

the committee mark-up made it clear that there was absolutely no intent to abrogate.

These provisions regarding the ABM Treaty and negotiations with Moscow taken from the Cohen amendment and incorporated into the bipartisan amendment reaffirm what was always the intent of the committee.

Mr. President, I want to emphasize that these provisions and the other language in the section 233 clearly state that these policies are "the policy of the United States." Not the policy of the Senate or the policy of the Congress. I say this because I have heard that an administration official has said that, once this bill becomes law, the administration will declare that these statements of U.S. policy are not its policy but merely the sense of the Congress.

The bill makes a clear distinction between statements of U.S. policy and expressions of the sense of Congress. We have spent a great deal of effort negotiating exactly what statements will fall into the policy section and which will be in the form of sense of the Congress. In fact, these negotiations began with Senator NUNN urging that the COHEN amendment be strengthened from being the sense of the Congress to a statement of U.S. policy.

Mr. President, I would merely note the obvious fact that once the bill becomes U.S. law, then the bill's statements of policy are U.S. policy.

#### NMD ARCHITECTURE

The bipartisan amendment also provides changes and clarifications regarding the architecture of the national missile defense system.

The committee's bill stated that the NMD system "will attain initial operational capability by the end of 2003." The bipartisan amendment states that the NMD system will be "capable of attaining initial operational capability by the end of 2003." This is a useful clarification because while Congress can mandate many things, we cannot dictate with certainty that engineers will accomplish specific tasks within a specific period of time.

In subsection (b) of section 235, our side did make a significant concession. The committee's bill directed the Secretary of Defense "to develop an interim NMD capability \* \* \* to be operational by the end of 1999." In order to achieve agreement with the other side, we have modified this to require the Secretary "to develop an interim NMD plan that would give the U.S. the ability to field a limited operational capability by the end of 1999 if required by the threat." In both versions, the interim capability would have to not interfere with deployment of the full up NMD system by 2003.

Mr. President, I would also note that the bipartisan amendment retains the portion of section 235 that calls for a report by the Secretary of Defense analyzing "options for supplementing or modifying the NMD system \* \* \* by adding one or a combination of \* \* \*

sea-based missile defense systems, space-based kinetic energy interceptors, or space-based directed energy systems." As I discussed earlier, such options for layered defenses are of considerable interest to many Members.

To summarize, Mr. President, the bipartisan amendment both clarifies and changes the committee bill's provisions on national missile defense. It keeps us on the path toward a ground-based, multiple-site NMD system with options for layered defenses as the threat changes. But it recognizes that requests for NMD procurement funds will not be made for several years.

#### TMD DEMARCATION

The other issue that required much discussion was what is commonly referred to as the theater missile defense demarcation question. Senator WARNER will discuss this at greater length, but I would like to summarize the resolution that was achieved in section 238, which was completely rewritten with the assistance of many Senators.

The section has findings noting that the ABM Treaty "does not apply to or limit" theater missile defense systems. The findings also note that "the U.S. shall not be bound by any international agreement that would substantially modify the ABM Treaty unless the agreement is entered into pursuant to the treaty making powers of the President under the Constitution." What this means is that any agreement that would have the effect of applying limits on TMD systems under the ABM Treaty must be approved as a treaty by the Senate.

Section 238 then states the sense of Congress that a defensive system has been tested in an ABM mode, and therefore is subject to the ABM Treaty, only if it has been tested against a ballistic missile target that has a range in excess of 3,500 kilometers or a velocity in excess of 5 kilometers per second. This threshold is the one defined by the administration and proposed in its talks with Moscow on this subject.

Finally, section 238 has a binding provision that prohibits implementation during fiscal year 1996 of an agreement with the countries of the former Soviet Union that would restrict theater missile defenses. This prohibition would not apply to the portion of an agreement that implements the 3500 kilometer or 5 kilometer per second criteria nor to an agreement that is approved as a treaty by the Senate.

But it would apply to all portions of an agreement that sought to impose any restrictions other than the 3500 kilometer or 5 kilometer per second criteria. Various other potential restrictions have been discussed, such as limits on the number of TMD systems or system components, geographical restrictions on where TMD systems can be deployed, restrictions on the velocity of TMD interceptor missiles, and restrictions on the volume of TMD interceptors missiles. Under section 238 of the bipartisan amendment, during fiscal year 1996, the administration is

barred from implementing any of these potential restrictions or any other restrictions on the performance, operation, or deployment of TMD systems, system components, or system upgrades.

