

what we have is a defense of the status quo and more of the same.

DISAPPROVAL OF MOST-FAVORED-NATION TREATMENT FOR CHINA

Mr. ARCHER. Mr. Speaker, pursuant to the previous order of the House, I call up the joint resolution (H. J. Res. 121) disapproving the extension of non-discriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The text of House Joint Resolution 121 is as follows:

H.J. RES. 121

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on June 3, 1998, with respect to the People's Republic of China.

The SPEAKER pro tempore (Mr. QUINN). Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Texas (Mr. ARCHER) and a Member in support of the joint resolution each will control 2 hours.

The Chair recognizes the gentleman from Texas (Mr. ARCHER).

GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on House Joint Resolution 121.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to yield one-half of my time to the gentleman from California (Mr. MATSUI) in opposition to the resolution, and that he be permitted to yield blocks of time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent to claim the time in support of my resolution, and that half of our time, of the 2 hours, be yielded to the gentleman from California (Mr. STARK) for purposes of control.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that following my opening remarks, the gentleman from Omaha, Nebraska (Mr. CHRISTENSEN) be allowed to manage the time in support of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

I rise in strong opposition to H.J. Res. 121, which would disapprove the annual extension of normal trade relations with China. The open lines of communication and exchange that accompany a basic trade relationship with China protect the economic and foreign policy interests of the United States in a strategically important region of the world. At the same time, trading with China allows Americans to play a role as a friend and teacher in opening this country to our ideals of freedom, democracy, and private enterprise.

With a severe economic depression facing many Asian countries, the U.S. cannot afford to adopt a protectionist response to objectionable behavior by the Chinese Government. Certainly U.S. workers and firms would suffer mirror trade retaliation against the \$17 billion in goods and services that they sell to China. In addition, consumers would see an increase in the prices of necessities of life in the marketplace on those goods that are sold in this country, imported from China. But revoking NTR, normal trade relations, this year could also trigger more currency devaluations in the region, further compounding the steep drop in demand for U.S. exports that has already occurred.

For Americans, maintaining normal trade relations means preserving 200,000 jobs supported directly by U.S. exports to China. These jobs typically pay about 15 percent more than non-export-related jobs. If we revoked NTR, China would have the legal right to retaliate by raising tariffs on U.S. exports in a wide range of sectors, including telecommunications, information technology, aircraft, soybeans, cotton and wheat, to name a few. Providing a tremendous competitive advantage to European and Japanese companies, we would be inflicting direct harm to U.S. workers and businesses, as well as undermining their future prosperity.

Trade with China, Mr. Speaker, enhances the affordability of clothing and many household items, thereby making a substantial contribution to the standard of living of all Americans, particularly those in lower income categories. Failure to renew NTR would exact the highest toll on low-income families, resulting in an increased tax burden of about 1 to 2 percent of their annual income, almost \$300 a year.

U.S. issues of national security are also at stake. Revoking NTR would deal a devastating blow to the people of Hong Kong as they struggle to maintain their way of life and autonomy following the territory's reversion to China. Taiwan's economy, too, would suffer severe disruption. If the U.S. is to find a common ground with China on issues such as North Korea and weapons proliferation, we need a functioning bilateral relationship.

A Nation of 1.2 billion citizens with a history of 5,000 years cannot be expected to give in to our wishes because we threaten Smoot-Hawley tariffs,

averaging about 50 percent, against their imports. Human nature is what it is; threats of this kind only provoke a backlash of resistance on the part of the country we are aiming to improve.

We will not ensure continued improvements in respect to human rights, religious freedom and democratic principles by turning our backs on the Chinese people and relinquishing our influence, in effect, unilaterally turning it over to Japan and to Europe. It is crucial that U.S. businesses and religious leaders remain engaged in China as an example and as a voice for our values.

Denying normal trade relations with China means severing ties that would take years to repair, so for the interests of all Americans and for the Chinese people, I urge a "no" vote on H.J. Res. 121.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last month the President of the United States was received by the Communist dictators who run China in the very place where those dictators killed over 1,000 people in 1989; that place was Tiananmen Square.

Mr. Speaker, that was morally wrong. Indeed, as I said before the Committee on Ways and Means, it was morally revolting, but it represents the logical result of our policy of appeasement of Communist China. The continuing, unlinked, and the unconditional conferring of Most-Favored-Nation trade status on China is the cornerstone of the appeasement policy, Mr. Speaker, so I have introduced this resolution that is before the House today, again for the ninth consecutive year, and which would suspend temporarily China's MFN status.

Mr. Speaker, ever since the Tiananmen Square massacre in 1989, there has been a sharp division within the Congress between those who advocate a policy of so-called engagement with Communist China and those who believe that a corrupt dictatorship should not be coddled, especially a dictatorship that is pursuing an arms buildup of unprecedented scope. Look at this headline in today's paper: China Conducted Tests as Clinton Visited on Nuclear Missiles.

Mr. Speaker, let us look at the record. Nine years have gone by since 1989 when Congress first debated the merits of Most Favored Nation status for China. The advocates of engagement with China have told us for 9 consecutive years running that a policy of open, unfettered trade with China, as my colleagues have just heard the gentleman from Texas say, is the way to open up the Chinese market to American goods, to improve the human rights conditions for the Chinese people, and to modify the Chinese regimes' rogue behavior around the world. Let me tell my colleagues, it is rogue.

But what does the record show on opening up the Chinese markets to American goods? Forget it, I say to my

colleagues. I want my colleagues to listen to this. Since 1989, U.S. exports to China, which were minimal to start with, have barely doubled: up 120 percent. During the same period, Chinese exports to the United States have gone up 626 percent.

I ask my colleagues to think about that. Go into any of the stores that are across this Nation. A \$6.2 billion trade deficit with China in 1989 grew from \$6 billion to over \$49 billion last year.

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By the end of this year, it will nearly be \$60 billion and will be larger than that of Japan. Can my colleagues imagine that? How does that happen?

Mr. Speaker, after 19 years of providing MFN status for China, during which time the gross domestic product in China has grown at an average rate of 9 percent, listen to this, less than 2 percent of America's total exports are now finding their way into the huge markets that we keep hearing so much about. Less than one-fifth of 1 percent of our total economic activity is involved in trade with China after 9 years of MFN treatment. So much for the huge markets, Mr. Speaker.

Mr. Speaker, the advocates of engagement must be incorrigible Red Sox fans or Cubs fans, because their battle cry is always, "Wait until next year." But next year never comes.

What about human rights? We need to look no further than our own State Department's Human Rights Report of 1997. I will quote, "Continued tight restrictions on freedom of speech, press, assembly, association, religion, privacy and worker rights."

Mr. Speaker, I continue, "Serious human rights abuses persisted in minority areas, including Tibet," and if Members have never been there, they ought to go and see the devastation there, "where tight controls on religion and other fundamental freedoms continued and, in some cases, intensified." This is our State Department saying that.

Sure, there is an occasional release of a political prisoner or some other public relations gesture. But the fact remains that more people are behind bars in China right now today, I urge my colleagues to listen to this, than when President Clinton was there 3 weeks ago. More people in jail. I mean, how could we live with that?

Of the \$63 billion worth of exports China sent to the United States last year, an estimated one-half came from companies that are controlled by the Chinese military or which employ prison labor. According to the Washington Post, American companies that buy products from the Chinese military and paramilitary police are some of the biggest names in retailing. Listen to these: Nordstrom, Macy's, K-Mart, Walmart, Montgomery Ward's. And just try to buy something in Staples not made in China. I tried and failed.

Do my colleagues know what surge protectors are? I went in a store back

in my district in Glens Falls, and I could not find anything made in America. I went into another store. These shirts that I am wearing cost 23 cents an hour to make in China. How can Americans compete?

The gentleman from Texas (Mr. ARCHER), my good friend, said it is going to cost us 200,000 jobs if we do not renew MFN for China. How about the millions of jobs that we have lost in this country over the last 9 years because we cannot manufacture anything competitively with China, and yet they will not let our goods in there.

Mr. Speaker, to find the source of exports that do not come from the military, the police, or the prisons, try looking in the sweatshops that work people for 70 hours a week for 23 cents an hour or less. So much for human rights.

And what does the record say about rogue behavior? We got our answer to that one 2 months ago in the form of a nuclear arms race in South Asia. Days before the Indian nuclear test in May, their defense minister stated unambiguously that China represented the number one threat to Indian security. That is the Chinese saying that. Where did Pakistan obtain the technology needed to conduct its own nuclear tests? China, of course. We all the know that.

Only last week, a bipartisan congressional commission chaired by former Secretary of Defense Donald Rumsfeld warned that, "China is modernizing its long-range missiles and nuclear weapons in ways that will make it a more threatening power in the event of crisis."

Again, just look at this headline. The Rumsfeld report goes on to say that China is "a significant proliferator of ballistic missiles, weapons of mass destruction, and enabling technologies that they are giving to other rogue nations."

Only just yesterday, we learned that China has added six new ICBMs. These are intercontinental ballistic missiles aimed at the United States of America. Six more on top of the 13 that were already aimed here. The Rumsfeld report warns of a link between China's ballistic missile capability and its regional priorities, a linkage that was underscored by a senior Chinese general who has questioned whether the United States would trade Los Angeles for Taipei. Think about that.

Just last year a new wild card was injected into the MFN debate by the revelation that the Chinese Embassy in Washington may have sought to buy influence with the U.S. Government through campaign contributions. That was confirmed when fund-raiser Johnny Chung admitted receiving \$300,000 from Chinese military officers who were connected to firms involved in satellite and missile technologies.

Mr. Speaker, the odor of money and influence peddling is hanging over this debate, and like everything else on the whole subject of MFN it is going to get worse.

The U.S. Government has looked at the record with respect to opening up the Chinese markets to U.S. products; with respect to encouraging better human rights for the Chinese people; and with modifying China's rogue behavior. On every account, MFN has struck out.

Clearly, the time has come to recognize that the burden of proof in this debate rests with the side of engagement. We do not have to suspend MFN permanently. If we did it for a month or 2 weeks or a day, the Chinese government would come around because they lick their chops at 250 million Americans with the greatest buying power in the world and they want to sell to us. Let us at least give our own people a fair bargain.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I speak in opposition to H.J. Res. 121, and support the continuation of trade relations with China. I oppose the resolution on the floor because I believe that our national strategic interests, not just our commercial interests, are at stake.

