

Perhaps then we can get about bringing both India and Pakistan together, to stall the problems that we have in Kashmir, where thousands of innocent people are losing their lives. It need not be that way. We can solve these problems. But India must first renounce the use of nuclear weapons and must first state very clearly that they are not going to conduct nuclear testing.

With that out of the road, and I believe the pathway would be clear for this administration and for other governments to get India and Pakistan together to solve the outstanding problems that continue to engulf the entire area.

MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

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

AUCTION OF SATELLITE SLOT BRINGS IN MILLIONS FOR AMERICAN TAXPAYERS

Mr. DOLE. Mr. President, I ask unanimous consent that today's New York times article entitled, "News Corp. and MCI Win Satellite Slot" be printed in the RECORD. The sale of this national resource is a windfall for American taxpayers. Many thought it would only bring in \$20 million to \$100 million. But the experts were wrong. It brought in a whopping \$682.5 million. Senator McCAIN and Senator BROWN deserve recognition, and our thanks, for pushing through the legislation that made this auction possible.

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

[From the New York Times, Jan. 26, 1995]
NEWS CORP. AND MCI WIN SATELLITE SLOT
BID OF \$682 MILLION TO BEAM TV TO HOMES
(By Edmund L. Andrews)

WASHINGTON, January 25.—After a brief but spirited bidding war, MCI Communications and Rupert Murdoch's News Corporation agreed today to pay the Federal Government \$682 million for the last unclaimed orbital slot for a satellite that can beam television straight to individual homes across the United States.

The two companies, which have formed a joint venture to build and operate the system, said they planned to invest another \$1 billion and hoped to begin offering both television and a broad range of business communication services within two years.

"We are talking about much, much more than higher quality television," said Bert C. Roberts, the chairman and chief executive of MCI, in a satellite-linked news conference with Mr. Murdoch.

But some analysts remain skeptical about the idea. MCI and the News Corporation paid top dollar for the license, more than twice that Tele-Communications Inc. of Denver was willing to pay when it dropped out of the Federal Communications Commission's auction on Wednesday.

The two companies will also be years behind several rivals, all of which either can or will beam more than 150 channels of television to relatively small antennas.

"I'm scratching my head, trying to figure out where they are going," said Daniel P. Reingold, a telecommunications analyst with Merrill Lynch.

DirectTV, a subsidiary of General Motors' Hughes Electronics, has signed up 1.2 million subscribers who receive service over antennas about 18 inches in diameter. And its pace is likely to speed up because the AT&T Corporation bought a small stake in the company this week and plans to start marketing its service through the AT&T sales force.

Echostar Communications of Englewood, Colo., which lost out to MCI in today's auction, already owns another direct-broadcast license and has launched its first satellite. It hopes to beam about 75 channels of television in March and to double that capacity with a second satellite by the end of the year.

And Primestar Partners, a consortium owned by several of the country's biggest cable television companies, is marketing a similar service that customers receive on bulkier three-foot-wide satellite dishes.

Today, however, Mr. Roberts and Mr. Murdoch radiated confidence and said they had much more in mind than simply emulating traditional cable television. Mr. Roberts described beaming things like medical images between hospitals, video training materials for corporations and high-speed data links to connect far-flung offices of a company.

Winning this license will allow MCI and the News Corporation to embark on the first tangible project of the alliance they formed nearly a year ago, in which MCI paid \$2 billion for a 13.5 percent stake in News Corporation.

As the nation's second-largest long-distance carrier, MCI has been struggling to move beyond its traditional business and match moves made by both AT&T and the Sprint Corporation.

Sprint, meanwhile, has teamed up with four of the country's biggest cable companies in a bid to offer a full range of telephone, cable television and wireless communication services.

The new satellite license will allow the two companies to beam more than 200 channels of television programming over direct-broadcast satellites, high-powered satellites whose signals can be received by pizza-sized 18-inch dishes in individual homes.

Under the new joint venture, MCI said it would take lead responsibility for developing business communication services and the News Corporation would take the lead on consumer services. Mr. Murdoch said the consumer business would focus primarily on competing with traditional cable television operators.

Mr. Murdoch has already been both shrewd and highly successful in the satellite television business overseas. In Europe, the News Corporation owns a 40 percent in B Sky B, a service that now has five million subscribers. And in Asia, the News Corporation owns Star TV, which beams television and radio over Japan, Korea, China and India.

MCI, despite its difficulties in branching beyond the long-distance market, has nevertheless repeatedly shown itself a master of marketing prowess that has generally outpaced both AT&T and Sprint in the long-distance arena.

David Roddy, a communications analyst with Deloitte & Touche Consulting Group, said MCI had particular need for obtaining the last unclaimed satellite spot for direct-broadcast television because it had no other way of distributing entertainment and other forms of media.

"A lot of people are asking whether MCI can afford to do this, but my answer is, can they afford not to do it?" Mr. Roddy said.

MEDICARE REIMBURSEMENT FOR TAMOXIFEN

Mr. HATCH. Mr. President, each year in this country approximately 180,000 women are diagnosed as having breast cancer, a terrible disease that will claim nearly 50,000 lives. But, nearly 2.6 million women are breast cancer survivors, in part because of the availability of Tamoxifen citrate, a widely used post-operative drug for this disease.

My colleagues may not be aware that a low-cost version of Tamoxifen is available on the market today. As a result, the estimated 800,000 women who take two tablets per day of this lower cost medicine are saving a total of \$81 million a year.

It has not been widely publicized, but during consideration of the Balanced Budget Act, a provision was included in the now-vetoed conference report to amend the Medicare Program to include reimbursement for Tamoxifen. In an effort to lessen the cost of this expansion of Medicare reimbursement, a rebate was included to reduce the cost of the drug to the Federal Government when covered as part of Medicare.

Unfortunately, I believe my colleagues were unaware of the negative effects of this rebate provision when it was passed as part of the budget bill. One notable drawback is that the provision would have set the very undesirable precedent of establishing a Medicare rebate. Such a rebate would be unwise policy for a number of reasons, but that is not the focus of my remarks here today.

More importantly, as a result of this new and unprecedented Medicare rebate, the provider of the low-cost alternative of Tamoxifen would no longer be able to make this product available in the domestic market. That is because the rebate, combined with the terms of a contract negotiated between the lower cost provider and the drug innovator, would cause the lower cost provider to lose money on each bottle of Tamoxifen sold.

Ironically, for Medicare beneficiaries and other consumers, the result of what I believe was a well-intentioned amendment could only be higher prices for this life-saving breast cancer therapy. Such a result would indeed be tragic, and I hope that my colleagues will give this a second thought as future Medicare bills are developed.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.