of the implied threat to Israel of their forward positions.

In the most recent redeployment, which took place just last week, special forces were moved to forward positions on the Syrian side of Mt. Hermon. These movements are most disturbing and significantly change the military picture. It was a similar force which captured an Israeli outpost on Mt. Hermon in 1973. They were only dislodged after heavy loss of life.

Mr. President, an editorial published in a recent Near East report outlines the threat to Israel of these recent Syrian actions.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TROUBLING SYRIAN TROOP MOVEMENTS

For several weeks, Syrian troops have been moving from the Beirut area to Lebanon's Bekaa Valley, close to Israeli positions on the Golan Heights. The New York Times (Sept. 18) said Israel and the U.S. are particularly concerned about the movement of crack Syrian commandos near Israeli listening posts on Mount Hermon, given that the 1973 Yom Kippur War began with a Syrian commando attack on Mount Hermon.

In its September 18 lead story, Ha'aretz reports that an intelligence assessment (presented in recent days to Prime Minister Netanyahu against the background of the troop movements) says that, while there are no signs indicating an immediate outbreak of hostilities, ''the probability of war with Syria is no longer low.'' (In recent years, IDF intelligence assessments have said there is ''a low probability'' of such a war.)

The biggest military advantage Syria could gain from the latest troop movement would be a reduction in the time needed to move from a defensive to an attacking posture. ''The main concern is not that the Syrians will try to attack the Galilee, but will try a quick capture of some key point, like Mt. Hermon. This evaluation is based largely on the nature of the Syrian forces sighted in the area: special commando units trained to engage in swift raids,'' wrote Ha'aretz intelligence expert Yossi Melman (Sep. 18).

While the Syrian movements are troubling, their significance should not be exaggerated. Israel and Syria have reportedly exchanged ''pacifying messages'' aimed at heading off a confrontation. Foreign Minister David Levy and U.S. Ambassador to Lebanon Richard Jones are said to be involved in calming things.

''I don't see anything particularly alarming in the redeployment,'' Jones said, adding that a military confrontation between Syria and Israel'' seems pretty far-fetched'' (Reuter, Sep. 17).

Prime Minister Netanyahu told the Knesset Foreign Affairs and Defense Committee: ''Syria's intention is evidently to put psychological pressure on Israel and its new government. And, when pressure is applied to you, the main thing is don't get pressured.''

Syria's bullying tactics come at a particularly inopportune time—just as Washington and Jerusalem have been working tirelessly to arrive at a new formula for resuming Israeli-Syrian talks. Damascus would do well to jettison the questionable threats and troop movements in favor of re-engaging in serious negotiations with Israel.

BALLISTIC MISSILE DEFENSE

Mr. INHOFE. Mr. President, if I can address one other subject very briefly since we are coming to the end of this session. I noticed an article in the current Reader's Digest. I happen to be one who has such respect for the Reader's Digest.

I was involved with a story 2 years ago with them. It took them 9 months to write the story. Everything is authenticated and documented in a way I don't know any other publication would equal. They were talking about ballistic missiles that increasingly will be used by hostile states and is a real serious problem.

We have stood on the floor of this Senate over and over and over again to try to address this problem, to make the people of America aware that we are probably in a more threatened position today than we have been in this country's history. They point out some things I had not thought about, putting it in proper context.

They said there are five reasons why the Nation must take steps to defend itself:

First, the ballistic missiles are proliferating. More than 20 nations are in the ballistic missile club, as they call it. Others are knocking on the door. This is something we have been saying over and over again. In fact, it has been 2 years since the former CIA Director, the first one under President Clinton, said that we know of somewhere between 25 and 30 nations that currently either have developed, or are in the final stages of developing, weapons of mass destruction, either biological, chemical, or nuclear.

This former CIA Director identifies five nations—Libya, Iraq, Iran, Syria, and North Korea—whose aggressive programs to arm missiles with nuclear, chemical, or biological weapons could threaten the United States.

The second thing they talk about is that missile range and accuracy are increasing rapidly. I suggest, Mr. President, that the reason for this is partly our fault because of what we have done in satellite technology.

I had occasion to become the first Member of Congress to fly a small airplane around the world a couple of years ago. I used that satellite technology. I never lost the satellite all the way around the world. Because of that, there is no way of guarding against other uses, and that means, through our global positioning system, other nations have incredible accuracy, and this is something that has to be taken into consideration.

The third point is warheads of mass destruction are within reach of many new missile powers.