The U.S.-China relation is by far the most important bilateral relationship the United States will have in the 21st century. A constructive positive economic and political relationship with China is a key to a long-lasting peace and prosperity and stability in Asia and throughout the world.

Democratic and Republican presidents, President Carter, President Reagan, President Bush, and President Clinton have all recommended the extension of normal trading relations with China each year since it was first granted in 1980.

We have also 17 former Secretaries of State, Defense, and National Security Advisors and they have written a bipartisan open letter to Congress urging the continuation of normal trade relations with China.

They point out that normal trade relations advance our interests in China by continuing to open and reform its economy and improve the quality of life of its citizens. They underscore that the vital importance of continuing the engagement with China is serving America's best economic and national security interests.

As said by previous speakers, the gentleman from Texas (Mr. ARCHER) in particular, China represents 23 percent of the world population. One person in every five living on this planet is a Chinese citizen. We cannot ignore this simple reality and we cannot and should not try to isolate China. Rather, we should continue to build upon and strengthen the positive relationship which has undeniably been an engine for change in China.

This was demonstrated most recently and visibly on the President's recent trip to China last month when human rights and other sensitive issues were openly discussed and televised for the first time.

There is no disagreement about the fact that China still has a long way to go in granting its citizens basic human rights and religious and political freedoms. We all know that. Change toward respect for human values that we cherish is gradual and obviously slower in this case than we wish.

The Chinese market, of course, is not as open to our goods and services as we speak, and China may have shared nuclear technology with other nations. These are the kinds of things that obviously we deplore. But China is also working with us to restore stability in the Asian region. It is assisting in the prevention of the spread of nuclear weapons.

As we know with the Asian financial crisis, which many of the economists in the world and in the United States in particular have said is comparable to the prelude before the 1930 "Great Crash," the Chinese are assisting us by maintaining the value of its currency and not devaluing, obviously causing economic harm to its own citizens, unlike some other Asian countries, and encouraging a peaceful resolution in the differences among South Asian countries and certainly in the Korean Peninsula.

Such cooperation on areas of mutual national interest is the result of a constructive diplomacy and engagement. And while we also continue to deal forthrightly with Chinese leaders on these areas of disagreement, we continue to press them in the area of human rights and obviously democratic principles. In fact, as many of us know, we are at this time working with China on an issue called the rule of law. It is going to take a great deal of time to get the Chinese to understand that they have a right to sue in their courts, but we are slowly making progress in that area. We believe that in the area of commercial rules of law, eventually and hopefully it will move into the area of human rights and due process, items that we in our country cherish.

Revoking normal trade relation status will not only hurt U.S. exporters and help foreign competitors in the Chinese markets, but it will not really close our bilateral trade deficit. We continue to insist, as we should, that China provide meaningful market access and adhere to international trading rules before joining the WTO. But China and Hong Kong are also major customers for U.S. products. Until the recent financial crisis, the increasing trade deficit has largely been offset in our deficit with other Asian countries, particularly the Four Tigers.

Mr. Speaker, I might just add to this that the Chinese now are wondering whether they do want to enter into the WTO under the terms that we have suggested. We will allow and grant the Chinese the ability to enter into the World Trade Organization, but only as a developed nation. They want to come in as a developing nation, which means they will not have to comply with all the WTO rules.

But I would have to say that ultimately we will want the Chinese in the WTO, because that is the way to get the Chinese to abide by international standards that were promulgated by over 186 countries in 1996. Cutting off normal trade relations would cut off a vital link between our two countries and an important catalyst for change through increased business and trade contracts with Chinese leaders and citizens.

Even more important, our withdrawal now from a policy of normal trade relations would reverse the long process of engagement to encourage China to be a responsible and constructive member of the international community.

In effect, the enactment of H.J. Res. 121 would create a new Cold War in the 21st century with only negative consequences for our national security and certainly our own national interests.

Mr. Speaker, I urge my colleagues to cast a "no" vote on H.J. Res. 121, and to support a continuation of normal trade relations with China.

Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, pending the completion of my remarks, I ask unanimous consent that the gentlewoman from California (Ms. PELOSI) be allowed to control the remainder of my time.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. Madam Speaker, I rise today in support of H.J. Res. 121, disapproving the extension of Most Favored Nation, or whatever they now want to call this gift to China. We will hear a good deal today about China's breaking their nonproliferation promises and treaties. We will hear that they were testing a rocket motor while the President was there, with full knowledge, I might add, of our State Department, which now gives China one of two intercontinental ballistic missiles in the world, Russia having the other.

We will hear repeatedly about the violation of the Universal Declaration on Human Rights, which China, the PRC, engages in repeatedly. We will also hear from numerous colleagues about the violation and the exploitation of their own labor force, the destruction of young girl children, the imprisonment for slave labor.

□ 1100

And we will hear repeated statements of China's unfair trade practices. We will hear that they ignore intellectual property rights with impunity, which means they copy anything they want and reproduce anything they want without paying the fair share for patent or trademarks.

We probably will conclude that they do not play by any rules other than

their own, U.S. or international rules. And we may conclude, given this inhumane treatment of human beings and complete disregard of the rule of law, that the Chinese Government does not deserve normal trade relations with the United States. We certainly do not recognize Cuba for far less. So we are really treating China specially.

Each year the issues around the debate are the same: The Members in this body keep saying we need continued trade, it will help change China's practices. It has not. They have gotten worse. No one can indicate on the floor today that China has improved in any way. But China shows no progress and we continue to accommodate, acquiesce and back off.

My colleagues might begin to wonder why. Well, the reason why is that we are here today to bail out General Motors, General Electric, Motorola, Westinghouse and Boeing, the five largest exporters to China. And my colleagues are going to say, well, that is just wonderful. I heard the chairman of the Committee on Ways and Means suggest that we need this to protect the American economy. My distinguished colleague from California suggested there is a vital link.

Well, I would agree. And in the words of Ross Perot, this vital link is a large sucking sound. And what we are hearing is the American taxpayers' dollars being sucked right out of the American taxpayers' pockets and awarded to General Motors, General Electric, Motorola, Westinghouse and Boeing.

Now, how does this happen? My goodness, Boeing is selling a lot of airplanes. And my colleagues may say, bully, that is an American company, but the fact is there is a hitch. Before Boeing can sell an airplane, Boeing must build a factory in China or China will not let them sell any airplanes. Okay, so they build a factory. My colleagues may say there will be some more jobs. Wrong again. China requires that Boeing hire Chinese people in China.

The net result is that we are not creating any new jobs, and we may lose some net jobs as Boeing is attracted to build more than just what they sell in China, but a few extra tail sections for 727s, or whatever they are building over there, because it saves them some money. So the jobs leave and we get no gain there.

Well, then one might say, but Boeing is making some money on this and it helps the U.S. economy. Wrong again. The dollars that Boeing makes stay in China. And by staying in China, the taxpayers of America lose. We are not collecting any income tax from Boeing on the money they make and invest in China. That means American taxpayers are being suckered big time. We are paying extra income tax to allow Boeing to take this profit and invest it in China.

Well, my colleagues say, maybe some day that will come home. This is not the end. For those of my colleagues

who are waiting for the real kicker in this, it is not enough that the taxpayers of the United States are subsidizing Boeing, who are putting the money in China at our cost, we have got to protect them.

Not that we have to protect them with a lot of troops, we are going to hear about IMF, which means that now that Boeing and General Motors and General Electric and Westinghouse have all of this money in China, we cannot let the currency be devalued. So the taxpayers, suckers again, hearing that big sucking sound in this vital link, are going to be asked to come up with \$18 billion more to protect the money that was already taken out of their pockets to give to Boeing and General Electric and General Motors and Westinghouse to invest in China.

It is a sucker game. It is a sucker game by the major corporations in this country who are being subsidized by the American taxpayers to invest in China while we lose jobs in America; while all we get back from China are shelves stocked in our big box warehouse stores so we can buy cheap Nikes and cheap T-shirts as we lose good productive factory jobs, as we lose tax revenue, as we lose our dignity. Because we do all of this while we countenance torture and we countenance turning our back on human rights.

It turns all things that Americans believe in on its head and it is wrong. That is what the trouble is. It helps no one but the large corporations in this country. And they are perfectly willing, in the interest of maximizing profits, to ignore the human rights that are so vital to our country's continued existence.

So I urge my colleagues to honestly look at the promises made and broken, the PRC's sale of weapons, chemical weapons, nuclear weapon materials, and the growing trade imbalance, and say, why am I doing this? Is it so important to bail out General Motors and Boeing and General Electric and Westinghouse? Have they contributed so much to my campaign that I have to vote to perpetuate this dishonest, immoral regime by subsidizing them with taxpayers' money?

I think my colleagues will find, if they examine their consciences, that it is in our interest and the interest of all American taxpayers to support the resolution, and I hope my colleagues will join me in voting to deny Most Favored Nation treatment to China until they decide to join the humane world of man and obey the human rights and the dignity and liberty that we all enjoy.

Madam Speaker, I reserve the balance of my time.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

I know that we want to expedite this procedure, since I see some of my colleagues here, like the gentleman from Ohio (Mr. TRAFICANT), who has fought against MFN all these years; and now the gentleman from Nebraska (Mr. CHRISTENSEN); and my good friend, the

gentleman from California (Mr. DANA ROHRBACHER) over here; because all of these people who have waged this battle want to make sure they are out here on the Capitol steps at 12:30 to catch the bus to go down to the White House, because at 1:30 the President will be signing the legislation that terminates MFN.

We will never again be using that absurd language: Most Favored Nation. And so I know my friends here, who have fought this battle for years, are taking comfort in the realization that that label will be made a part of history and now we can get down to serious discussion about what we are really talking about, and that is normal trade relations. Big difference. Normal trade relations.

So I would hope some of those who are so ecstatic over their victory today will pay some attention to some of the arguments. We heard some arguments earlier from my good friend, the gentleman from New York (Mr. SOLOMON), who was concerned about what was being exported to the United States from China versus what we were exporting over there. And we heard from the gentleman from California (Mr. STARK) to that effect, too.