At the same time, Mr. President, there are no constraints on the ability of the President to engage in negotiations on the demarcation issue, which I know was an issue of concern to some. What section 238 controls is the implementation of any restrictions on TMD systems.

Mr. President, I want to acknowledge the efforts of the many Senators who contributed to the drafting of this amendment. Every member of the Armed Services Committee played a role, as did the two leaders, and key Senators off the committee. Senator KYL played a very constructive role, offering language that formed the basis for the resolution on section 238 and providing useful suggestions on the NMD portions of the bill. The chairman of the Armed Services Committee is to be especially commended for providing strong guidance to the negotiators and the committee, as a whole, and facilitating the talks along the way.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CHAFEE. Mr. President, as I understand, we are in morning business, and I am permitted to speak for 10 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAFEE. Mr. President I ask unanimous consent that I might proceed for 20 minutes.

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

Mr. CHAFEE. I thank the Chair.

#### REFORMING THE MEDICAID PROGRAM

Mr. CHAFEE. Mr. President, when the Congress returns from the August recess we are going to begin work in earnest on a very difficult part of the balanced budget effort which we are all dedicated to achieving, certainly on this side of the aisle.

Mr. President, I enthusiastically support our efforts to achieve the balanced budget by the year 2002. It is absolutely essential that we get Federal spending under control.

The 1996 budget resolution, the orders that came down from the Budget Committee to the Finance Committee, said that the Finance Committee must reduce spending within its programs by \$530 billion over the next 7 years.

That is not a cut from existing levels, it is a reduction from where the

spending otherwise would have gone—\$530 billion in 7 years. That is a monstrous task to achieve. Then the Budget Committee made some suggestions—not mandates, but suggestions—on how that \$530 billion reduction in what otherwise would have been spent can be achieved.

The Budget Committee recommended that there be a reduction in the rate of growth of Medicaid by \$182 billion over the 7-year period. The remainder of the Finance Committee's objectives would be achieved by slowing the growth in other programs such as Medicare, AFDC, and other spending programs.

Now, the resolution from the Budget Committee did not specifically require or call for Medicaid being transferred into a block grant. However, many believe that we cannot achieve these savings of the \$182 billion without converting the program into a block grant.

Mr. President, I do not share that conclusion. I will spend a few minutes discussing the challenges confronting us as we attempt to achieve those reductions in growth.

First, a little bit about Medicaid. What is Medicaid? Who does it serve? Medicaid is a means-tested entitlement program, jointly financed by the States and the Federal Government, based on a formula that has the maximum contribution by the States being 50 percent in some wealthier States and going down as low as 20 percent in some States such as Mississippi, for example.

This is a program, financed jointly by the Federal Government and by the States, which is fully administered by the States.

Federal law requires States to cover certain groups of individuals and to provide certain benefits to those individuals. States receive matching payments based on a per capita income.

Now, not all individuals who are poor qualify for Medicaid. There is a belief if you are poor you get Medicaid. That is not necessarily so. The eligibility for Medicaid is limited to the following: Low-income families who receive cash assistance under programs such as AFDC; or children and pregnant women who do not qualify for AFDC but whose family incomes are at or near the poverty level.

Now, note this is not an adult male whose earnings are at or below the poverty level. He is not covered under this program. It is children and pregnant women who do not qualify for AFDC but whose families are at or near the poverty level.

Another group, the acute and long-term care costs of persons with disabilities—the disabled communities. In addition, certain health care services for the elderly.

Now, what are these? Medicaid pays the cost of Medicare part B premium. This is part of Medicare. The premium normally is paid by the beneficiary, but in very, very low-income Medicaid beneficiaries the part B premium is paid by Medicaid.

What about for that same group of people on Medicaid, those over 65 in most instances, who have to pay the deductibles or the copayments? If the individual is, again, a low-income individual, elderly, Medicaid pays those deductibles or copayments.