We were shocked when we found out and discovered at the end of the gulf war that Saddam Hussein had a huge biochemical arsenal. Hundreds of tons were destroyed by the U.N. observers. We have no way of knowing where else in the world this could be happening.

The fourth point is, defense against ballistic missile attack is a practical reality. It is for political, not technological, reasons that the U.S. Government has chosen not to build a missile defense. I think that is very significant.

We not long ago debated the START II Treaty and we did, in fact, approve that from this body. I think I was the first one, the only one, who voted against it until later in the vote when three others joined. My argument was we were going back to accepting the confinements and restrictions that were imposed upon us in the 1972 ABM Treaty, which at that time didn't make sense to me, but it made more sense than it does today, because that was a bilateral treaty with a country that no longer exists, which says, ''If you don't defend yourself, we will agree not to defend ourselves,'' therefore, that is a policy that offers some security.

I never really believed it did. However, it is now pointed out by more and more people that that policy was flawed initially and certainly is not one that today makes any sense. In fact, it was Dr. Henry Kissinger, who was the architect of the ABM Treaty in 1972, who said, ''It is nuts to make a virtue out of your vulnerability.''

So that is our posture today, where we are. The last thing they said is the longer we wait, the less time we may have.

We had an NIA estimate not too long ago, a national intelligence estimate, that many of us felt was flawed in many ways. I think it told the President what the President wanted to hear. It came to the conclusion that there is no threat out there for the next 15 years. I think there are many problems with this. First of all, they talk about the continental United States. I agreed with James Woolsey the other day when he said the last time he checked, Hawaii and Alaska were part of the United States.

The article also points out that it fails to mention that both Russia and China have ICBM's right now that have the capability of reaching the United States, along with the weapons of mass destruction.

I remember President Clinton saying in the House Chamber during his State of the Union Message that there is not a single Russian missile pointed at America's children. The head of the Russian strategic missile forces told CBS news on ''60 Minutes'' that his ICBM's could be retargeted in a matter of minutes. I think it is a great disservice to the American people for the President to try to imply that the threat is not out there.

Mr. President, many of the people in the intelligence community throughout the world have said that the United States of America is facing a greater threat today than we have faced since the Revolutionary War. I am deeply distressed that the President has been able to convince many of the American people that the threat is not out there, and I intend, certainly during this recess, to do all I can to be, if nothing

more than a one-man truth squad, to get the American people to understand the real threat that is facing us today.

Mr. President, I ask unanimous consent that the missile defense article entitled ''Defenseless Against Missile Terror'' be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Reader's Digest, October, 1996]

DEFENSELESS AGAINST MISSILE TERROR

(By Ralph Kinney Bennett)

''Ballistic missiles can and increasingly will be used by hostile states for blackmail, terror and to drive wedges between us and our allies.''

This warning, delivered to Congress last spring by R. James Woolsey, former director of the Central Intelligence Agency, had a particular immediacy. Just weeks earlier, China had threatened Taiwan by test-firing missiles off Taiwan's shores. In a not-so-veiled warning against interference, China reminded a former U.S. diplomat that Los Angeles was within reach of its nuclear-tipped intercontinental ballistic missiles (ICBMs).

Ballistic missiles are becoming a dangerous factor in international relations, but the United States has yet to deal fully with the threat. Here are five reasons why the nation must take steps to defend itself:

1. Ballistic missiles are proliferating. More than 20 nations are in the ballistic missile ''club.'' Others are knocking on the door. Although the United States stopped exporting ballistic missiles over two decades ago, Russia, China and North Korea eagerly peddle their rockets—often in the guise of aiding ''space programs.''

Pakistan, which has been developing its own ballistic missile, the Hatf, has reportedly acquired 30 nuclear-capable, medium-range M–11 missiles from the Chinese to counter India's growing missile force. Saudi Arabia owns Chinese CSS–2 missiles. Iran has added Chinese CSS–8s, a front-line ballistic missile, to its considerable arsenal of Soviet-made Scuds. There has even been a report that Peru, smarting from past reverses at the hands of its neighbors, entered into negotiations with North Korea last year to obtain ballistic missiles.

The CIA identifies five ''rogue nations''—Libya, Iraq, Iran, Syria and North Korea—whose ''aggressive'' programs to arm missiles with nuclear, chemical or biological weapons could threaten the United States.