Some of the arguments advanced by the gentleman from New York (Mr. SOLOMON) were arguments that were advanced when the textile and apparel industry migrated from Burlington, Vermont, to south of the Mason-Dixon line. They did so for labor reasons and the cost of labor. And the textile and apparel industry has continued that flight, as my colleagues know, going down to the Caribbean and other countries because labor is cheaper in these areas where we are talking about a lack of skills.

With regard to, for example, the majority of our imports from China, it is underwear, it is toys, it is also footwear. Those are products that are certainly not high-tech but, to be sure, they manufacture good underwear, they manufacture good shoes, and they manufacture good toys over there. Our exports to them, the majority of ours, are power generating equipment, air and spacecraft and electrical machinery.

Now, my home State of Illinois exports over \$1 billion a year of products to the mainland of China, and I would like to share some of these products with my good friend, the gentleman from California (Mr. STARK), over here, who I do not know how California is doing with regard to the breakdown of their list, but one of our big exports is scrap and waste. Scrap and waste. That is one of our big exports to mainland China. In addition to that, agricultural products, of course, is a biggie. We are an ag State.

In addition to that, let me recite some of the big exports from the State of Illinois. Primary metals, stone, clay, and glass products, rubber and plastic products, chemical products, paper products, food products, electric and

electronic equipment, industrial machines and computers. It is a wide range of goods that we in the State of Illinois are blessed in finding markets for.

But that is not confined to my home State of Illinois, and I think that it is important for our colleagues involved in this debate to examine the breakdown in their own States of what their exports are; the component parts of their exports, but the magnitude of those exports.

So I would urge my colleagues to go back now and review the possibility of expanding, not contracting, normal trade relations, and to do that we have to guarantee that we defeat H.J. Res. 121.

Madam Speaker, I reserve the balance of my time.

Mr. CHRISTENSEN. Madam Speaker, I yield 5 minutes to the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Madam Speaker, I thank the gentleman for yielding me this time and I am pleased to rise in strong support of H.J. Res. 121, offered by the distinguished chairman of the Committee on Rules, the gentleman from New York (Mr. SOLOMON), disapproving extending Most Favored Nation trading status to the People's Republic of China.

This disapproval resolution sends a clear message to Beijing that our Nation will not reward nations that ignore international standards and norms of behavior, and that we expect of China, as an important member of the international community, to change its ways on trade, weapons proliferation and human rights.

Their record to date is clear. Beijing continues to bar access to its markets, violates trade agreements, proliferates weapons of mass destruction, ballistic missiles and enabling technologies, and represses fundamental human rights, all while enjoying unimpeded access to markets of our great Nation.

China's weapons proliferation practices are a source of significant international concern, especially in South Asia and in the Middle East. China is the number one supplier of conventional arms to Iran, including the C-802 cruise missile which directly threatens our troops in the Gulf, and has aided Teheran's nuclear and chemical weapons programs as well.

China has also provided significant assistance to Pakistan's nuclear and ballistic missile programs that resulted in greatly increased tensions in South Asia. That kind of behavior should not be rewarded with any MFN.

China continues to violate basic human rights of its citizenry, one quarter of the world's population. The PRC is a one-party authoritarian State where freedom of expression, assembly, and religion are suppressed. Thousands

of Chinese citizens languish in so-called reform camps for alleged crimes of conscience.

Moreover, China has occupied Tibet and decimated its unique culture and religion since 1950. With regard to Tibet, I request that a letter dated July 22, from the special envoy of His Holiness the Dalai Lama, be inserted at this point in the RECORD, setting forth his Holiness's reservations with regard to MFN.

SPECIAL ENVOY OF
HIS HOLINESS THE DALAI LAMA,
July 22, 1998.

Hon. BENJAMIN A. GILMAN,
Chairman, International Relations Committee,
U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN GILMAN: I understand that the House will be voting today on whether or not to renew Most-Favored-Nation (MFN) trading status to the People's Republic of China. While it is not customary for His Holiness the Dalai Lama to take a position on specific legislation, in this case I believe that some clarification of his views on trade with China may be useful.

As you may be aware, some House Members are using quotes from recent interviews with the Dalai Lama to justify MFN renewal. The Alliance of Christian Ministries ran a full-page ad in the Washington Post with the same intention. On neither occasion, were statement concerning MFN attributed to the Dalai Lama. But on both occasions, the suggestion was that the Dalai Lama would support MFN renewal. Of course, I was unhappy to see the Dalai Lama used in a debate in which he has not been party.

It is true that the Dalai Lama supports the U.S. process of engagement with China. However, the Dalai Lama has clearly stated that he does not support engagement if its primary goal is material enrichment. All decisions, he believes, must be guided by moral and ethical principles, including whether or not China should benefit from most-favored-nation trade status.

Sincerely,

LODI G. GYARI,
Special Envoy of His Holiness
the Dalai Lama.

Mr. GILMAN. Madam Speaker, Beijing even refuses to renounce the use of force against Taiwan.

Our Nation should base our foreign policy, including trade, on the values that have made our Nation an indispensable Nation in the world community for democracy, for freedom, for human rights and the rule of law.

But, even if one believes that such issues such as human rights and weapons proliferation should not be linked to trade, continued MFN for China is a bad trade deal for our Nation.

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Beijing continues to impose a 23-percent tariff on American goods shipped to China, while Chinese products entering our market enjoy a preferential 4-percent tariff under MFN. The trade deficit with China is now over \$60 billion, that is with a "b", \$60 billion, up 33 percent from only 2 years ago.

Our trade deficit with China will soon be the largest, even bigger than with Japan. The United States has been trying to negotiate a market opening trade agreement with China

for the last 5 years, with no end in sight. And thanks to the trade advantage conferred by MFN, China now sends 33 percent of its exports to our Nation, but only 2 percent of our exports go to China.

Continual renewal of MFN status, which, by the way, was never given to the Soviet Union, gives China no incentive to open its markets to American goods or to make its economy more competitive. While I am on the side of American business, American business is not being treated fairly in the Chinese market. American firms allowed to do business in China are forced to transfer their technology there and are restricted on the distribution and selling of their products in China itself.

The Chinese need our markets more than we need Chinese markets. The leadership in Beijing badly wants MFN status from our Nation. I think it is time to end an arrangement that has not been fair to American companies or to American workers, and I think it is time to send a strong signal to Beijing that this inequitable and unsustainable arrangement must end.

Denying MFN for China will mark an important step forward in putting reciprocity back into our trade relationship and will serve notice that we no longer will tolerate China's proliferation of weapons or repression of human rights. Nothing less than a strong message will provide the incentive that is needed for Beijing to open its markets and reform its behavior.

Accordingly, I urge my colleagues to support the Solomon resolution, which revokes MFN for China.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Madam Speaker, I rise today to express my opposition to H. Res. 121, the resolution of disapproval regarding normal trade relations with China.

I am concerned about the growing reluctance of the Congress to provide the leadership that is needed on international issues and to make improvements in trade relations and economic conditions throughout the world.

Opponents of extending MFN have discussed China's human rights record, nuclear proliferation, religious freedom, and trade barriers. Clearly, problems exist with China and work needs to continue on all these fronts. However, Presidents Clinton, Bush, Reagan, Carter, Ford, and Nixon have all recognized that constructive engagement is a better policy than isolation is.

The reality is that China has one of the fastest growing economies in the world. From 1979 to 1997, China's real GDP grew at an average annual rate of 9.9 percent. Projected growth in China is estimated by some to be in the average rate of 7 percent a year over the next two decades. At this rate, China could double the size of its economy every 10 years. And this policy of constructive engagement is going to ensure that the working men and women

of the United States have access to this growing market opportunity.

I represent the San Joaquin Valley of California. This highly productive agricultural area produces agriculture commodities worth in excess of \$22 billion annually, more than half of which is exported, and China is currently the sixth largest export market for U.S. agriculture goods.

In 1996, China bought over \$1.9 billion of U.S. agricultural products. With 1.2 billion people and limited arable land, China must rely on imports to satisfy its demand for food. USDA estimates that two-thirds of the future growth in U.S. farm exports will be in Asia and 50 percent of that increase will come from China alone. Again, this policy of constructive engagement is clearly in the interest of the U.S. farmers.

Our ultimate goal must be to fully integrate China into the world trading arena as a full participant. That means helping to encourage WTO accession to China to ensure that they abide by internationally accepted trading rules. It also means continuing bilateral talks to address specific issues like intellectual property rights and non-tariff barriers.

Madam Speaker, I recognize the problems that continue to exist in China, and I appreciate the efforts of some of my colleagues in remaining committed to making improvements in the areas of human rights, trade policies, and nuclear proliferation. On those issues, none of us disagree that there is the need to continue to define ways that we can see significant improvement.

But I guess where many of us disagree is, is a policy that isolates the U.S. from China going to be more effective in achieving these improvements than the one of constructive engagement. That is where I clearly come down on the side that continued engagement with China is going to do more to ensure that the rights of the citizens of China are advanced both in the interest of human rights as well as religious persecution, and this policy of constructive engagement is clearly in the interest of the working men and women of this country.

Ms. PELOSI. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today to support the resolution to revoke most-favored-nation status for China. I encourage my colleagues to vote in favor of the Solomon resolution, which would deny the special waiver that the President is requesting to grant MFN, NTR, whatever you want to call it.

I, too, voted for the IRS reform bill which had this little provision in it to change the name. But a rose is a rose is a rose. And in this case, it is a thorn, this thorn in terms of the enormous trade deficit, the enormous proliferation dangers that China presents, and the ongoing continued repression in China and Tibet.

Our concerns in Congress over the years have centered around three

issues: trade, proliferation, and human rights, and let us just from the start establish some ground rules. This debate is not about whether MFN for China will be revoked or not. We all know it will not. The President will not sign the bill. What this vote is today whether this Congress will once again associate itself with the policy that has failed in all three areas of concern.

How much bigger will the trade deficit have to get for our colleagues to take notice? How many dissidents will have to be arrested, how much longer will many of them have to stay in jail for us to associate ourselves with their aspirations for democracy rather than calling Jiang Zemin, their jailor, the torturer in China and Tibet, a democratic leader who will take China into the future? And how much more proliferation of weapons of mass destruction, ballistic missiles, chemical and biological war technology does China have to proliferate for us to say enough is enough?