Medicaid also pays for services not covered by Medicare in some instances. For example, prescription drugs for our poorest senior citizens are paid for by Medicaid. Medicaid also pays to sustain three out of every four persons in nursing homes. That is a startling figure. Mr. President, 75 percent of the people, residents of nursing homes in the United States of America, are being paid for by Medicaid.

Now, I have here, Mr. President, a chart and it looks a little busy but I will explain it. This is the population of the Medicare beneficiaries, recipients.

Mr. President, 50 percent of the Medicaid population, those receiving benefits under Medicaid, are children. This shows the population percentage in Medicaid; this shows the expenditures for that population. For example, although 50 percent of Medicaid recipients are children, they only absorb 15 percent of the moneys spent by Medicaid.

Or another case, adults receiving—the pregnant mother I talked about—adults constitute 23 percent of the population receiving Medicaid, but only consume 12 percent of the funds.

This group I have just described, the pregnant mother with her children who are receiving AFDC or are poor—below the poverty level—constitute 73 percent of those receiving Medicaid, but they only consume 27 percent of the moneys.

The blind and disabled constitute 15 percent of the Medicaid population, but consume 31 percent of the money. The elderly constitute 12 percent of the population but consume 28 percent of the money.

The elderly and the disabled constitute 27 percent of the population, yet they consume 60 percent of the moneys. That is very important to bear in mind as we move through this little discussion.

Now, let me return to the budget issue. Republican Governors appear to be advocating that Congress enact legislation to convert the Medicaid program to a block grant to meet the savings targets contained in the budget resolution. This approach has been seized upon by many Republicans in Congress as a panacea to our Medicaid problems. This is a great way to solve everything—just block grant it.

The advocates of block grant propose that Congress repeal all Federal requirements with respect to eligibility, benefits, and quality standards. In other words, we would not have those anymore under the Medicaid program under a block grant.

Moreover, the proposal frequently made by this group is that the Federal dollars flow out with no State contribution.

As I previously mentioned, the program currently is partly State, partly Federal. In most on average the Federal share would be about 55 percent and the State share about 45 percent. That is what we call maintenance of effort, that the State has to continue to contribute.

The proposal is that we do not require that anymore. That the Federal Government turn over \$773 billion with only one requirement over the 7-year period. Mr. President, \$773 billion of Federal money would go out to the States with only one requirement on the States—that these moneys be spent on health care for low-income citizens. It does not define who would be eligible. It does not define health care services. It does not define what the quality standards. This is a very, very, dramatic proposal.

I think this approach is fraught with problems. First and foremost, I am concerned that States will be forced to make drastic reductions in services and eligibility to live within the 4 percent growth cap that is envisioned under the budget resolution. Under the budget resolution, we provide the States with money we gave them in 1994 and then we go up by 4 percent, realizing the Medicaid population will probably increase over that period.

What I am worried about is the effect would be more Americans without any type of health insurance. Already in our Nation, there are about 38 million people who are uninsured. I am very reluctant to see that pool of Americans without health insurance increase.

Even more troubling is my concern that there will be an attempt to reduce the rate of growth in Medicaid even more than that required in the budget resolution. As I say, the Finance Committee has a lot of flexibility here. We do not have to reduce Medicaid by \$182 billion. We can reduce it by \$190 billion or \$200 billion. And, unquestionably, there will be a tendency, when we look at the large target of savings that have to be achieved under Medicare, to say, "\$270 billion out of Medicare, that is a lot. Let us just increase the savings somewhat in Medicaid"—Medicare being the program for those over 65, Medicaid being for that group that I previously discussed, primarily low-income families and low-income seniors.

If the Finance Committee adopts the budget resolution recommendations, Medicare growth rates are 7 percent and Medicaid 4 percent. These already, it seems to me, are disproportional, and any attempts to further reduce the rate of growth in Medicaid would cause me great concern.

Second, I am concerned about the complete lack of accountability, with no kind of strings attached to this block grant proposal. Surely we ought to have some guarantees that these funds will be spent for their intended purpose. How do we do that? That is left undescribed, so far.

A third, but very real, problem is the formula. This is a huge amount of

money. How is it to be equitably divided among the States? We have wrestled with that in welfare, but that is really the minor leagues compared to the expenditures and problems that come up with Medicaid. In Medicaid, we are dealing with hundreds of billions of dollars—not the tens of billions of dollars that we have so struggled with in determining a correct formula under AFDC. I would like to touch on each of those matters just briefly in a little more detail.