There are indications that Libya is seeking to buy ballistic missiles from North Korea . Iraq, whose Scud rockets rained down on Israel and Saudi Arabia in the Gulf War, is rapidly rebuilding production facilities to turn out an upgraded Scud called the El-Hussein.

In North Korea, scarce financial resources are being lavished on long-range Taepo Dong missiles. Intelligence sources in South Korea report that within five years, these rockets may be able to reach all of the western, and much of the central, United States.

2. Missile range and accuracy are rapidly increasing. By strapping on booster engines, countries can turn shorter-range missiles into multi-stage rockets—vastly increasing attack distance.

In December 1989 intelligence officials were astounded when Iraqi missile scientists successfully tested a powerful rocket bolted together from five Soviet Scud engines. Iraq's ballistic-missile research and development facility at Mosul was destroyed during the Gulf War, but it has been rebuilt and expanded. North Korea and China are also creating ''hybrid'' long-range missiles from rocket components. Moreover, experts add, China is going all-out to make its CSS–4 ICBM capable of carrying multiple nuclear warheads.

One problem for missile neophytes—accuracy—may have been inadvertently solved by the United States. Our Global Positioning System (GPS) uses an orbiting satellite network to provide an exact location fix on earth. Originally a U.S. defense program, GPS is now routinely available to anyone—including foreign governments.

Former CIA Director Woolsey explains that within a few years, GPS could give ballistic missiles such pinpoint accuracy that even with nonnuclear warheads, they would have immense destructive power. GPS could make it feasible, Woolsey warns, ''for Saddam Hussein to threaten to destroy the Knesset (the Israeli parliament) or for Chinese rulers to cause a Chernobyl-like disaster at a Taiwanese nuclear-power plant.''

3. Warheads of mass destruction are within reach of many new missile powers. The Grail for those building mass-destruction weapons is a ''deliverable'' nuclear warhead, one that is small enough and sturdy enough to be launched by a missile. Designing one requires technical sophistication and immensely complex calculations, which is why high-speed supercomputers are vital to advanced weapon designs.

Thus, national-security experts were dismayed when the Clinton Administration relaxed supercomputer export guidelines. Since then, U.S. computers capable of bomb design have gone to China and Russia. U.S. officials claim they will keep close track to ensure the technology is used only for civilian purposes. But as Stephen Bryen, a former Pentagon official and an expert on strategic technology transfer, notes, ''It is absurd to believe that in a country bent on developing high-tech weapons, supercomputers will not end up being used by the military.''

Meanwhile, countries such as Iran, Iraq, Libya and North Korea have not ignored the path to a big bang on the cheap: chemical and biological weapons. Pound for pound, poison gas and such deadly germs as anthrax can have the same mass-killing power as a nuclear bomb.

A chilling discovery at the end of the Gulf War was Saddam Hussein's huge biochemical arsenal; hundreds of tons were destroyed by U.N. observers. During the war, according to Gen. Hussein Kamil Hasan, Saddam's son-in-law, Iraq got as far as filling warheads with deadly germs such as the cancer-causing aflatoxin.

4. Defense against ballistic-missile attack is a practical reality. It's for political, not technological, reasons that the U.S. government has chosen not to build a missile defense. One of the first anti-missile weapons, the Nike-X, was ready by the early 1960s. But, partly as a gesture of good intentions toward the Soviets, then-Defense Secretary Robert McNamara refused to deploy it.

This restraint culminated in the U.S.-Soviet Anti-Ballistic Missile (ABM) Treaty of 1972, which limited both countries' defense systems. Although the Kremlin repeatedly violated the treaty by enlarging its ABM system to protect greater portions of the Soviet Union, by 1976 the United States had closed its sole missile-defense facility in North Dakota.

Only when President Ronald Reagan revived interest in an effective defense against ballistic missiles did funding pick up, and the United States went on to make astounding leaps in technology. The Reagan effort pointed to what is acknowledged to be the most elegant and effective technique for killing ICBMs—space-based sensing satellites and interceptor weapons (either lasers or rockets) that find and destroy missiles at their most vulnerable stage: shortly after launch. The space-based system would be augmented by ground-based, hyerfast anti-missile interceptors to ''clean up'' any remaining missiles or warheads.

In 1993 a panel of scientists assembled by the American Institute of Aeronautics and Astronautics (AIAA) reviewed a ballistic-missile defense system. The AIAA found ''no technical barriers to the development and deployment'' of a workable missile defense.