As I have said this debate is not about MFN revocation, it is about associating ourselves with a failed policy, or trying to give the President some leverage by saying this body will no longer tolerate all these violations of the Chinese Government in terms of trade, proliferation, and human rights. But on the basis of trade alone, there is sufficient justification, more than sufficient, to revoke most-favored-nation status.

When we first started this debate in the late 1980s, in 1988, the deficit for 1988 was about \$3½ billion. For this year, for 1998, the trade deficit, 10 years later, will be \$63 billion. And in the Clinton years alone, the trade deficit will be by the end of this year around a quarter of a trillion dollars with China alone. I repeat—in the Clinton years, the trade deficit with China will be about a quarter of a trillion dollars.

How much is enough, and why do we have that deficit? Because as the President went to the Great Wall of China, he should have seen it as a symbol of the great wall around China's markets. China simply does not allow most products made in America into China.

There is some trade: aerospace, some electronics, fertilizer. There are some areas. Certainly not enough from our agricultural community. We should be demanding more, and we are. And this trade deficit of \$63 billion does not even include the piracy of our intellectual property, especially software, which continues; the use of transshipments to avoid our quotas; the use of slave labor for exports. And the list goes on.

Yes, China must come into the World Trade Organization in order to play by the rules. But what is more dangerous to our economy is the insistence of China that if we want to sell in a Chinese market, we must manufacture in a Chinese market and we must not only transfer our production, we must transfer our technology.

And so, we have the transfer of technology to China, which will have a dra-

matic and negative impact on our own economy. As I say, a country that large, an economy that large that does not play by the rules is a danger to our own economy.

On the technology transfer and the production transfer, do not take my word for it. Take the word of the president, the CEO of Boeing, who said, when a Boeing plane flies to China after one of aerospace sales, it is like it is going home so much of it has been manufactured in China.

When President Clinton was at the Terra Cotta Soldiers at Tian, how beautiful they are, if he had gone down the road a piece he would have gone to the Tian Aerospace Company, where 20,000 Chinese workers make \$50 to \$60 a month making the tailpiece for the Boeing 747, \$50 to \$60 a month. So if they want to call it normal trade relations, I do not know what their definition of "normalcy" is, but this is certainly not trade which is trade to the American workers.

Our colleagues who support normal trade relations with China will tell us that China's exports to the United States have risen four times in the past 10 years. But do my colleagues know how many times our imports from China have risen? They have grown about 30 times. From 1985 to 1997, China's exports have increased 30 times, while our sales to China have only risen four times.

So let us be fair about how we present this picture. And the news in the paper today is not good. Let me talk about what is new on trade. The trade figures that came out the other day were very damning. The trade deficit for May of this year was 25 percent higher than it was for May of last year and almost 10 percent higher than April of this year. So the trade deficit continues to grow.

Then we get to the subject of proliferation. What is new in that arena? As my colleagues know, the Office of Naval Intelligence last year said that China was the biggest and most dangerous proliferator of weapons of mass destruction technology to the Middle East. That Office of Naval Intelligence is not going to put out a report this year. But the CIA report that was held up until after the President's visit, by the way, but was just released demonstrates a similar and continuing pattern.

In this morning's paper it was announced that while President Clinton was in China pronouncing that non-proliferation was a major part of his agenda, the Chinese were testing a ballistic missile right at that very time, right in the face of the President's visit. How insulting!

While the President was there, the Chinese, on the subject of human rights, were rounding up dissidents and since the President's departure have continued to round up dissidents. Today the Washington Post writes about a continuing pattern of repression since President Clinton left China. So what was accomplished by all that?

We would think, with the hand of friendship that President Clinton had extended to the Chinese, that they would have offered him some level of cooperation. But they handed him the three noes. No, we are not going to sign the Missile Technology Control Regime to stop the proliferation. We will study it. They have been studying it for years. We will sign at some later date the Convention on Civil and Political Rights. Kick that can down the road again. And, no, we are not going to lower our barriers to allow us to become qualified to join the World Trade Organization.

They handed the President the three noes, and the Administration declared that that was a success. When is this House going to face the facts? Why is the House in a state of denial? But I have confidence, my friends, because I truly believe that we all believe in promoting human rights in this country and throughout the world; and I do believe that we associate ourselves with the pillars of our foreign policy, which is to promote our economy through promoting our exports, which is to promote democratic values, and to stop the proliferation of weapons of mass destruction.

So a vote today is not about MFN alone, although that would be a justified vote. It is about a policy that is not in keeping with the pillars of our own foreign policy. Vote no on MFN. Vote yes on the resolution to make the trade fairer, to make the world safer, and to make the people freer.

Madam Speaker, I reserve the balance of my time.

□ 1130

Mr. CRANE. Madam Speaker, I yield 4 minutes to the distinguished gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Madam Speaker, I thank the gentleman for yielding me this time and I want to congratulate him for his leadership on this issue, and for the efforts that he has made through the years to help us maintain normal trade relations with China. He has been a giant in this fight.

Madam Speaker, I also want to respond to the comments that were just made by the gentlewoman from California, my friend and an individual whom I have a lot of respect for. She asked the question at the end, "Are we into denial? When are we going to stop denying reality?" I might turn the question around and say, when instead are we going to get out of the time warp that this body has been in with regard to U.S.-China relations, a time warp that goes back to a deep, dark Cold War era and does not recognize the massive changes that are taking place not just in China and the United States but in the region around it.

On the figures of trade that the gentlewoman pointed to, Madam Speaker, I would note that those trade figures do not include what is generally considered greater China, Hong Kong and Taiwan. We have a very different picture when we look at that. That really

is the China that we are talking about as a larger trading China. But even then, I concede there is still a trade deficit with greater China.

And so I would ask the gentlewoman, at what point is the deficit small enough that it is acceptable to trade? When we have a trade deficit of only \$10 billion, of \$5 billion? Or is it only acceptable to trade with countries with whom we have a trade surplus? That would be unrealistic. And so I do not think that that really should be the criteria for maintaining normal trade relations.

But I want to address my remarks, if I might, Madam Speaker, to some other issues here. We are going to hear a lot—we have already heard—a lot of rhetoric about China and U.S.-Chinese relations. Unfortunately, most of this rhetoric tends to focus not on the larger picture but instead upon 100 little anecdotes. Those who want to cut off relations with China pursue their case here on the House floor with stories of gulags and imports produced by forced labor. They weave stories of Chinese government conspiracies to steal American jobs through unfair competition. They talk about individual stories of forced abortions and political repression. They take these anecdotes, these hundreds of little snapshots, and they lay them side by side until a verbal collage emerges, one which is designed to incite fear and intimidation in the hearts of the American people.

Any picture that emerges makes our hearts ache. We can see the exploited workers. We can visualize each individual story of political or religious repression. We see the tanks in Tiananmen Square. And we find ourselves affirming the tale of a Chinese army using trade with the U.S. to finance a massive military buildup, a buildup which somehow one day will lead to our own demise. Add to this the allegations of Chinese money illegally flowing into our electoral politics and we have all the stuff of a John LaCarre novel. In a Nation attuned to sound bites and slogans, this is a compelling story. But I submit that while these anecdotes may be individually accurate, woven together they tell only part of the story. The real story in China is one of slow and steady progress toward open markets and individual empowerment. Two decades ago virtually every aspect of Chinese society was under state control. Today over half of China's output is generated by private enterprise. Eighty-five percent of China's workers are employed in the private sector. The development of a strong, vibrant private sector, particularly in southern China, continues to draw power away from Beijing.

Economic liberalization, the growth of trade, and economic links with the United States over the past two decades has promoted freedom for the Chinese people. With growing employment opportunities in nonstate enterprises, millions of Chinese have obtained the

basic freedom to select their own employment and to change jobs when dissatisfied with working conditions or wages. That is why I am convinced a policy of engagement is working on behalf of the Chinese people as well as in our own national interests.

If we look at the big picture, we will see a policy of engagement that is slowly and steadily working to liberalize China economically and expose the Chinese to Western values.

Madam Speaker, it is time we moved beyond the anecdotes, the rhetoric, and the snapshot mentality of looking at U.S.-China relations. It is time we begin to think about a multi-year renewal of normal trade relations. I urge my colleagues to begin this process today by voting "no" on House Joint Resolution 121.

Mr. CHRISTENSEN. Madam Speaker, I yield 4½ minutes to the gentleman from California (Mr. ROHRBACHER).

Mr. ROHRBACHER. Madam Speaker, I rise in strong support of the Solomon resolution disapproving most-favored-nation status for Communist China. Decisions like the one we are making today on this resolution define us as Members and define our Congress and our country as well, what do we hold dear, and for whom do we care and do we have convictions and principles that are transcendent above the monetary personal gain of a few powerful and rich interest groups. And do we have the strength of our convictions and the courage to stand up for our principles. These are all things that will be reflected in the decision we make today on this resolution and debates like the one we are having today.

This debate is not about engagement or even about whether or not there should be trade between the United States and the Communist Chinese regime. We will hear that studied in the arguments against this resolution. It is not about engagement and not about whether there should be trade. Whether or not we have most-favored-nation status, big companies can still go over and trade with Communist China. There will still be engagement.

Ronald Reagan never suggested that the Soviet Union while controlled by the Communist Party should have most-favored-nation status. That is why communism and tyranny disappeared in the former Soviet Union and they are now struggling for freedom. The question is how we should engage the regime, the regime that we must remember is currently the worst human rights abuser on the planet and a dangerous potential enemy for the United States.

The question is what kind of trade rules shall apply. The current rules of engagement with Communist China, this dictatorship with its massive human rights abuses, have made Communist China grow stronger and more powerful and more repressive. A \$60 billion annual trade surplus is being used by the Communist Chinese regime to build up its military and build weapons

that could someday incinerate the people of the United States and kill, at the very least, kill our defenders.

Today in the Washington Times we see a banner headline saying when President Clinton was in China recently talking about peace, even strategic partnership, reaching out his hand to the Communist Chinese, they were testing a new series of rocket engines that threaten the people of the United States.

This is a farce. We are being played for suckers. Of course that has happened in the past, has it not? But our current policies toward Communist China have been contrary to our principles, our belief in liberty and justice, it has been contrary to our economic interests and contrary to our national security. Human rights abuses which we will hear about today continue and are far worse today than they were 10 years ago, contrary to what the proponents of most-favored-nation status would tell us.

