes earning 5.68 percent, they will earn a spread of 246 basis points.

That's more than enough to run a very profitable bank -- once you terminate the loan department. That is exactly what has been happening in the last year.

@Art: CHART(S): The Longer They Are, The Shorter They Fall
(SOURCE: Salomon Brothers)