5. The longer we wait, the less time we may have. In November 1994, President Clinton issued Executive Order 12938, declaring missile proliferation to be a ''national emergency.'' However, every Congressional effort to build a defense against attack has been vetoed by the President or thrown into a limbo of ''further research.''

A secret National Intelligence Estimate, prepared for the President last November declared flatly: ''No country, other than the major declared nuclear powers, will develop or otherwise acquire a ballistic missile in the next 15 years that could threaten the contiguous 48 states and Canada.''

Intelligence experts immediately pointed out the report's flaws. It virtually ignored Alaska and Hawaii (''They're part of the United States last time I heard, '' says Woolsey); also, it brushed aside existing Russian and Chinese ICBMs and the threat of instability in, or accidental launches from, those countries. At least one freak launch of an armed Soviet missile during routine maintenance has been reported.

President Clinton has said ''there is not a single Russian missile pointed at America's children.'' We have no way of verifying this—nor would it mean much, if true. Gen. Igor Sergeyev, head of Russia's strategic missile forces, told CBS News's ''60 Minutes'' that his ICBMs could be retargeted in ''a matter of minutes.'' Indeed, another Russian general told Tass news agency last June that a multiple warhead test just conducted was the 25th launch in the past four years.

The Clinton Administration's missile-defense policy rests on two slim pillars. One is the U.S. intelligence program—which, says the report to the President, will spot missile programs ''many years before deployment.'' But Los Alamos National Laboratory physicist and missile expert Gregory Canavan points out that intelligence analysts were completely surprised by Iraq's big 1989 missile test. Analysts also thought Iraq was five years away from building a nuclear weapon; documents and equipment uncovered after the Gulf War showed Iraq was about two years away.

The other pillar of the Clinton defense is the ABM treaty. However, this agreement—negotiated with a national entity that no longer exists—does not reflect the spread of ballistic missiles to dozens of nations around the globe. By bending over backward to comply with the treaty, the United States has purposely blunted what small air defense it has. This may already have cost American lives.

On the night of February 25, 1991, in the midst of the Gulf War, a Scud missile was fired from Iraq. The launch was picked up by American surveillance satellites, which computed the missile's speed and direction. The pooled information revealed the target area—Dhahran, Saudi Arabia, where American forces were stationed.

This vital information was transmitted almost instantly back to earth—but not to Dhahran's two batteries of Patriot missiles, upgraded anti-aircraft weapons intended to provide battle-zone missile defense. Because of concerns about ABM treaty compliance, the data went to the U.S. Space Command headquarters near Colorado Springs, Colo.

There, analysts were supposed to evaluate the information and send it on to Saudi Arabia—a time-consuming process in the short life of a launched missile.

On that night, analysts were so unsure of the data that they didn't even phone a warning to the Patriot batteries. There was no attempt to intercept the missile, which hit a temporary barracks, killing 28 GIs.

Surveys show that the public believes the United States can ''shoot down'' incoming missiles. But if an ICBM were fired at the United States today, here is what would happen:

A vast network of reconnaissance satellites would detect the launch, compute its speed and predict its trajectory and approximate area of impact. Ground-based radars would track it. Then . . .

Nothing.

Untold numbers of Americans might die from a nuclear, chemical or biological strike.

Surely, no treaty, no faith in our ability to see over the political and technological horizon, should be allowed to stand in the way of a missile defense that would prevent this horrible outcome.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask unanimous consent that I be allowed to proceed in morning business for 15 minutes.

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

MEDICARE PROGRAM

Mr. CHAFEE. Mr. President, I want to take a few minutes this afternoon to discuss the Medicare Program. Restoring solvency to the U.S. Medicare Program is the greatest domestic challenge that the Congress will face when we reconvene in January 1997.

The Medicare Program is in deep trouble. The latest report is entitled, ''Status of Social Security and Medicare Programs, a Summary of the 1996 Annual Reports.'' This is submitted by the trustees of the Medicare Program and the Social Security Program. I will restrict my remarks to the Medicare Program.

According to this report, the hospital insurance trust fund—that is the program that pays for the hospital bills for individuals on Medicare—will run out of money by the year 2001.

How far away is 2001? That is 4 years from this coming January. The trust fund is currently spending more money than it receives in revenues. Even now, more money is going out than is coming in.

According to a recent report, this shortfall is increasing at a rapid rate. The trust fund lost more than $3 billion—I would like to repeat that, Mr. President—the trust fund lost more than $3 billion in the month of August, according to the Treasury Department. That was a loss twice as high as the deficit occurred in August, 1995.