In Tibet, they could incinerate the entire country of Tibet and we would still have big business here trying to tell us we are going to make the Communist Chinese more freedom-loving if we just trade with them, which means a quick buck for these big businessmen and means an out-of-work pink slip for our own workers here in the United States.

Yes, and they are still arresting dissidents. Right after our President left China, they rounded up a bunch more dissidents, Christians and Muslims and the Buddhists in Tibet still being repressed and thrown into damp prisons while we sit here in this wonderful body and debate in the coolness of this Chamber this issue.

No, our current trade policies have hurt our country. Yes, they have enriched some very major corporations. But this is not about free trade. Again, these companies can still go over there and trade. They can sell their wares. What is most-favored-nation status really about? I believe in free trade. I believe in free trade between free people. Most-favored-nation status is about whether or not these companies will be provided by the American taxpayer guarantees and subsidies for investments that they make in China that will put our own people out of work. Through the Export-Import Bank, through OPIC, the World Bank, IMF and the rest, these companies if we have most most-favored-nation status will put the American taxpayer behind the loans they need to create manufacturing units in China to put our people out of work. That is a betrayal of our own people.

The relationship, the rules of the game with China have worked against our national security, our people's interest as well as the fundamental principles of liberty and justice that America stands for.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BENTSEN).

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Madam Speaker, first of all, to clarify the comments of the gentleman who just spoke, it is my understanding while Ronald Reagan never asked for MFN status for the Soviet Union, he did repeatedly ask and receive MFN status, now normal trading relation status, for the People's Republic of China. Apparently that was an oversight in the gentleman's comments.

This is a difficult question. I think everybody on both sides of the issue has strong convictions. I think they are all pretty much courageous, contrary to what the gentleman from California has said. But I think we have to look at this in both the short term and the long term. This year, I think the short term is actually more important than the long term.

I appreciate the concerns regarding Chinese domestic policy, and I agree with just about everything the gentleman from California stated regarding human rights, weapons proliferation and labor and trade practices in China. But the reality is that China is now our fourth largest trading partner, and it is a billion-person market which in the long term will become even more important to the U.S. economy if we are going to remain the world's largest economy. I think every Member of the House believes that is in the best interests of the United States.

But in the short term, I think we have to look at the situation as it affects the country. China is part of what is at least a quarter if not more of the U.S. export market. It is an area of the world which is in a severe, or heading into a severe recession. The Chinese have tried to move their economy towards more market rationalization which I think Members on both the left, the right and in the middle would like to see the Chinese do because I think all of us, I certainly am a capitalist, believe is the best economic structure. The Chinese as they have done that, as they have seen their unemployment rate rise in their country in trying to move towards democratization, have also made a point of not devaluing their currency. That is terribly important if we are going to see the Asian economies, the South Korean economy, the Japanese economy, the Indonesian, Malaysian, Thai economies come back on the rise.

Why is that important? Because again that is where we sell at least a quarter to almost a third of U.S. exports. I do not think we want to see that export market go away. But if we impose what this bill would do, if we were to allow that to become law, U.S. companies would not be able to go over there and trade, because there would be a tariff differential which would raise the price of U.S. goods. It would cause serious problems in our economy and it would be using a blunt instrument where a scalpel is needed. Further-

more, in the long term, it would impact our ability to bring the Chinese into the WTO, which I think is also in the best interests of the United States, and bring them in as a developed nation and not a developing nation as they would seek to do.

How are we going to convince them that we want them to come in as a developed nation, not a developing nation, when we turn around and club them in the head as this type of legislation would do? This is a bad idea that will only hurt the American worker and the American economy. I would urge my colleagues to vote against the resolution.

Ms. PELOSI. Madam Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. BONIOR), the distinguished Democratic whip, a champion of workers rights and human rights throughout the world.

□ 1145

Mr. BONIOR. Madam Speaker, I thank my colleague for yielding me this time and commend her for her leadership on this issue.

Printing up T-shirts should not be a political offense, but it is in China. Zhou Guoqiangu, a lawyer and democracy advocate, is in prison today because he printed up a T-shirt that read "labor rights". Maybe that should not surprise us. China is famous for throwing people in prison, even executing them, for the slightest murmur of dissent.

Yet, this Congress is considering rewarding China with most-favored nation status. Supporters say this is good for trade. Most-favored nation? Good for trade? The Commerce Department projects our trade deficit with China this year is growing by more than \$1 billion a week and could reach \$60 billion this year alone.

Of course, part of the problem is that China pays its workers \$2 a day and imposes a unilateral tariff averaging 35 percent on American goods. So we have got low wages, tariffs, deficits. That is not in my estimation free trade. That is not fair trade.

Things are only getting worse. One of our fastest growing exports to China, of course, is our jobs. Electronics assembly, auto parts, toy manufacturing, even high-tech aerospace work, these are the kinds of good American jobs that are rushing to China in a race to the bottom.

When Chinese workers speak out for better wages and better working conditions, when they try to form a union or even just print a T-shirt calling for greater democracy, the government throws them in prison. Should we not here be condemning such behavior instead of rewarding it? Should we not back up our words with action?

If we reward China with MFN status, we are telling them that a unilateral 35 percent tariff is fair. If we reward China with MFN status, we are telling them that a \$60 billion trade deficit is acceptable. If we reward China with

MFN status, we are telling them that political persecution and forced labor are okay as long as they do not appear on the 6 o'clock news. That is not right, and we need to stand up and take a stand against it.

If we do not fight for fairness and freedom in human rights, it will not happen. If we do not take a stand for people like Zhou Guoqiangu, what message are we sending to the rest of the world? China has not earned the status of most-favored nation. Until it demonstrates a commitment to real reform, fair trade, and human rights, I cannot vote to give it that status. I urge my colleagues to vote "no" on MFN.

Mr. CRANE. Madam Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. EWING), our good friend and colleague from my home State.

(Mr. EWING asked and was given permission to revise and extend his remarks.)

Mr. EWING. Madam Speaker, I want to first thank the gentleman from Illinois (Mr. CRANE) for the outstanding work he does in regard to the trade relations with China.

I rise today in opposition to the motion to reject normal trading relations with China. I realize there are many very deeply held views on this matter. I personally, as a Member of this body, have come to the conclusion that contact and relations and trade is the way to improve life in China. It is also very important to life in this country.

There are only six countries that do not have normal trading relations. Since 1971, China has moved from 15th to fourth among our trading partners in importance. Revoking normal trade relations would take the U.S. out of China's market at a very critical time when the China market development is going our way. It would allow our competitors in Europe and Latin America and Australia to come in and fill the gap.

Agriculture has a unique role in our export portfolio. While the total U.S. trade position has been in deficit, U.S. agricultural exports are in a surplus. More than a million American jobs depend on agricultural exports. China is one of our most important markets.

Both sides are concerned in this body, both sides of the aisle, concerned about the agricultural economy. We are moving bills. We are doing things. We are debating on this floor how we keep agriculture strong in America.

I say there is no time in American history that is more important for good bilateral relations and importance of U.S. China relations. It is time this body quit micromanaging our relationship with China. Not one of our trading partners has anything resembling this annual debate about normal trade relations. The annual fight places American interests in China at an extreme disadvantage. I suggest we reject this resolution.

Mr. CHRISTENSEN. Madam Speaker, I yield 2½ minutes to the gentlewoman from Washington (Mrs. LINDA SMITH).

Mrs. LINDA SMITH of Washington. Madam Speaker, I rise in strong support of this resolution. We do not have a normalized trade relationship with China even if it is written on paper. We must not isolate China. Actually, we need to continue to reach out and build a strong relationship with China. But we cannot reach out and close our eyes and our conscience at the same time and be the America that I grew up in.

I agree with labor on this. Last year, the United States racked up a merchandise trade deficit, a real trade deficit of \$50 billion. It was \$40 billion the year before. But look back a little bit. In 1980, we did not have a trade deficit with China.

You see, China is enjoying this new global economy, but they are not acting normal. We can change the words to "normal trade" from "most-favored nation status," but it still is not true that it is going to happen. It is obviously on paper.

In Washington State, China today blocks all the wheat, most all of the apples. We hope it will be a market someday, but it is not. We can say it is a market, and it is our biggest market; but if they do not accept our goods, it is not a market.

In the aerospace industry, China is forcing local investment and production at the expense of U.S. jobs. It is as simple as that. They require the technology be transferred and most of the planes be built, and they are building their own planes now. In fact, they plan on having their own production, their own companies run by the Red Army in the near future. What kind of assurance does that give the workers in my State that they will even have a job in 10 years? Not much.

I think that when we turn to our conscience, we have to decide if America does care about freedom around the world or if the almighty dollar is more important than that. I think that we have to start thinking about the conscience of America, because if America loses its conscience, who is America?

I know we are standing here and a lot of us are thinking about the big international corporations. Our districts are going to be really mad if the international market is not left open so they can continue to move their production.

But I want to start you thinking. Hewlett Packard in our State moved 1,000 jobs mostly to China 2 months ago. Those people we are trying to find service jobs for, sales jobs for, but there is no production. How much of that can we have before the families go home, and there is nobody home when the kids go home because mom and dad are both working two jobs?

This is very serious, folks. It goes right to the heart and conscience of America. Let us back up and say no today. But let us reach out and say let us have trade with a conscience, a strong conscience; and that is what America is all about.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. NEAL).

Mr. NEAL of Massachusetts. Madam Speaker, I rise in opposition to H.J. Res. 121, the disapproval of normal trade relations with China.

This debate in this Chamber today is entirely legitimate. There are people here of goodwill who strongly disagree about the manner in which we are about to proceed. But the argument comes down to whether or not we should move forward with some faith or it be turned back by fear.

There is obviously a new twist to this debate this year as we now move to the statement of normal trade relations with China. But that statement is, indeed, a more accurate description of this trade relationship.

Currently the United States holds normal trade relations with all but seven nations. We all acknowledge that the relationship between the United States and China is complex. There are many issues, such as human rights and democracy and nonproliferation and Taiwan and Tibet and trade and intellectual property rights, that make this relationship at times confusing.

