What has been done as of yesterday on this matter by the subcommittee is flagrantly unfair and does a disservice to Egypt, to the United States, as well, and to our national interests in the basic process of making peace in the Middle East. I strongly oppose this action, and I hope that it can be corrected when the bill gets to the full Appropriations Committee next week, and if it isn't corrected there, then the attempt will be made at least to correct it on this floor. The action has not gone unnoticed.

The Ambassador from Egypt and I have discussed this matter. He came to my office a couple of days ago, and then we have been in discussions since on the telephone. I received a thoughtful letter from him which I may wish to share with my colleagues. The Ambassador is disappointed and perplexed by the subcommittee action, as am I, and as true friends should be, true friends of Israel and Egypt should be. I hope it can be corrected before even more damage is done.

Madam President, I ask unanimous consent that a letter to me, this date, from the Honorable Ahmed Maher El Sayed, the Egyptian Ambassador, be printed in the RECORD.

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

EMBASSY OF THE
ARAB REPUBLIC OF EGYPT,
June 20, 1997.

Hon. ROBERT BYRD,
U.S. Senate, Senate Hart Building,
Washington, DC.

DEAR SENATOR BYRD: It was, as usual, an intellectual delight to talk to you last Wednesday to share with you the lessons of wisdom from the Bible and ancient Greece, and their meaning in the present circumstances. I particularly appreciate your giving me so much time, in a very busy schedule, so that I may appreciate again your sense of objectivity and fairness, as well as your deep insight of things.

Unfortunately, action was taken by the Foreign Operations Subcommittee to strike the earmark for assistance to Egypt, while keeping it for Israel.

While I know your general position regarding the aid program to Egypt and Israel, I also know that your sense of fairness would not support treating Egypt in such a discriminatory manner.

I would also like to set the record straight concerning Egypt's position in response to certain allegations which were made:

1. The non-attendance by President Mubarak, of the summit held in Washington last September was based on his assessment that Prime Minister Netanyahu was not ready, at this meeting, to take steps conducive to the advancement of the cause of peace. President Clinton clearly understood the motives of President Mubarak, and King Hussein of Jordan was quoted, after the meeting, as saying that in, hindsight, President Mubarak was justified in not attending.

2. The role of Egypt in reaching an agreement on Hebron was crucial. It was an Egyptian proposal which constituted the basis of the agreement. The Jordanian officials have recognized publicly that their proposal which led to the agreement is built on an Egyptian suggestion of a compromise. The American Peace Team recognized the Egyptian vital contribution to the solution.

3. Egypt did not lead an effort to reimpose the boycott on Israel. What happened is that at a regular meeting of the Arab League at its seat in Cairo, a unanimous decision was taken to revise steps taken toward normalization with Israel if it persisted in policies clearly contradicting its obligations. The resolution did not include countries bound by Treaties with Israel, i.e. Egypt and Jordan.

4. Relations between Egypt and Israel are normal, which does require neither subscribing by one party to the policies of the other, nor mandatory trade and travel. There exists on our part no restriction on trade and travel to Isreal, and far from stagnating, the two fields have seen in the last years, significant progress. A warm relation is one that is built through the years given the right circumstances; what is required, and in existence, are normal relations. It is not an unusual state of affairs that relations between countries fluctuate with the acuity of political problems. Egypt and Israel are bound by 16 agreements and protocols which have been implemented or being normally implemented.

5. I would like to remind you that Egypt out of its deep commitment to peace in the region, has embarked on a major effort to create conditions to bring the Palestinians and the Israelis back to the negotiating table. President Mubarak is personally involved in this effort. He has met with Prime Minister Netanyahu in Sharm El Sheikh, and since then contacts have been maintained both with the Israelis and Palestinians.

6. Our ties with Libya are normal relations between neighbors in the context of the respect of UN Resolutions. Our influence has been a moderating one.

All these points have been clearly explained by President Mubarak to distinguished members of Congress he met on various occasions, and thereofre, I do not believe that there is any justification in raising from the dead arguments and misrepresentations that had been laid to rest by the reality as recognized by most Egypt has been and continues to be a pioneer of peace, an anchor of stability in the Middle East, and a fierce defendant of the rule of law and legitimacy for which we fought side by side. Without its contribution and its courageous stands, as well as its cooperation with the US, it would not be envisageable to move towards achieving our common goals of peace and prosperity, and overcome the hurdles which Egypt is working very hard to overcome.