Living within the block grant: The budget resolution recommends the growth rate be brought down and leveled off at 4 percent by 1998. We can grow a little more in Medicaid next year, 7 percent, but by 1998 it has to be at 4 percent. That translates, as I said before, to a \$182 billion reduction in the rate of growth over the next 7 years.

Under the block grant approach, each State would receive a fixed allocation. If there are more people eligible for Medicaid—which might be because of a recession or something similar—the States would either have to make up the difference or cut back on services and eligibility. The Governors who advocate the block grant assured Congress they would live within this absolute cap. It is true a number of States have begun enrolling families with children into managed care. That seems to be the solution that is proposed. States argue that they can achieve these savings by enrolling the Medicaid population into managed care. And, indeed, those States that have tried it have had some success.

However, Mr. President, here we get back to the percentage of eligibles in each category compared with the spending. Yes, you can use managed care with the 73 percent of the Medicaid population, the children and adults. It is possible to enroll this population in managed care and achieve savings. But the trouble is, you are only dealing with 27 percent of the expenditures. What about managed care for the elderly, and those up here, who constitute 27 percent of the population but are consuming 60 percent of the moneys?

The reality is that States have little or no managed care experience when it comes to long-term care. These folks, the elderly, this group—they are in nursing homes, for the most part. Arizona is the only State which has its entire Medicaid population in managed care. Its growth rate over 13 years of experience averages 7 percent, not the 4 percent we are trying to achieve. Mr. President, 7 percent is a long ways from 4 percent.

What about other administrative efficiencies? Some say we can do it under the block grant by repealing the so-called Boren amendment, which is a Federal requirement that State payments to providers under Medicaid be “reasonable and adequate.”

The view is that you can repeal the Boren amendment and there will be tremendous savings. Yet, the Congress-

sional Budget Office estimates that repeal of the Boren amendment would only yield \$7 billion over this 7-year period—about \$1 billion a year.

June O'Neill, director of CBO, in recent testimony before the House Commerce Committee, said the following:

Improving the efficiency by itself almost certainly could not achieve reductions in the rate of growth in the order of magnitude being discussed. [She is talking about the delivery of services under Medicaid.] Some combination of cutbacks in eligibility, covered services or payments to providers [the nursing homes, the doctors, the hospital] would be necessary.

In testimony before the Finance Committee last month, Governor Lawton Chiles, our former colleague here, U.S. Senator for 12 years, now Governor of Florida, said under the block grant approach he would have no choice but to cut back on services and eligibility.

As States are forced to ration finite resources under a block grant, Governors and legislators would be forced to choose among three very compelling groups of beneficiaries.

Who are they? Children—here they are right here—children, the elderly, and the disabled. They are the groups that primarily they would have to choose amongst. Unfortunately, I suspect in that children would be the ones who would lose out.

My second concern is the issue of accountability. As I mentioned earlier, block grant proponents are pressing for a “no strings” approach—give us the money and do not tell us how we are going to spend it. As Governor Engler of Michigan made clear in testimony before the House Commerce Committee:

\*\*\* any financing mechanism that continues a Federal matching formula is not acceptable. I repeat: Not acceptable.

In other words, they do not want this so-called maintenance of effort.

I am confident that many States would use block grant funds appropriately. However, those who are familiar with the Medicaid Program need look no further than the so-called disproportionate share hospital program to find examples of diversion of funds, of Medicaid funds. I suspect the American public would be shocked to hear how many miles of highway have been paid for with Federal Medicaid dollars, or that at least one college stadium is reportedly known as the “Medicaid Dome.”

As a former Governor, I am sympathetic to the urgent pleas of the National Governors Association for more flexibility. Every Governor wants that. Most of us would agree that the Medicaid Program could be greatly improved by repealing some of the more complex and burdensome requirements. However, I find the concept of completely abandoning all Federal standards troubling.

What are some of the standards that would be lost under the “no strings” approach of the block grant method?

What are we talking about when we are talking standards? Federal nursing home standards, for one.