But the relationship at the same time is fragile, and we have to carefully strike an intelligent balance. This relationship is like walking on a tight rope, because one misstep on either side could throw the relationship into imbalance permanently.

A sound relationship with China at the end of the day is in our best national interest. China is the world's largest country. We tried isolation for the better part of this century. Is there anybody here who would argue that that policy worked?

We tried it and that policy failed, and we ought not on this occasion to repeat the mistakes of the past. Engagement with China is the best solution. China in this modern age cannot be isolated. We have to continue to engage China in a dialogue that promotes mutual interests and obviously a continued focus on human rights.

President Clinton, in what I think is one of his best moments during the last 6 years, has just returned from a very successful visit to China. That relationship was advanced during Bill Clinton's visit as he offered a nationwide broadcast that offered his views in a candid moment. The broadcast of President Clinton enabled Chinese citizens to see the President of the United States on live TV, and everywhere across this globe people are marching to the drumbeat of democracy or at least embracing its concepts, and that will be true in China shortly as well.

While Bill Clinton was there, he aggressively addressed human rights issues. He spoke to the notion of democracy and he spoke eloquently about religious freedom.

The Dalai Lama, in a New York Times interview, referred to the President's press conferences as, quote, one of the best things that has ever hap-

pened for the Tibetan cause. We can build upon what President Clinton started on his visit and continue to engage the Chinese in a dialogue about human rights and freedom.

Normal trade relations go beyond just the trade of goods. It is about exchanges of ideas and democracy and human rights as well.

Ms. PELOSI. Madam Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. TRAFICANT).

Mr. CHRISTENSEN. Madam Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. TRAFICANT).

The SPEAKER pro tempore (Mrs. EMERSON). The gentleman from Ohio (Mr. TRAFICANT) is recognized for three and a half minutes.

Mr. TRAFICANT. Madam Speaker, the American people are fed up. The American worker feels betrayed, and you cannot blame them. Communist China has a 34 percent tariff on our products. Communist China sells missiles to our enemies, and a recent report says communist China has purchased more intercontinental ballistic missiles with nuclear warheads and is pointing those warheads at every major city in the United States.

Think about it. Intercontinental ballistic missiles with nuclear warheads aimed at every American city, purchased by Chinese communist dictators with American dollars taken from American workers. Unbelievable.

Even as the President recently visited China, listen to the intelligence report of our own government: The Chinese communists test-fired, quote/unquote, test-fired a rocket motor that could propel a nuclear warhead at every American city and could wipe out the capital of the United States in a heartbeat. Beam me up, ladies and gentlemen.

Communist China does not deserve special treatment.

Candidate Clinton said George Bush is soft on China; no MFN. Ronald Reagan, for the record, never granted a special favored treatment to the Soviet Union and they no longer exist. What has happened to us? What has happened to us, ladies and gentlemen? They tried to buy our last presidential election. They are buying our secrets and technology if they can't bribe their way to get them. They are ripping us off in trade to the tune of \$60 billion a year, taking \$60 billion out of our economy; over one million American jobs lost every year. Are we stupid?

This is not even a debate about trade anymore. Today's debate is about national security and, by God, the Congress, if they do not approve this resolution, will be financing the greatest military threat in the history of the United States.

Quite frankly, I do not understand the White House. I am going to tell it right the way it is. The White House will not wise up until there is a Chinese rocket stuffed right up their assets. They are so dumb on this issue they could collectively throw themselves at the ground and miss.

□ 1200

I support this resolution. I do not want to hear any more mumbo-jumbo about trade. We are getting our clock cleaned. China knows it, and they are taking it all the way to the bank with a smile on their face.

Not for me. Not for me. I will not support one more special favored treatment for Communist China, and advise everybody to do likewise.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I have a quote here for my friend who was just in the well from President Ronald Reagan while he was President. He said,

The U.S. and China, despite their differences, hold more than enough in common to provide firm ground on which they can work together for the benefit of both. China and America have begun a productive partnership.

Madam Speaker, I yield 4 minutes to the distinguished gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I rise in opposition to this resolution. While I strongly support efforts to improve human rights in China and to influence their defense and foreign policies, this resolution will only undermine our work in these areas and compromise our national economic interests. U.S. engagement has brought concrete results in human rights, defense and foreign policy areas. We must continue normal trade relations with China to further these and all American interests.

Only continual communication, contact and engagement can bring China into the world community of nations on the basis of the values that unite the world leaders, who share a commitment to market economic principles as the only hope for a prosperous world, who support democratic political principles as the only hope for a peaceful world, and who oppose the proliferation of nuclear weapons.

The pace of change in China is accelerating. The government is accepting a measure of debate in political matters that was unheard of just a few years ago.

Earlier this year, a former Chinese Government official distributed an essay on advocating free elections at the highest level of government without censure. Further, well-regarded economists and professors have also spoken out freely for the first time in favor of democracy. The climate is changing in China, and our engagement is generating results in the important area of human rights.

But trade and investment are bringing constructive change on many fronts in China. United Technology Corporation, Connecticut's second largest employer and one of the most active United States companies in China, has been working with the Chinese equivalent of our EPA to establish the highest world standards for the build-

ing of manufacturing plants in China. This not only will help them avoid the mistakes that we made that so polluted our environment, but it also will assure that our companies who build to those standards will not be at a competitive disadvantage, and it begins to lay that foundation of law and principle that we need China to adopt to be part of the World Trading Organization and part of the GATT trading protocol based on universally accepted legal standards.

PPG Industries also participates in joint venture manufacturing in China. Each of their operations require compliance with PPG corporate environmental health and safety programs, which in America are considered the best practices in the United States, and far more demanding and respectful of people's rights than the common practice in China.

PPG summarizes the impact they are having in China by saying "There are roughly 2,000 Chinese citizens who now have some understanding of American ideas, work styles, management methods and commitment to market economies, free information flow, ethics and human values."

My point is that engagement, continual engagement, and contact, people-to-people, is what builds knowledge of the very values that underlie democracy and market economies. Only engagement can create that fundamental foundation, that change in people's beliefs about their own rights and opportunities, on which a modern China depends and on which a strong world community of nations will depend, a community of nations capable of spreading prosperity throughout the world and of keeping the peace.

We must not reject normal trade relations with China. If we do, we abandon the one rational hope for social and political reform in the People's Republic of China, the process of change from within.

I could give examples of how our failure to stand by normal trade relations will cost Americans jobs, examples of products in which we are making the parts and they are assembling them, but I do not have that time. I just say that on every front, engagement will create both a China that can govern with us to create a prosperous world, but also a China that will help create a peaceful world with respect for human rights.

Mr. CHRISTENSEN. Madam Speaker, I yield two minutes to my good friend, the gentleman from Florida (Mr. STEARNS).

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Madam Speaker, polls show today that the majority of ordinary citizens are alarmed and offended by Chinese policies and are opposed to our Nation's policy of appeasing China. In the debate today, I feel they are being left out in the cold.

The gentleman from Massachusetts talked about we have to walk this very

careful walk with China. What are we scared of? I do not quite understand it. Are we so empowered by money that we are willing to compromise? U.S. policy is more concerned about the Chinese than they are of taking them to task, because they are afraid that it will hamper their ability to make these untold profits in the Chinese markets in the indefinite future?

Madam Speaker, the Chinese government controls nearly all the industries and businesses in China. You cannot go over there and own your own business. The Chinese government will always own 51 percent-plus. China is much more dependent upon access to the U.S. markets. Thirty-three percent of China's exports come to the U.S. Only 1.7 percent of U.S. exports go to China.

China uses, frankly, a trade deficit to purchase advanced military weapons like Russian naval weapons and to develop their own advanced military technology, nuclear submarines, intercontinental ballistic missiles and such. So, frankly, I do not understand what we are scared of today. Why don't we stop this appeasement?

What is the problem here? This is the United States of America. Here the United States is worried about China, and we have this skewed policy. We impose a little 2 percent tariff on Chinese products, while the Chinese propose a whopping 35 percent tariff on our goods.

Again, what are we scared of? Why are we just walking around all the time concerned about hampering our relationship with China? We keep talking about engagement at the expense of appeasement. I say to all Members of Congress, that in China workers attempting to organize unions in China today do not just face opposition from companies, they end up in jail, in forced labor camps. Is that the kind of policy you want to condone by going ahead and appeasing China?

For all of these factors, the record deficits, the tariff gap, the wage disparity and the abuse of workers, that is why I rise in support of House Resolution 121 which disapproves most favored trade status for China.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Madam Speaker, as we enter the next millennium, the gravest national security issue facing our Nation is whether the world's largest country, a country that is more than five times as large as the United States, becomes our most dangerous military threat, or our greatest economic opportunity. Whether China becomes a threat or an opportunity depends upon whether our policy becomes one of isolation or one of engagement. That is the issue that is to be decided by this vote.

A vote to reject normal trade relations sends a signal to China that we consider them an enemy in the same way that we do our avowed enemies like Iraq and Libya. They will then

have every reason to continue to proliferate weapons to such enemies and to aim their missiles at the United States, because we will have declared that our policy is not one of engagement, of the building up of mutual trust and respect, but of isolation, and distrust.

If we, though, follow the advice of the many Christian missionaries working in the villages in China that have asked us to establish permanent, normal trade relations with China, we will embark on a path toward peace and prosperity in the next millennium, because what we are talking about goes far beyond dollars and cents here. What we are talking about is the spread of ideas and ideals. Foremost among those ideals is the value of human individualism, an ideal that is inevitable and indomitable in a free society.

China is a nation with a tremendous work ethic and a rich historic culture. Its historic ethic can enhance the entire world's march toward peace and prosperity. But that destination can only be reached through economic interdependence and mutual respect.

From an American nationalistic standpoint, it is important to keep the 200,000 jobs involved in exports to China. It is important to avoid passing on \$500,000,000 more of Chinese tariffs to American consumers. But, far more important is the security and prosperity of our children's children. That is really what is at stake today.

If China wants to compete on the world's market, it will eventually have to be, with a free enterprise economy. If China wants to lead politically, it will have to adopt a democratic system and if it ever wants to realize its full societal potential it will have to be on the basis of respect for human rights and liberties.

I urge my colleagues to vote against disapproving normal trade relations with China. Vote for the peace and prosperity that can be ours if we make the right decisions on these issues.

