done to help the current system be better. That is what the Kassebaum-Kennedy bill does. It improves the current system of health care delivery in the private market health insurance system.

So let us ask what medical savings accounts do. Well, I like to call medical savings accounts patient choice accounts, because I think those who are tuned into what is going on in health care will tell you—and I am not talking just health care providers or insurers, I am talking about everybody who sees what is going on in health care—realizes that managed care is coming to dominate the marketplace and, in fact, will be, eventually, I believe, if nothing is done, take over the marketplace in most areas of the country. So the choices will be limited to just managed care options. The old fee-for-service, doctor-patient relationship in medicine will go by the wayside.

What I believe medical savings accounts do is give us a chance to keep that relationship available to patients who want that, to people who want the doctor-patient relationship. And what managed care is, you have a doctor, a patient, and you have a third party, an insurance company, who sort of regulates the transaction between doctor and patient. They are the ones who sort of dictate what services you can and cannot have. Well, before managed care, the doctor and patient determined what services you had. Well, the problem with that was that neither had incentive to control costs. On the patient's side, you had fee-for-service medicine with very low deductibles, so you did not pay anything for the services you got. You had no concern about how much they cost. Nobody asked how much it costs for health care. On the physician's side, the more you did, the more services you provided, the less chance you were going to be sued, and the more money you made. So there were no incentives here to control costs. Then managed care came in.

Well, what we are trying to do with medical savings accounts is very simple—that is, to put some incentives with the patient to be cost conscious, to encourage them to be careful about what kind of health care services they consume and how much they consume and where they consume them, to create some sort of a marketplace for health care. That is what medical savings accounts do.

I can explain the specifics of how it works, but the bottom line is that it empowers, it gives the individual the ability to control their own health care decisions again. It gives power to individual patients when it comes to their health care needs.

Now, why—why—would anyone be against giving an option to individuals? It does not require everyone to take a medical savings account, by any stretch of the imagination. It does not require anything. It just gives you an option to have a medical savings account. Why would anyone be opposed to giving individuals powers to make medical decisions on their own, giving individual power in America?

I think you sort of have to step back and say, well, let us recall who were moving forward with the Clinton care health plan and what that plan did. What Clinton care did—sponsored by the Senator from Massachusetts—was take power from individuals, give it to Government-run organizations, and private sector insurance organizations, to manage care for everyone—big organizations controlling decisions of people. That is the model that many who were opposing this bill see as what we should be doing with health care. They do not believe—as Mrs. Clinton said, when asked about medical savings accounts—that individuals have the ability to make decisions on their own, that you are not informed enough, educated enough to make your own health care decisions.

There are people—and I hope and believe it is not a majority in this body—who believe that we need large organizations, whether it is Government or large insurance companies, to dictate to you what services are available to you. That is the fundamental debate here. That is the rub; that is the reason we are not moving forward with this. It is, who has the power to make decisions?

The Senator from Massachusetts believes it is large insurance companies or big Government. Those of us on this side of the aisle—and I think many on the other side of the aisle—believe individuals should at least have the choice to make those decisions themselves.

Mr. President, I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The PRESIDING OFFICER. Under the previous order, the hour of 9:30 a.m. having arrived, the Senate will now resume consideration of S. 1745, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1745) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Nunn-Lugar amendment No. 4349, to authorize funds to establish measures to protect the security of the United States from proliferation and use of weapons of mass destruction.

Warner (for Pressler-Dashcle) amendment No. 4350, to express the sense of the Congress on naming one of the new attack submarines the ''South Dakota''.

AMENDMENT NO. 4349

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided on amendment No. 4349.

Mr. NUNN. Mr. President, what is the pending amendment?

The PRESIDING OFFICER. The pending amendment is No. 4349.

Mr. NUNN. Mr. President, I ask unanimous consent that Senator HATCH be added as a cosponsor to the pending amendment.

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

Mr. NUNN. Mr. President, we had a good debate last night after most Members had gone home and after all the votes had been cast for the day. But, nevertheless, I hope some of our colleagues and their staff—and, indeed, the American people—heard some of that debate because, to me, this is an enormously important subject and a very important amendment.

This amendment is sponsored by Senator LUGAR, myself, Senator DOMENICI, Senator BIDEN, Senator GRAMM, Senator HATCH, and others.

It has three major thrusts.

First, it recognizes that one of our most serious national security threats is the proliferation of weapons of mass destruction—not just nuclear weapons but also chemical and biological weapons.

Just this week ''The Nuclear Black Market'' report came out by the Global Organized Crime Project, which is chaired by William Webster, former head of the FBI and CIA, with the project Director Arnaud de Borchgrave.

That publication made it very clear in the findings of this very distinguished group of Americans with considerable national security experience.

Quoting from that report:

The most serious national security threat facing the United States, its allies, and its interests is the theft of nuclear weapons or weapons-usable materials from the former Soviet Union. The consequences of such a theft—measured in terms of politics, economics, diplomacy, military response, and public health and safety—would be catastrophic.

Arnaud de Borchgrave said at the press conference:

We have concluded that we're faced now with as big a threat as any we faced during the cold war, when the balance of terror kept the peace for almost half a century.

We also have a quote that makes it clear that the foundation for this amendment is based on some of the findings in this report, as well as extensive hearings.

We had reports from the Harvard group headed by Graham Allison; reports from the Monterey Institute, and others.

So this is not the only report. This is the most recent and, I think, one of the more thorough reports that has been done on this subject.

But this report says:

A layered defense against nuclear trafficking is essential. Countermeasures must continue to emphasize securing warheads and