During the 1980's, many nursing homes were warehouses for the elderly. Residents were left tied to their beds lying, in some instances, in their own filth. During the 1970's, we saw managed care plans in California receiving huge sums of Medicaid dollars for health care services they never provided. It turned out that one managed care plan in California had a 24-hour emergency number, and that turned out to be a phone booth on a street corner.

Under current Medicaid law, physicians and other providers of health care services are required to be licensed and hospitals have to be accredited. I think these are important quality standards. Perhaps some States would enact their own laws to address these concerns. But when we are dealing with hundreds of billions of dollars and millions of lives, I hate to take anything for granted.

It is perhaps because of my own experience as a Governor that I know the value of making Federal funds contingent upon a sizable State contribution.

I just want to relate a little anecdote. When I was Governor of Rhode Island, I went out with our director of public works driving over a new interstate highway we had just built. I saw a lot of lights along the highway. Immediately my thought was, What are all these lights doing there? That has to be terribly expensive. So I turned to the director of the department of public works. “What about all those lights? Why do you have them?” “Oh, do not worry. That is 90-10 money,” meaning the Federal Government pays 90 cents and the State only paid 10 cents. So why should we worry about some unnecessary frills such as this abundance of lights? I found that a perfectly acceptable explanation. Why not take it, 90-10?

But from that lesson, I realized that unless there is a sizable contribution percentagewise by the States, then there is a casualness in the expenditure of Federal dollars.

My last concern deals with how we go about allocating funds among the States under the block grant. We had, as I mentioned before, great struggles on the welfare bill that we are dealing with now on the allocation of funds. If we adopt the formula based on current Federal spending on Medicaid in each State, all States would get about a 19-percent decrease below the levels anticipated under current law. And reducing that rate of growth to achieve the \$182 billion of savings would require every State to go down under its present allocation about 19 percent from where they otherwise would be.

What do we do with those States that are anticipating high population growth? There are many factors that could be taken into account. Some suggest that the allocation should be

based upon population. Under this scenario we would see a massive shifting of funding from the Northeast, from Pennsylvania, Connecticut, New York, and Rhode Island, a shift from those States to the South and to the West.

The State of Rhode Island would see a 42-percent reduction in Medicaid funds from what it otherwise would have received. New York would see a 50-percent reduction if we use the formula based on population and projected population growth. Utah would see a 30-percent increase in Medicaid money. Oregon would receive an 11-percent increase. I chose Oregon, New York, Utah, and Rhode Island because all of those States have representation on the Finance Committee. You can see right away that a major battle would ensue.

Having voiced my concern about the block grant, I would like to outline an alternative approach which I am currently working on to meet the savings targets contained in the budget resolution. Whatever we do, I am going to stick by those targets. As far as I am concerned nothing can come out of the Finance Committee wherein we do not meet our targets.

But here is another way of doing it which would provide the additional flexibility the Governors need to make their systems more efficient. Two steps could go a long way—not all the way but a long way—toward meeting our reconciliation responsibilities with respect to Medicaid.

First, a per capita cap on Federal spending for each beneficiary;  $x$  amount of dollars for every beneficiary. That would encourage the States to provide more cost-effective care, without sacrificing access to additional Federal funds in times of recession, as would result under a block grant approach.

Second, let us reduce and redirect the so-called Federal disproportionate share payments going to hospitals. I am not going to go into a great deal of description of disproportionate share. All I can say is it is fraught with abuse.

These two options that I mentioned—the per capita cap on Federal spending and reducing and redirecting disproportionate share payments to hospitals—could yield between \$100 and \$130 billion savings over the next 7 years.

Our second objective of giving the Governors additional flexibility to achieve efficiency could be realized. What can we do to help the Governors?

One, eliminate the requirements that States obtain Federal waivers before moving forward to implement managed care. Get away from this waiver business.

Two, repeal the payment requirements, such as the Boren amendment and its so-called reasonable-cost reimbursement.

Three, replace what is known as the Qualified Medicare Beneficiary [QMB] Program, which requires States to pay Medicare premiums and cost sharing for low-income seniors, and replace

this with a more rational federally financed system.