Best and warm regards,
Sincerely,

AHMED MAHER EL SAYED.

Mr. BYRD. Madam President, I yield the floor.

Mr. GRAMS addressed the Chair.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 420

Mr. GRAMS. Madam President, I inquire of the business now before the Senate.

The PRESIDING OFFICER. The pending question is on the Cochran amendment No. 420.

Mr. GRAMS. Madam President, I rise this morning to strongly oppose the amendment by my colleague and friend from Mississippi, Mr. COCHRAN, first for jurisdictional reasons, and most importantly because it is a seriously, I believe, flawed policy.

As chairman of the International Finance Subcommittee of the Senate Banking Committee, I object to the consideration of this matter, since it is within the jurisdiction of my subcommittee and the Committee on Banking. This is a very controversial issue and it should be heard and debated in the normal congressional process, by the proper committee of jurisdiction, not by a floor amendment with little opportunity for opponents to be heard. Many Members of this body may have already returned to their States and will not even have the opportunity to listen to the debate today.

The Senate has not had an opportunity to have a full debate on export controls in the last few years. Members need the benefit of time to fully analyze changes in an area that can have such a negative impact on U.S. companies and on U.S. jobs.

What really concerns me, Madam President, is that this amendment turns back the clock on technology. This amendment indicates it is directed at supercomputers, but computers at the 2,000–7,000 MTOPS level are not supercomputers, a point I will discuss later. The amendment reverses 2 years of effort to decontrol computers that are generally available. You will hear all sorts of talk today about how this amendment improves national security. But it does not. If the goal is to stop the sale of high performance computers to questionable end users in Russia, China, India, Pakistan, and Israel, it will stop the sale of United States computers to those end users—but it will not stop our allies from making those sales.

It is true that there are two companies currently under investigation for alleged sale without license to a questionable end user. Those investigations are still pending and should be pursued, so it seems premature to, in effect, have the Congress find them guilty. Let us let the process work. If they are guilty, they will be penalized. The U.S. companies selling computers abroad at this level are few; they are reputable and they do care about selling to questionable end users. The investigations have also had a positive effect in that they have encouraged companies to seek more validated licenses for uncertain end users. I disagree with my colleagues who believe businesses care only about the almighty dollar, and not national security.

This amendment will bring us back to the cold war days when export controls were required for computers sold in drug stores. A computer at 2,000 MTOPS, which is the level we would control, is a low-end work station which is widely available all over the world. We would establish unilateral controls on any computer over this capability. Our companies would have to

obtain a validated license. Their competitors in other nations would not have that requirement. Therefore, European and Japanese companies would have a competitive edge in many, many computer sales in countries where it is important to establish a foothold as a reliable supplier to facilitate future sales. Licenses would be required for every sale above this limit, not just those to questionable end users. We want to expand markets in those countries, while protecting our national security interests, rather than handing them on a silver platter to our trading partners who will then be seen as reliable suppliers in the future.

I know the argument will be that it is not hard to get an export license and that there are statutory deadlines on agency review of license applications. I can give you quite a list of companies—many of them smaller companies—which have come close to shutting down due to export license delays, even in recent years. We cannot return to this uncertainty and bureaucratic maze. Even the larger companies will see their expenses increase as they will have to hire more high-priced attorneys to facilitate many of the licenses through the process. Export licenses to these countries do not get approved in a couple of months. Many of them take many months and earn the U.S. the designation as an unreliable supplier. While we are pursuing regulatory reform in many areas, what we are doing here is reimposing regulations we eliminated 2 years ago.

What is curious to me is an independent study commissioned in 1995 for the Departments of Commerce and Defense which determined that computers could be decontrolled to the 7,000 MTOPS level without a negative impact on national security. The Departments of State, Defense, Commerce, the intelligence agencies, and ACDA all signed off on this report, and the decontrol was made at that time to 7,000 MTOPS. The determination was made because the 2,000–7,000 range, again, Madam President, was widely available throughout the world.

