

used by Pakistan in the manufacture of a nuclear explosive device."

1988—Hedrick Smith article in New York Times reports US government sources believe Pakistan has produced enough highly enriched uranium for 4-6 bombs.

1988—President Zia tells Carnegie Endowment delegation in interview that Pakistan has attained a nuclear capability "that is good enough to create an impression of deterrence."

1989—Multiple reports of Pakistan modifying US-supplied F-16 aircraft for nuclear delivery purposes; wind tunnel tests cited in document reportedly from West German intelligence service.

1989—Test launch of Hatf-2 missile: Payload (500 kilograms) and range (300 kilometers) meet "nuclear-capable" standard under Missile Technology Control Regime.

1989—CIA Director Webster tells Senate Governmental Affairs Committee hearing that "Clearly Pakistan is engaged in developing a nuclear capability."

1989—Media claims that Pakistan acquired tritium gas and tritium facility from West Germany in mid-1980's.

1989—ACDA unclassified report cites Chinese assistance to missile program in Pakistan.

1989—UK press cites nuclear cooperation between Pakistan and Iraq.

1989—Article in Nuclear Fuel states that the United States has issued "about 100 specific communiques to the West German Government related to planned exports to the Pakistan Atomic Energy Commission and its affiliated organizations," exports reportedly included tritium and a tritium recovery facility.

1989—Article in Defense & Foreign Affairs Weekly states "sources close to the Pakistani nuclear program have revealed that Pakistani scientists have now perfected detonation mechanisms for a nuclear device."

1989—Reporting on a recent customs investigation, West German magazine Stern reports, "since the beginning of the eighties over 70 [West German] enterprises have supplied sensitive goods to enterprises which for years have been buying equipment for Pakistan's ambitious nuclear weapons program."

1989—Gerard Smith, former US diplomat and senior arms control authority, claims US has turned a "blind eye" to proliferation developments in Pakistan and Israel.

1989—Senator Glenn delivers two lengthy statements addressing Pakistan's violations of its uranium enrichment commitment to the United States and the lack of progress on nonproliferation issues from Prime Minister Bhutto's democratically elected government after a year in office; Glenn concluded, "There simply must be a cost to non-compliance—when a solemn nuclear pledge is violated, the solution surely does not lie in voiding the pledge."

1989-1990—Reports of secret construction of unsafeguarded nuclear research reactor; components from Europe.

1990—US News cites "western intelligence sources" claiming Pakistan recently "cold-tested" a nuclear device and is now building a plutonium production reactor; article says Pakistan is engaged in nuclear cooperation with Iran.

1990—French magazine publishes photo of West German government document citing claim by UK official that British government believes Pakistan already possesses "a few small" nuclear weapons; cites Ambassador Richard Kennedy claim to UK diplomat that Pakistan has broken its pledge to the US not to enrich uranium over 5%.

1990—London Sunday Times cites growing US and Soviet concerns about Pakistani nuclear program; paper claims F-16 aircraft are being modified to nuclear delivery purposes;

claims US spy satellites have observed "heavily armed convoys" leaving Pakistan uranium enrichment complex at Kahuta and heading for military airfields.

1990—Pakistani biography of top nuclear scientist (Dr. Abdul Qadeer Khan and the Islamic Bomb), claims US showed "model" of Pakistani bomb to visiting Pakistani diplomat as part of unsuccessful nonproliferation effort.

1990—Defense & Foreign Affairs Weekly reports "US officials now believe that Pakistan has quite sufficient computing power in country to run all the modeling necessary to adequately verify the viability of the country's nuclear weapons technology."

1990—Dr. A. Q. Khan, father of Pakistan's bomb, receives "Man of the Nation Award."

1990—Washington Post documents 3 recent efforts by Pakistan to acquire special arc-melting furnaces with nuclear and missile applications.

1991—Wall Street Journal says Pakistan is buying nuclear-capable M-11 missile from China.

1991—Sen. Moynihan says in television interview, "Last July [1990] the Pakistanis machined 6 nuclear warheads. And they've still got them."

1991—Time quotes businessman, "BCCI is functioning as the owners' representative for Pakistan's nuclear-bomb project."

1992—Pakistani foreign secretary publicly discusses Pakistan's possession of "cores" of nuclear devices.

## EXHIBIT 2

U.S. SENATE,

Washington, DC, May 23, 1995.

The PRESIDENT,  
*The White House,*  
*Washington, DC.*

DEAR MR. PRESIDENT: Occasionally there is an opportunity to take a bold initiative which will further multiple American foreign policy goals. Two of those goals are the maintenance of peace and stability in South Asia and the deterrence of aggression in East Asia. Such an opportunity is at hand.