The Medicare part B program—what I have been discussing up to now is the part A program, the hospitalization. The part B program, which pays doctor's bills for our senior citizens, faces equally dismal fiscal problems. Unlike the hospitals' insurance program, this part of Medicare is voluntary. Retirees choose to participate. They then pay premiums into the system. And the premiums then go toward paying their doctor's bills.

However, the premiums paid by the participants in the part B program fall far short of paying for the cost of the program. When the program was set up it was never designed that the premiums that the retirees pay would cover the cost of the part B program, namely the doctor's bills. It started out that the individual's premiums would pay 50 percent of the cost of the program and the other 50 percent of the cost of the program would come from the general fund of the United States, from ordinary tax and other revenues that go into the general fund. That was 50–50.

Currently, by law, only a fourth of the program's costs are covered by the premiums. Twenty-five percent now is covered by the premiums that are paid by the beneficiaries. The remaining 75 percent is paid for from general tax revenues. In other words, Mr. President, we have the strange situation as follows. Income taxes paid by factory workers, or the secretary in some office, or the janitors sweeping the floors and waxing the floors, their income taxes pay 75 percent of the doctor's bills for our seniors. And this is true regardless of whether the senior is somebody living on a very modest income or a multimillionaire. So multimillionaires who are retired, on Medicare, have three-fourths of their doctor's bills paid by ordinary citizens, scrimping away, paying dutifully their income taxes.

The part B expenditures have been increasing at a rapid rate for many years, and are projected to nearly triple as a share of the Nation's economy by the year 2020. In other words, these costs are escalating as part of the total expenditures in our country. They are going up and up and up. And they will triple some 25 years from now.

Because the general fund pays 75 percent of these costs, as just outlined, the Medicare Program will drain an ever increasing amount of resources away from other important Federal programs. The more that goes out into this program for doctor's bills paid by the general fund, the less there is in the general fund to pay for education, and health care, Head Start programs, crime prevention, FBI, whatever it might be.

Early next century, starting in 2000, just some 4 years from now, the baby-boom generation will begin to reach retirement age and, as a consequence, start to demand benefits from the Medicare Program. They will reach 65. They will want what others have. The current Medicare Program, however, will be unable to meet those demands. It is essential that we begin to reform Medicare next year. We cannot wait any longer. So the changes we put in place can be instituted over a relatively long period. The longer we wait, the harder it is to institute the reforms that are necessary under Medicare.

If we make these changes starting next year, it will have two important benefits. It will allow future retirees to plan for the new system, in other words, if there are going to be changes then those about to retire can make some plans; and, second, as I mentioned before, it will provide some lead time so that the savings needed to restore solvency can be achieved.

It is also imperative that any reform of the Medicare Program be done on a bipartisan basis. The political stakes are simply too high for this program to be left at one party or the other's doorsteps. We have to be in this together. All of us, Democratic and Republican Senators, are going to have to take difficult votes on Medicare if the program is going to survive. Both parties, away from the campaign trail, do now recognize the need to reduce the Medicare spending.

For example, the President's last balanced budget proposal included reforms to Medicare that would have yielded $124 billion of savings over 6 years. That was the President's program, $124 billion of savings over 6 years. The final Republican plan proposed savings of $168 billion. The President's savings, $124 billion; the Republican final plan, $168 billion. Obviously, there is a figure somewhere in the middle of this range on which Republicans and Democrats can agree.

There already has been put together a bipartisan plan. That was the centrist coalition balanced budget plan which Senator BREAUX and I and others offered earlier this year. Some 20 of our colleagues joined with us to submit this program with important programmatic reforms to the Medicare system.

What did it do? It opened avenues for savings by allowing seniors to choose private managed care plans. And it created a new payment system to encourage the growth in the availability and accessibility of such plans. It called for slower growth in payments to hospitals, physicians, and other service providers. It called on higher income seniors to pay a greater share of the costs of the part B program. No longer, it seems to me, can a multimillionaire have the taxpayers pay for his or her doctor's bills just because he or she is on Medicare.

Finally, it increased the Medicare eligibility age to conform with the increase in the Social Security eligibility age which will begin in the year 2003. Starting in 2003, the age for retirement under Social Security will go up gradually. And we increase the eligibility age for Medicare to conform with that.

Together these reforms would reduce Medicare expenditures by $154 billion over the next 7 years. This was a fair