But you have also heard that we are stopping the sale of supercomputers to tier 3 countries without a license. Again. Madam President, a 7,000 MTOPS computer is not a supercomputer. Supercomputers still need export licenses. I am told that the MTOPS for a supercomputer is in the 20,000 range and can go up to one million MTOPS—a far cry from 7,000.

Let's look at the level the amendment seeks to control—2,000 MTOPS. This is a low-level work station computer. By 1998, personal computers will reach this level. Also, the alpha chip available next year will be 1,000 MTOPS itself. So just two of those in a computer would qualify the computer for an export license. It is very difficult for me to justify that companies will have to jump through so many hoops just to sell fairly low-level computers. We are truly turning back the clock on technology.

I have previously made the point that we are stabbing ourselves in the foot, since computer companies in other countries do not have these controls, and therefore our efforts are futile to say the least. There are four European companies which sell computers in the 2,000–7,000 range as well as Japanese companies. We all know that they will be eager to make these sales.

What is really ironic is that the Chinese themselves have now produced a computer at the 13,000 MTOPS level. They have surpassed the 7,000 current limit the sponsor of this amendment is trying to roll back.

One argument I have heard is that Japan also requires validated licenses for its sales. Yes, that is true, but Japan's validated license system has always been a rubber stamp operation. The entire process takes 24 hours, if that. Ours can take months. And I can show you some unhappy constituents who can verify that.

Another question I have is whether it is good policy to codify export controls at certain levels rather than leaving them to regulation. Do we really want to be in a position to have to change the law each time we need to decontrol? Is the Congress really able to act as quickly and as often as needed to adjust to rapidly changing technology? I think not.

Madam President, I plan to send a second degree amendment to the amendment by my colleague from Mississippi and in a moment will ask for its immediate consideration.

But I again want to mention that this amendment would request the GAO to perform a study of the national security risks that would be involved with sales of computers in the 2,000–7,000 MTOPS range to military or nuclear end users in tier 3 countries. It would also analyze the foreign availability issue to determine whether controls at 2,000 MTOPS and above would make any sense.

Further, the amendment would require the Department of Commerce to publish in the Federal Register a list of end users which would require the filing of a validated license application, except when there is an administration finding that such publication would jeopardize sources and methods.

Madam President, this is a sincere compromise in my position as subcommittee chairman of the committee of jurisdiction over this issue, which will help us decide whether there is a need to recontrol at the 2,000 level. It is far too controversial to decide this question today, or by next Tuesday when we will vote.

I believe Commerce should be asked to publish this list and to further seek ways to work with computer companies to determine whether other end users are questionable in order to alleviate some of the uncertainty that is out there.

Madam President, let us not turn back the clock on technology. Let us make a rational national security decision that also take into account the best interests of our exporters—and the jobs that they represent.

AMENDMENT NO. 422 TO AMENDMENT NO. 420

(Purpose: To require the Comptroller General of the United States to conduct a study on the availability and potential risks relating to the sale of certain computers)

Mr. GRAMS. So, Madam President, I send my second-degree amendment to the desk, and ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Minnesota [Mr. GRAMS] proposes an amendment numbered 422 to amendment No. 420.

Mr. GRAMS. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . GAO STUDY ON CERTAIN COMPUTERS.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the national security risks relating to the sale of computers with composite theoretical performance of between 2,000 and 7,000 million theoretical operations per second to end-users in Tier 3 countries. The study shall also analyze any foreign availability of computers described in the preceding sentence and the impact of such sales on United States exporters.

(b) PUBLICATION OF END-USER LIST.—The Secretary of Commerce shall publish in the Federal Register a list of military and nuclear end-users of the computers described in subsection (a), except any end-user with respect to whom there is an administrative finding that such publication would jeopardize the user's sources and methods.

(c) END-USER ASSISTANCE TO EXPORTERS.—The Secretary of Commerce shall establish a procedure by which exporters may seek information on questionable end-users.

(d) DEFINITION OF TIER 3 COUNTRY.—For purposes of this section, the term ''Tier 3 country'' has the meaning given such term in section 740.7 of title 15, Code of Federal Regulations.