The inability of the President since October 1, 1990, to make the necessary certification under section 620E(e) of the Foreign Assistance Act of 1961 (relating to the nuclear activities of Pakistan) has prevented the delivery of twenty-eight F-16 aircraft to Pakistan. Since F-16s in American service are nuclear delivery vehicles, the possibility that these aircraft might yet be delivered to Pakistan has raised enormous concern in neighboring India. At the same time, our inability to transfer the aircraft is an irritant in our relations with Pakistan. For now, the aircraft in question are in storage in Arizona.

In East Asia, both the Republic of China on Taiwan and the Philippines have been the victims of aggression from the People's Republic of China. In the case of the former, it's military exercises designed to intimidate; in the latter it's the actual take over of Philippine territory in the South China Sea.

To serve as a deterrent for aggression across the Taiwan Straits, Taiwan has ordered 150 American F-16 aircraft. However, these aircraft will not begin to arrive in Taiwan until June of 1997 suggesting that there may be a "window of opportunity" for conflict. With regard to the Philippines, a combination of historical factors and the need to devote defense resources to opposing internal subversion has led to a severe lack of external defense capability.

Considering the twenty-eight F-16 aircraft in storage, it appears that eleven of them were to be delivered to Pakistan under the United States Foreign Military Sales (FMS) program. Essentially, they were paid for already by the American taxpayer. The re-

maining seventeen aircraft were paid for by Pakistan.

Therefore, I recommend that the Administration open negotiations with the Governments of the Philippines and the Republic of China on Taiwan for the transfer of the aircraft. Eleven of the aircraft could be transferred to the Philippines on an FMS basis and the remaining seventeen could be the subject of negotiations for payment with Taiwan. If a decision is made to return to Pakistan some or all of the money collected, I would not object.

If this initiative were carried out, it would directly further American foreign policy goals in South and East Asia, respectively. In South Asia tensions would be reduced as twenty-eight potential nuclear delivery vehicles would be removed from the region. In East Asia the military strength of our friends and allies would be enhanced significantly and a clear signal would be sent regarding our determination to oppose aggression.

This initiative is simple but it requires a bold imagination for execution. I hope that you will join with me in putting it into effect and making a significant contribution to our national security.

Sincerely,

LARRY PRESSLER,  
*U.S. Senator.*

THE WHITE HOUSE,  
*Washington, June 22, 1995.*

Hon. LARRY PRESSLER,  
*U.S. Senate,*  
*Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for writing to me about the opportunity before us to resolve the F-16 issue with Pakistan. I appreciate your initiative and hope some new thinking will help create a consensus between the Administration and Congress for a satisfactory solution.

As you know, when I met with Prime Minister Bhutto in April, I told her I would explore with Congress the options for returning either the F-16s and equipment or the funds Pakistan had paid. The proposal to sell the planes and return the funds is one possibility if we can resolve some areas of concern. First, we must determine that the transfer of this equipment to third parties would be in our national interest. Second, we would need to be prepared to return to Pakistan the equipment other than F-16s for which it has paid. We would need to work with Congress on the necessary authorities to do so. Third, such a proposal may make this solution less than satisfactory for the Government of Pakistan if it results in the return to Pakistan of significantly less money than they originally paid for the aircraft.

Again, let me say that a solution accepted by Congress and by Pakistan will clear the way for a more serious discussion of the critical nonproliferation issues that concern us all. It will also help to improve the atmosphere in our bilateral relations and thus advance other U.S. interests in the region.

Sincerely,

BILL CLINTON.

## MILITARY BUILDUP IN CHINA

Mr. PRESSLER. Mr. President, on a totally separate subject, I have been concerned about the military buildup by China. I cannot understand who China views as its enemy. I cannot understand why China is not only building up its nuclear arsenal, but also proliferating ballistic missile technology to countries like Iran and Pakistan. China should be concerned about the

potential for a nuclear arms race by Islamic nations in South Asia and the Middle East. Indeed, if that does occur, if Iran does join the nuclear club, Israel will certainly react.

So the point I am making is I think the President can use my initiative not just to solve one of our foreign policy problems as it relates to Pakistan. He can use it to show our continued friendship with Taiwan. Taiwan is a democracy and a growing economic power in the Pacific. Taiwan usually is on our side 100 percent, even though we do not treat its leaders that way when they come here. Our relationship with Taiwan is one of the ironies of history.

My initiative sends a signal to the Chinese that we are going to be tough in that region and we will look after our allies, and that includes the Philippines, which would also get eleven of the F-16's under my initiative.

As I said earlier, my initiative is a bold step, but it is a partial solution. It is a step forward. I am glad that President Clinton has apparently begun to embrace this concept, to explore with these countries to see if we can get the F-16's out to Taiwan and the Philippines. Again, it is an initiative that can get some money back to Pakistan, although I would not necessarily guarantee full compensation because frankly, Pakistan had their eyes open when they went into this deal. Further, the Government of Pakistan was not being candid with the President of the United States at that time about what was going on in their nuclear program.