Ms. PELOSI. Madam Speaker, I am very pleased to yield 3 minutes to the distinguished gentleman from Maryland (Mr. CARDIN), who has been a champion for human rights and in very tough struggles throughout the world and an expert on trade issues.

Mr. CARDIN. Madam Speaker, let me thank my friend from California for yielding me this time and congratulate her for her leadership in this area.

Madam Speaker, I rise in support of this resolution and against most-favored-nation status for China. Yes, the United States should be engaged in international events and in China, and we should exercise leadership. That is what we have done in the past.

The United States was engaged in South Africa in its apartheid government. It used trade sanctions, it used its leadership to bring about a change in that government without bloodshed. That is engagement. That is leadership.

The United States was engaged in the former Soviet Union that did not enjoy

most-favored-nation status, and we brought about a change in that society because we were willing to exercise leadership. That is what the United States should be doing in China.

The record in China is beyond dispute. Its legacy of human rights abuses, predatory trade actions, nuclear proliferation, and the list goes on and on and on, it should not have most-favored-nation status.

I know that we are changing the name of that later today to "normal trade relations," but there is nothing normal about a trading partner that pirates the software of U.S. companies, there is nothing normal about a trade partner that has a huge trade imbalance with us because of the tariffs and barriers that it has to its market, and there is nothing normal about a trading partner that has such a horrible record on human rights that we should not want to be associated with as a partner.

China, with forced abortions and the way that it imprisons its own people because of political expression and the way that it prohibits religious activities, there is nothing normal about that type of country, and it should not enjoy normal trade relations with the United States.

The Chinese philosopher Confucius told the story how when he was traveling with some of his followers in a remote part, he came across a woman who was weeping at a grave, who had just buried her husband who had been killed by a tiger. Confucius, talking to the woman, found out this tiger had also killed her husband's father, and Confucius asked, "Why do you still stay here with this tiger being here?" The woman responded, "There is no oppressive government here." Confucius told his followers, "An oppressive government is worse than a tiger."

□ 1215

Yes, the United States must be engaged in and exercise leadership, and in doing that we should deny Most-Favored-Nation status to China and exercise real leadership and engagement on the issue.

Madam Speaker, I encourage and urge my colleagues to support the resolution before us.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

I have a quote I would like to share with my colleagues.

A truly moral position would do two things. First, it would honor those who have fallen by pursuing their lost dreams and helping China reform from within. Second, it would open, not shut, the door to the message of freedom and God's love. Leaving 1 billion people in spiritual darkness punishes not the Chinese government, but the Chinese people. The only way to pursue morality is to engage China fully and openly as a friend. That quote was from the Reverend Pat Robertson on June 30 of this year.

Madam Speaker, I yield 2½ minutes to the gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I rise today to support normal trade relations for China and to oppose the resolution. American workers benefit most from normal trading status with China. I think the facts are very clear. If we reject normal trade relations with China, we do not improve the trade deficit, but we will see a substantial loss of exports to China.

Now, in my State of Michigan alone there are some \$365 million in exports each year. That supports some 5,000 jobs, not over there; they are here, they are in this country, in Michigan. If we translate that into the U.S. situation, it is approximately 25,000 manufacturing jobs each year that are a part of our trade with China.

China has been reported as the world's third largest economy after the United States and Japan. It has by far the world's highest annual rate of growth of something like 9 percent, and we cannot, we simply cannot exclude America's companies, farmers, workers, goods and services from this very, very large market.

In addition, we must remember that the U.S. trade with China is a way to directly permeate a society which has been closed off to the world for centuries. Increased economic prosperity creates a desire for political freedom among individuals. China's economic reforms which were instituted in the past 20 years have demonstrated that, and I use the word "engage", an engaged China is more conducive to change.

The record is crystal-clear: personal freedom in China is on the rise, people are living better, the principles of democracy are spreading at the grass-roots level, and there is an unquestioned relaxation of control over the press and the media. American principles are spreading in China.

Madam Speaker, for the sake of our businesses, our jobs, our workers, not to mention the well-being of the Chinese people, we must reject this resolution. We must not slam the door on one-fourth of the world's population. If we really want to promote human rights and civil rights, and by the way, I do, and we want to plant the seeds of mutual understanding first, then continue normal trade relations. I urge opposition of this resolution.

Mr. CHRISTENSEN. Madam Speaker, I yield 8 minutes to the gentleman from New Jersey (Mr. SMITH), my colleague and good friend and a true champion for the unborn and for human rights all around the world.

Mr. SMITH of New Jersey. Madam Speaker, when the People's Liberation Army massacred, wounded, and incarcerated thousands of peaceful pro-democracy activists in June of 1989, the well-intentioned but wishful thinking and fashionable view of the 1980s that somehow the PRC was turning the page on repression was shattered. The myth was gone.

The brutal crackdown on the reformers, some of whom still today languish

in gulags, in laogai, was not the end but was the beginning of a new systematic terror and cruelty campaign which continues to this very hour.

To a significant degree, President Clinton put a happy face on China during his recent trip. While paying some attention to human rights, he minced his words, he heaped praise on Jiang Zemin and painted a largely upbeat, far too optimistic picture of a brutal dictatorship. He made the powerful architects of repression somehow look respectable. I am sure he meant well.

However, Amnesty International testified at the Subcommittee on International Operations and Human Rights, which I chair, on June 26, and Amnesty believed and said that they believed that President Clinton's trip represented his Dunkirk, his human rights Dunkirk. It was.

Stephen Rickard, director of the Washington office of Amnesty said, and I quote, "The history of President Clinton's policies on human rights in China is unfortunately a history of retreat after retreat, until there is no longer any room to retreat."

As a trade and as a public relations trip, the trip was clearly a success. As a human rights mission, it was, I believe, an unmitigated disaster.

Madam Speaker, it is my deeply held conviction that back in 1989 and by the early 1990s the hardliners in Beijing had seen enough of where indigenous popular appeals for democracy, freedom, and human rights can lead. The Communist dictatorships that controlled Eastern and Central Europe and even the Soviet Union had let matters get out of hand, and Beijing took careful note as, one-by-one, tyrants like Nicolae Ceausescu of Romania, Erich Honecker of East Germany, and Wojciech Jeruzelski of Poland were ousted.

Everything Beijing has done since Tiananmen Square and since the President's trip points to a new bottom line that we ignore and that we trivialize at our own peril, and that is, democracy, freedom and respect for human rights will not happen in the PRC any time soon.

This dictatorship is not going to cede power to and respect for the people of China, especially when we fail to employ the tremendous leverage at our disposal. However unwittingly, however unintended, we are today empowering the hardliners. Withholding MFN I believe will spur reform. Where else will the Chinese find markets for their \$60 billion worth of exports? They are not going to find it in Europe, they are not going to find it in South America or Central America or anywhere else. They want our market. We have leverage, and we are squandering that leverage.

Madam Speaker, any honest assessment of the true human rights picture on the ground must recognize that torture, beatings, detentions and arrests of dissidents, even during the President's trip and immediately after, in-

creased reliance on the hideous and pervasive practice of forced abortion and coerced sterilization, and new, draconian policies to eradicate religious belief, especially the underground church, the Christianity and the Tibetan Buddhism, all of these are on the rise.

As a matter of fact, if we look at Tibet, there is a genocide taking place, ethnic cleansing. People are escaping, being pushed out; forced abortion is used with greater impunity there, and they are, as we all know, incarcerating monks as well as nuns in Tibet.

Some have argued, Madam Speaker, that conditions have improved, and at times they cite the cultural revolution as a backdrop to measure improvement, but I believe that is a false test. The depths of depravity during that period have few parallels at all in history, and the Chinese leaders knew themselves that such extreme treatment of their people could not be sustained. But the real test is the post-Tiananmen Square reality, and the jury, unfortunately, is in. China has failed miserably in every category of human rights performance since 1989, and it is getting worse, not better.

I would invite Members of this body to come to some of the hearings. We have had over a dozen hearings in my subcommittee, heard from everybody, especially the human rights community, and they speak in one accord, that repression is on the rise.

Madam Speaker, I met with the great democracy wall leader Wei Jingsheng in Beijing before he was thrown back into jail, a man of candor and incredible courage. Both then and now that he is released, he says he is incredulous, he cannot believe how naive and shortsighted the Clinton Administration and the bipartisan majorities are in this Congress who support MFN. He cannot believe how complicit we are willing to be, and again I think he says, and I agree with him, some of it is naive.

At a recent hearing of the Subcommittee on Human Rights, I asked Wei what practical effects MFN and other concessions to the Chinese government had had for prisoners of conscience. He said that the torturers are usually more cautious in their treatment of political prisoners at times when the U.S. is withholding. I repeat, they are more cautious, this is Wei talking, and he knows, he spent years in the gulag; they are more cautious when we withhold something than when we offer it to them on a silver platter.

He said as soon as there is a turn for the better in Sino-American relationships, like when the U.S. declared its intention to establish a strategic collaborative partnership with China, immediately the prisoners were beaten and received other abuses. The bully boys are unshackled, they can do with impunity to those human rights and religious prisoners as they wish.

We heard similarly that in Xinjiang province a Muslim Uighur talked about

they waited until right after MFN was confirmed again before they executed 7 people, and they killed 9 people as they paraded these people through the marketplace where people were crying for their loved ones who were going to be executed.

Madam Speaker, I am deeply disturbed that the President did not even raise some of the issues that we were led to believe that he would, such as organ harvesting and prison labor, when we met with Jiang Zemin. Harry Wu has implored us, has implored us to cease our appeasement and to speak out boldly and strongly.

Regarding forced abortion, the President disregarded the recent testimony from Mrs. Gao, a former Chinese official charged with administering the PRC's program in Fukien. She said, with tears in her eyes, "I was a monster in the daytime, but in the evening I was like other women and mothers, enjoying life." She talked about how women are routinely forcibly aborted all over China, and she did it herself. She recently escaped China in April, and came to our subcommittee and gave us that information.