The PRESIDING OFFICER. Is there a sufficient second for the Senator's request for a rollcall vote?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I have listened carefully to the comments of my good friend from Minnesota in support of his second-degree amendment. I must say that the language of the amendment is appealing in some respects, particularly the suggestion that the General Accounting Office ought to be asked to conduct a review of this situation and the apparent risk to our national security caused by the export policies of this administration with respect to the sale of supercomputers and its technology to foreign purchasers.

There is some question in my mind about the efficacy of the last part of

the amendment particularly, because in our hearings in the Governmental Affairs Committee the administration officials talked about the fact that the reason they did not publish and make available a list of end users or potential purchasers of these computers at this time was because of diplomatic considerations and the questions about whether it puts in jeopardy our intelligence-gathering capabilities and a number of other issues that concerned them enough so that they do not now make available this list even privately to exporters of supercomputers.

So to require them to publish it in the Federal Register and to make it available to the general public is probably something that ought to be reconsidered and not approved by the Senate. They should not be compelled to do that. It seems to me that the reasons they gave in our hearing for not doing it even privately was enough and sufficient in my mind to raise questions about whether we should compel them to do it publicly.

But looking back at the earlier complaints and the comments from my friend about the Cochran-Durbin amendment, let me say that this is not an effort on our part to roll back regulatory policy with respect to military end users. It is an effort to change the procedures and to put the onus and the responsibility for determining whether a sale is permissible or consistent with national security concerns on the administration rather than on the sellers of the computers.

Computer companies do not have the capacity to make determinations on their own about the use to which the computers they are selling in the international market will be put, or the relationships between prospective purchasers and governments, particularly in the case of China or Russia. The U.S. Government, though, has the capacity, through its contacts worldwide, to do a much more reliable and accurate job of assessing whether or not someone would be a purchaser who would use these computers to enhance the lethalness of nuclear weapons or missile technology to put our own citizens at risk, the lives of Americans at risk, in a way that they would not otherwise be, but for the sale of our computer technology.

So it is for that reason and that reason alone not to prevent the sale to legitimate purchasers who will use it for civilian or other appropriate purposes. It is in those situations where there is very real concern based on knowledge that we have about the potential harmful use—harmful to our own interests—that we ought to have the power, we ought to have the process reserved to the Federal Government to prohibit that sale in those selected situations.

Right now the policy of our Government is to prohibit the sale of this category of computers if it is for the purpose of being used for a military use or sold to a military organization. It is prohibited under current law, under current regulations. So the suggestion that the Senator makes that we are imposing new restraint on trade in this amendment is not true insofar as it concerns the sales for military purposes.

Current policy simply says to the exporters, if you know it is going to be used by a military organization, you cannot sell it—2,000 to 7,000 MTOPS speed computers cannot be sold under current U.S. law and under current regulations. So this amendment that we are offering does not impose a new definition that restrains the sale of computers. It simply says that the Commerce Department is going to give you the OK. Once you tell us who you will sell it to, they will tell you whether it is permissible or not. That is all we are saying.

The current policy is it is up to the exporter to decide whether this is a military end use or an end user. If they sell it to someone they knew was a military end user, they violate the law right now. The problem is a lot of exporters, the people in the business of manufacturing and marketing supercomputers, do not have the capacity to make this determination.

Also, there are motivations that are different. They are in the business of making money. They are in the business of selling as many as they can. The stockholders of these companies want to see sales go up, and so when there is a close question—we are not questioning anybody's motives here today—but where there is a close question and you really do not know for sure, the temptation is to go on and make the sale, particularly if there is really no hard evidence there.

Now, there have already been those cases where there is enough evidence that people have sold computers to end users who are military organizations or who are involved in nuclear weapons programs, that they are now under investigations by a Federal grand jury. This is serious business. That could have been prohibited, maybe, if you had the Commerce Department saying, ''OK, it is fine, go ahead and make this sale. Here is your license.'' Then the civilian marketer is off the hook. The Commerce Department makes the decision. That is the issue.