Mr. PRESSLER. Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### MEDICARE

Mr. PRESSLER. Mr. President, I would like to speak on the subject of Medicare.

There has been much unjustified criticism of the Republican budget plan by the Democrats. As my colleagues know, we will be voting in this Chamber possibly tomorrow night on the budget of the United States for the next 7 years, the basic outline. And for the first time in nearly three decades, we are moving toward a balanced budget by the year 2002. I am proud of this great achievement.

This is the toughest budget since I have been a Member of Congress. It is tough, it is sound and it is right. If we can pass it in the House and in the Senate, it will be the first time in a long time that we have gone in the other direction—the right direction. Finally we will start to pay our bills as they become due.

Up to this point, we have been going in the wrong direction—of runaway spending and the build up of a huge Federal debt.

Included in the budget plan are reductions in the rate of growth in Medicare. I want all senior citizens to understand this budget. I am a champion of senior citizens. My mother is a senior citizen living in Sioux Falls. In fact, I will be one someday in the not too far future. So I am concerned about this subject. My goal is to save Medicare for our seniors. This budget saves Medicare. This budget will provide senior citizens with stability.

The present rate of increase of Medicare is about 10 percent a year. It is growing too fast, and if left alone, it will go bankrupt by the year 2002. This budget slows the rate of increase to about 7.2 percent. Thus, Medicare is still going to grow, but it is not going to grow quite as fast. We are slowing the growth to save the program from overheating and breaking down altogether.

How do we get the savings? It comes from streamlining some of the national administration. It comes from certain cost control reforms, and so forth.

Americans should not be misled about what we are doing here. Both Democrats and Republicans agree that Medicare is going to go bankrupt unless somebody steps forward with a plan to save it. So I would say to my liberal friends, what is your plan? The Republicans have a solvent plan. The Domenici-Dole plan in the Senate will save Medicare. We have to save Medicare.

Let me say a word or two about some of the other areas. This budget takes an across-the-board approach. I know every group that has a stake in the Federal budget will feel it. But I would say to farmers, ranchers, small businessmen, students, and others, that lower interest rates are one of your main concerns. Students, for example, pay back their loans at the going rate of interest after they have graduated from college. To the students of America, I say that one of the greatest threats to your economic security is, the massive Federal debt. That debt keeps interest rates high, forcing students to pay their college loans back at high interest rates. We are going to have high interest rates if we do not do something about the size of our deficit.

A third area of concern here is inflation and the soundness of our monetary system internationally. If we continue to build up the huge Federal debt, we also will be building up the specter of high inflation, high interest rates, and a currency that is not respected in the world, a currency that is weak, and a currency that will eventually be overtaken by the German mark or the Japanese yen.

So, Mr. President, as we engage in this debate on the budget for the next 2 days and as we vote on it here in the Senate tomorrow evening, let us remember that we are trying to save

Medicare. We are trying to save our economy for our children—an economy with lower interest rates, a solvent dollar, and low taxes.

We are going to have many eloquent speeches in this Chamber about how the Federal Government is taking away money from here and taking away money from there. But if the Federal Government does not have any money to give, it ultimately has to take that money back either through inflation, high interest rates, and higher taxes, which will lead to all types of economic suffering.

So in conclusion, Mr. President, my concern here is to explain why I will be voting for the Dole-Domenici approach. I urge my colleagues to vote for it. We will have to fight off false charges that we are against senior citizens or that we are against farmers or we are against workers. That is not true. We are for them. This is an historic budget plan for all Americans. Everyone agrees the alternative is bankruptcy, the loss of the Medicare Program, and economic chaos. We are going to save our budget. We are going to save Medicare. We are going to save our economy. We are going to save our children's future.

I urge my colleagues to join us in voting for the Dole-Domenici budget.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ASHCROFT). Without objection, it is so ordered.

Mr. BIDEN. Parliamentary inquiry, Mr. President.

Are we in morning business?

The PRESIDING OFFICER. We are. The Senator can speak for up to 10 minutes under the previous order.

Mr. BIDEN. I thank the Chair. I seek recognition for the purpose of speaking on the issue of the arms embargo in Bosnia.

The PRESIDING OFFICER. The Senator is recognized.

#### LIFTING THE BOSNIAN ARMS EMBARGO

Mr. BIDEN. Mr. President, I rise today to argue again for lifting the illegal and what I believe to be immoral arms embargo against the Government of Bosnia and Herzegovina. Actually, Mr. President, we should not even be in a position today of having to lift an embargo. In April 1992, when the Republic of Bosnia and Herzegovina was recognized internationally and granted admission to the United Nations, it automatically became covered by article 51 of the U.N. Charter, which grants every State the elemental right of self-defense.

Inexplicably, however, the Bush administration was asleep at the switch