In conclusion, Mr. President, we have two choices. We can convert the Medicaid Program to a block grant and send out the checks, tell the States, "You are on your own. Take care of health care for low income. That is it." Or, Mr. President, we can acknowledge that the Federal Government has a greater responsibility in this than just sending the checks off in the mail. In partnership with the States, I think we have a responsibility to provide health care services to low-income seniors, children and the disabled.

The point I wish to make today is that with work and tough choices, we can meet our budget responsibilities without throwing this Federal-State partnership overboard as would result in the block grant approach. Certainly, that will be my preference between now and September 22, when the authorizing committees—in this instance the Finance Committee—must report their reconciliation legislation.

I intend to continue to explore ways to reform the Medicaid Program. In that regard, I welcome input. My tilt, as you know, is away from the block grant approach.

We need help. It is a tremendous goal that is set out, not only for the Medicaid Program but the Medicare likewise. The Finance Committee has tremendous challenges before us.

So, Mr. President, I thank you for this.

#### APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to title 46, section 1295(b) of the United States Code, as amended by Public Law 101-595, appoints the following Senators to the Board of Visitors of the U.S. Merchant Marine Academy:

The Senator from South Dakota [Mr. PRESSLER], ex officio, as chairman of the Committee on Commerce, Science, and Transportation;

The Senator from Mississippi [Mr. LOTT], from the Committee on Commerce, Science and Transportation.

The Chair, on behalf of the Vice President, pursuant to title 14, section 194(a) of the United States Code, as amended by Public Law 101-595, appoints the following Senators to the Board of Visitors of the U.S. Coast Guard Academy:

The Senator from South Dakota [Mr. PRESSLER], ex officio as chairman of the Committee on Commerce, Science, and Transportation;

The Senator from Missouri [Mr. ASHCROFT], from the Committee on Commerce, Science and Transportation;

The Senator from South Carolina [Mr. HOLLINGS], from the Committee on Commerce, Science and Transportation;

The Senator from Washington [Mrs. MURRAY], at large.

#### THE PRC'S MISSILE TESTS

Mr. THOMAS. Mr. President, as the chairman of the Subcommittee on East Asian and Pacific Affairs, I am dismayed to report to my colleagues this morning that the People's Republic of China has announced that it will conduct a new series of guided missile tests in the East China Sea between August 15 and 25. What dismays me about the announcement is that the tests—staged by the People's Liberation Army—will be the second series in less than a month to be conducted just off the coast of southeastern Zhejiang Province, and that the southern perimeter of the test area is only 90 miles north of Taiwan.

The PRC conducted similar tests of six air-to-air missiles from July 21 to 26 in an area only 60 kilometers north of Taiwan's Pengchiayu Island. The missiles test-fired consisted mainly of Dongfeng-31 intercontinental ballistic missiles and M-class short-range tactical missiles. At the same time, the PLA mobilized forces in coastal Fujian Province and moved a number of Jian-8 aircraft to the coast. It is likely that this new round of tests and exercises will be similar.

These tests clearly have a political purpose, and are meant as a warning to Taiwan to cease its efforts at expanding its international recognition. Although the PRC's Foreign Ministry, through its spokesman Shen Guofeng, has repeatedly denied any such purpose, I would remind them of one of their own sayings: "Listen to what a person says, but watch what he does." These are the actions which call into serious question in my mind the validity of Mr. Shen's statement. The tests are being conducted within as close a proximity of Taiwanese territory as possible. While similar tests are a usual part of the annual training exercises of the Chinese 2d Artillery Corps, these are the only times in many years that the tests have been announced publicly. The tests follow closely on the heels of the private visit of President Lee Tang-hui to Cornell University, and amid a flurry of mainland Chinese invective denouncing the visit and President Lee. In conjunction with the tests, Taiwan intelligence reported that the PRC was planning on conducting a joint sea-air military exercise codenamed "Jiu-wu-qi" and that on July 16 the PRC Air Force stationed a number of F-7 or F-8 aircraft at airports located within 250 nautical miles of Taiwan—a highly unusual and provocative move.

The PLA is clearly the principal force pushing for the tests. At a time when the jockeying for position in the PRC's transitional post-Deng Government continues, taking what can be perceived as a soft stance toward either the United States or Taiwan is considered by many to be the equivalent of political suicide. When the Party and military hierarchy were assured by the Foreign Ministry that the United States would never allow President Lee