Do we leave it up to the honor system that has been developed by the Clinton administration, which is not working—46, we thought it was 46, but it turned out to be 47 as a result of the hearing we held of new information of these computers that are in the hands of Chinese entities and we do not know what they are being used for. Or if our Government knows, they cannot tell us in a public hearing session. We have to go behind closed doors to find out what they really know.

From what we can talk about right now, we know that this policy ought to be changed, and for the business of ''this is not the right place, this is not the right time,'' and the jurisdictional question—well, the Commerce Department has jurisdiction over commerce issues, the Banking Committee has some jurisdiction, our Governmental Affairs Committee has jurisdiction over compliance with nonproliferation treaty provisions. We are constantly monitoring the question of proliferation of weapons of mass destruction in our committee, and we came upon this information through the exercise of our oversight responsibilities.

It is a matter of some urgency, in our view, that this matter be addressed, and we think the U.S. Senate will agree with that. I think we have suggested a very modest but a very necessary first step in the process of reform of our policies over exporting computers. This administration came into office having made a promise to the computer industry that they were going to make some dramatic changes in the rules so that they could sell more computers in the international marketplace. That is fine. That is fine. But they have adopted a policy that is not working. It is not working to protect our national security interests, which is important. It is working in that it has helped sell a lot more computers and a lot of people have gotten rich under this new policy. I do not have a problem with that. No complaints are being made about that. But it was supposed to be a policy that both enhanced our ability to compete in the international computer market but at the same time protected our national security interests. It worked on the one hand, but it has failed on the other.

We now see the Atomic Energy Minister in Russia, whose name is Mikhailov, bragging in a public forum about the new supercomputer technology they have bought from the United States that is 10 times more powerful and sophisticated than anything they have had before. This agency is in the business of modernizing the nuclear weapons that the Russians have.

We have this Nunn-Lugar builddown program supposedly trying to dismantle these weapons of mass destruction, and we are very actively involved with the Russians in that regard. But at the same time, to be selling them the technology to make the weapons, they are more accurate, more lethal, capable of destroying potential adversaries like the United States, it seems we are working at cross-purposes with ourselves. We are trying to work to keep down the proliferation of weapons of mass destruction, and here we are, in this instance, contributing to the proliferation of more lethal nuclear weapon systems. Certainly that is true in the case of Russia and China. We know that. We know that.

So what do we do about it? Nothing? Have some hearings? Have the GAO spend another year looking at things? We agree GAO ought to look at this. We are asking them to do that, too. They have already begun some work at our request. I agree with the Senator

that we need to do more, but to just say the Senate should not act on this suggestion, this is a modest first step. It is not a suggestion for comprehensive reform at this time. We need more information. We need to do more work to decide on the details of a comprehensive, workable policy than is on the books now and administered by our Commerce Department.

So, but for the provisions of the amendment offered by the Senator that I have suggested caused me some concern, I would like to be able to support the amendment so that we could then go on and vote to approve the amendment as amended, but I cannot do that at this point. I hope the Senate will not agree to the amendment.

I know under the announcement that was made earlier today on behalf of the majority leader, there will be no votes on amendments today. They will be set aside and we will come to them later. So there will not be a vote today. Knowing that there will not be, I will not push the issue any further, except to suggest to the Senate that this is an issue that ought to be debated, considered carefully, and we ought to vote for this amendment that I have offered with the cosponsorship of Senator DURBIN.

Incidentally, I asked the other day, after we had described the amendment, that Senator ABRAHAM be added as a cosponsor. I have now been asked to seek unanimous consent that Senator LUGAR be added as a cosponsor. I make that request at this time, Mr. President.

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

PRIVILEGE OF THE FLOOR

Mr. THURMOND. Mr. President, I ask unanimous consent that Janice Nielsen, a legislative fellow with Senator CRAIG's office, be granted floor privileges during debate on S. 936, the Defense Authorization Act.

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

Mr. GRAMS. Mr. President, I want to say I appreciate the remarks of my colleague from Mississippi, Senator COCHRAN. We hope to be able to work with him over the weekend and hope to come to an agreement and compromise with him by next week. Like he said, hopefully we can vote on this at that time.

I yield the floor.

Mr. THURMOND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. GRAMM. Mr. President, I ask unanimous consent that we may move from this quorum call into morning business for 20 minutes.

The PRESIDING OFFICER. Is there objection to calling off the quorum?

Mr. LEVIN. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue to call the roll.

The bill clerk continued the call of the roll.

Mr. GRAMM. Mr. President, making two separate requests, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. GRAMM. Mr. President, I ask unanimous consent that I can proceed for 20 minutes as in morning business.

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

Mr. INHOFE. Will the Senator yield for a unanimous-consent request?

Mr. LEVIN. Reserving the right to object, would the Senator add to that, that following morning business that we go back into an automatic quorum call?

Mr. GRAMM. Mr. President, I ask unanimous consent that following my speech, if it ever begins, that we go back into the quorum call, and I also ask unanimous consent that, without losing the floor, I might yield to Senator INHOFE so that he might get a staff member on the floor.

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

PRIVILEGE OF THE FLOOR—S. 936

Mr. INHOFE. Mr. President, I ask unanimous consent that Jeff Severs be given floor privileges for the DOD bill.

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

Mr. GRAMM. Mr. President, with all this folderol, I hope they are not conspiring against me or against Texas. If so, maybe we are in trouble.

SAVING MEDICARE

Mr. GRAMM. Mr. President, I come to the floor today to talk about a very difficult subject that for the next couple years is going to be very unpopular. In the long history of the country it is one of the most important subjects that we have ever debated—and that is trying to save Medicare.

I want to talk about what we did in the Finance Committee. We reported a bill that will be on the floor by the middle of next week. I want to explain to people exactly what we did and exactly why we did it. I want to talk about why it is important to the future of the country and why it is critically important to 38 million people who depend on Medicare. It is something that we have to do, and it was a courageous action taken by the committee. However, it will be a great blot on the courage and leadership of this Congress if we let this effort, started in the Finance Committee this week, die on the floor of the U.S. Senate or in the Congress.

First of all, Mr. President, let me remind people that we have a terrible problem in Medicare. Medicare will be insolvent in 3 years. There are a lot things I may do in my political career that I do not want to do, but there is one thing I am never going to do. I am never going to call up my 83-year-old mother and say, ''Well, mama, Medicare went broke today. It went broke today because nobody had the courage to do something about it. I knew it was going broke, but I didn't want to tell anybody because I thought somebody might criticize me for trying to do something about it. So I just stood by thinking, 'Well, when it goes broke in 3 years, maybe something magical will happen, and maybe nobody will blame me.''' I am never going to make that telephone call.

I am proud to say that we took two steps in the Finance Committee this week that will go a long way. If we continue to show the courage that we showed in committee on the floor of the Senate, then I will never have to call my mother and tell her Medicare went broke, and she will never be without the benefits that she has become accustomed to and that she needs.

And let me outline the two things we did.

First of all, as my colleagues will remember, we had a crisis in Social Security in 1983. We set up a commission which was almost unable to agree on what to do about putting Social Security back in the black. We were on the verge halting Social Security checks. However, one of the reforms which arose from the process resulted from a recognition that Americans are healthier, and are living longer.

So as part of that Social Security solvency package, those of us who were in Congress at the time swallowed hard and voted to raise the retirement age from 65 to 67 over a 24-year period.

I remind my colleagues that when Social Security started, the average American lifespan was less than the eligibility age for Social Security. So the Social Security system protected people who lived longer than the average.

Obviously, thank goodness, the average lifespan of Americans has grown dramatically since 1935. So we now have in law where beginning in the year 2003 through the year 2027, we are going to very gradually raise the retirement age from 65 to 67. That was part of a program to keep Social Security solvent.

It was heavy lifting at the time. Medicare was still in the black, and nobody wanted to make the lifting any heavier.

Now we are reaching a point where this phase-in for Social Security is going to start in the year 2003. So the Finance Committee, in what I believe was a courageous vote, voted to begin phasing up the eligibility age for Medicare in the same way as Social Security. That is the first significant change we made. I think there is something historic about that change which goes beyond it being the most dramatic change we have ever made in Medicare's history to keep the program solvent.

The second dramatic thing about this reform is that we did not do it to save