Madam Speaker, for the victims of human rights abuses, the policy of comprehensive appeasement has been tried. Madam Speaker, we stood up to the Soviet Union, we said that Soviet Jews mattered, that human rights mattered. We withheld MFN to the Soviet Union, even risking a nuclear power exchange with that country at the height of the Cold War. Why can we not do it with China? The human rights abuses are horrific, they are horrendous. Appeasement does not work. We need to have constructive engagement that says we are willing to risk profits, to put people above profits, because people do matter. Let us stand with the oppressed, not the oppressor.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Madam Speaker, I am opposed to the Solomon resolution. I am deeply concerned about our relationships with China. They need more attention, not less. This is true of trade relations, of human rights, of Tibet, of proliferation issues. And I think the question really is whether denial of MFN or NTR will accomplish that goal in any of these areas, and I think the answer is no, it will not work.

I want to spend my few minutes talking mostly about trade, but I do not view that any more importantly than I do human rights issues—I have worked on them over the years, or Tibet, our family has been deeply involved in that issue, or proliferation issues.

Let me focus for a minute on trade. We have a skyrocketing deficit with China, and one can explain it in various ways. In some respects it is not as large as it seems if we look at the

whole region. But look, the point is, denial of MFN will not settle the problem of the trade deficit.

China is a large, burgeoning, controlled economy. They have a very different system than we do. They have State subsidization. They have control of wages and working conditions. And it raises more dramatically than any other country how this country of ours, this beloved Nation with our free market, will relate to nations that control their economies, control their wages, subsidize their industries and the like. And what is true of China is true of other nations, especially in what was once called the Third World.

□ 1230

We need to face these issues in the negotiations over their status with WTO. We need to attack these issues directly. We need a comprehensive policy. Withdrawing MFN is not going to move us one step forward in that direction. In fact, I think it would distract from it. It would distract from it.

Look, I hate the notion of isolation. I am for engagement. But there is something kind of in between. We need engagement but it has to be even more than constructive. It has to be hard-nosed. It has to be part of a comprehensive plan, and this annual discussion over MFN distracts us from arriving at this goal.

So let us in this House, on all these issues, human rights and other issues, let us pledge ourselves from here on in to have a day-to-day involvement with these issues, not the once a year discussion through MFN. I oppose the Solomon resolution.

Ms. PELOSI. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I agree with the gentleman from Michigan (Mr. LEVIN). We should have more discussion about this issue until we address the problems that have been caused by the current policy, of which MFN for China is the centerpiece.

Madam Speaker, could you tell us the time remaining?

The SPEAKER pro tempore (Mrs. EMERSON). The gentleman from Illinois (Mr. CRANE) has 37 minutes; the gentleman from Nebraska (Mr. CHRISTENSEN) has 27½ minutes; the gentleman from California (Mr. MATSUI) has 39 minutes; and the gentleman from California (Ms. PELOSI) has 35 minutes remaining.

Ms. PELOSI. Madam Speaker, I yield 2 minutes to the gentlewoman from Georgia (Ms. MCKINNEY), next in our cavalcade of the champions of human rights throughout the world.

Ms. MCKINNEY. Madam Speaker, the emperor has no clothes. The United States has been stripped naked by the Chinese communists, and "the sight ain't a pretty one."

Madam Speaker, our own policies support a regime that is repugnant to the American values we espouse so sincerely, yet we continue down the same dangerous path. First of all, we sell in-

valuable technology to the Chinese that increases the accuracy of their missiles. And what do they do? Point those very same missiles back at us.

Then President Clinton pays Beijing a courtesy call and at the same time they embark on a building program for ICBMs that shakes Asian stability, China's neighbors, and our friends.

So little respect do the Chinese have for our government that they have led us from one embarrassing event to another. The message we send to the Chinese is that we really do not care about those values we talk about, as long as they keep signing those contracts.

The litany is a long one. China's violation of human rights; her unfair trade practices and obstacles to market access; China's lack of legal and regulatory transparency; her outrageously uncooperative attitude in weapons and nuclear nonproliferation; the large and growing U.S. trade deficit with China; and, more recently, the allegedly illegal Chinese donations.

Candidate Bill Clinton said, "We will link China's trading privileges with its human rights record and its conduct on trade and weapons sales." But Bill Clinton's own State Department has this to say about China: "The government continued to commit widespread and documented human rights abuses in violation of internationally accepted norms."

Maybe the United States is following the bad advice of a fortune cookie, or it is the pressure of too many Gucci-clad lobbyists trying to help corporate America make a fortune at the expense of American values, the Chinese people, and American workers.

Madam Speaker, the Chinese have learned all too well that for the United States money talks and everything else walks.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I have another quote I would like to share with my colleagues.

It's critically important to have a broad range of contacts with China. The West should not try to isolate the communist regime . . . Economic change does influence political change. China's economic development will be good for the West, as well as for the Chinese people. China needs Most-Favored-Nation trade status with the United States and it should fully enter the world trading system.

Madam Speaker, that quote is from Wang Dan, student leader, Tiananmen Square, July 6, 1998, and he spent all but 2 of the years since Tiananmen in prison in China.

Madam Speaker, I yield 4 minutes to the distinguished gentleman from Minnesota (Mr. RAMSTAD).

(Mr. RAMSTAD asked and was given permission to revise and extend his remarks.)

Mr. RAMSTAD. Madam Speaker, I thank the gentleman from Illinois (Mr. CRANE) for yielding me this time.

Madam Speaker, as a member of the Subcommittee on Trade, I rise today in strong support of the President's deci-

sion to renew normal trade relations with China. I have come before this House many times to talk about how increased trade with Western countries has exposed the people of China to democratic values and practices.

I have Dear Colleague letters which show that spiritual leaders from across the spectrum, from Pat Robertson, Billy Graham, to the Dalai Lama support engagement, not isolation. Engagement with China, I believe, is the key to better human rights conditions for the Chinese people.

The people of Hong Kong, Taiwan, and other Asian nations have asked us to renew normal trade relations with China, because not renewing NTR could have a real negative impact on their economies and their people.

Madam Speaker, most profoundly of all I was reminded just yesterday of the importance of the U.S.-China trade relationship when I met with Walter Hanson. Walter is the CEO of Ibberson, Incorporated, in my district, which is an agricultural design, engineering, and construction service company. Mr. Hanson was in town to receive an award from the United States Chamber of Commerce, the "Small Business Success Story Award," for his company's success in China.

This is a great story about an American business, how Ibberson has grown because of its trade not only with China, but other foreign nations. In fact, Ibberson did not even venture into foreign markets until I believe it was 1985. Now the international arm of this company, which employs 182 people, accounts for 50 percent of company sales with one-third of these international operations alone in China.

This is about jobs, Madam Speaker. When questioned about the company's involvement in China, what it has meant to the Chinese, Mr. Hanson explained it very well. He said that the food processing plants that his company designs and builds generate better feed for Chinese livestock which, in turn, improve the nutritional value of food for the Chinese people. The processing plants they design in China meet all U.S. standards for worker and environmental safety. They are setting a great example for the Chinese people.

The Chinese people that Ibberson employs in building and running the operation receive higher pay. After going back and forth to China for over 10 years, Mr. Hanson learned that the Chinese people emulate the West and he saw how they used their higher pay to buy more of our products.

These jobs also, Madam Speaker, are not jobs that have been stolen from Americans, as some of my friends on the other side of this issue will tell us. In fact, according to Mr. Hanson, the opportunities to export to China create jobs back in Minnesota and many other States in our country. If it were not for international sales, Mr. Hanson believes that his small business could have gone down the same path that its 10 leading competitors did. They are

gone. They are out of business. Think of what that means to the 182 employees of this company.

Madam Speaker, continuing normal trade relations with China acknowledges the progress that has been made, but it does not disregard the need for further improvements in human rights for Chinese citizens. As a member of the Congressional Human Rights Caucus, I too abhor any and all human rights abuses. But if we are not engaged with the Chinese, how can we influence their policies? How do we stop these abuses? We must be engaged.

Madam Speaker, a normal engaged relationship between our country and China is critical for improving the lives of people in both countries and for job creation and economic growth. I urge my colleagues very, very strongly to oppose this resolution before us today and to support normal trade relations with China. It is the right thing to do.

Mr. CHRISTENSEN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to correct the record. The Dalai Lama, as of today with the statement that the Dalai Lama has clearly stated he does not support engagement if its primary goal is material enrichment. All decisions, he believes, must be guided by moral and ethical principles, including whether China could benefit from Most-Favored-Nation trading status.

Madam Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. WOLF), a champion of human rights all around the world.

(Mr. WOLF asked and was given permission to revise and extend his remarks.)

Mr. WOLF. Madam Speaker, I thank the gentleman from Nebraska (Mr. CHRISTENSEN), for yielding me this time.

Madam Speaker, let me stipulate at the beginning, because I feel so passionate about this, I want to stipulate that there are good and decent people on both sides of the issue. I believe that. I mean that. I do not question anybody's position on this issue.

But I believe that the administration's policy is fundamentally immoral and this Congress is ready to ratify a fundamentally immoral policy, a policy that has no morality behind it.

Did my colleagues see today's Washington Times? "China conducted tests as Clinton visited." And then it goes on to say, "China continued to supply missile technology to Iran and Pakistan last year and also sold Iran poison gas equipment," and then tested it when the President was there.

Madam Speaker, did my colleagues also see the story out of the Pentagon yesterday saying that our Special Forces will be training the Chinese People's Liberation Army? Are they going to train them so they can invade Taiwan? Are they going to train them to shoot better when they do whatever they do? Why would the Clinton admin-

istration support the training of the Chinese People's Liberation Army by American men and women? That is immoral. That is immoral.

Nuclear proliferation. China gave the technology to Pakistan, which then triggered India to test their nuclear weapons, which then triggered Pakistan to test their nuclear weapons, which has brought disorder and made it a dangerous subcontinent. China did that. No one else.

We are not going to take away MFN. This vote is not to take away MFN. This vote is to send a message to the Chinese government. We know the Senate will not do it. We know the President would never sign it. So this is not a vote for engagement or disengagement or taking away MFN. It is a vote to send a message.

Human rights. There is no progress. Bishop McCarrick, who is one of the three people the President sent to China, sent a letter up yesterday asking us to take away MFN to send a message. There is no progress on human rights in China.

There are more people in jail today in China than there were when the President landed in China. Catholic priests are in jail. Bishops are in jail. I was in Beijing Prison Number 1 with the gentleman from New Jersey (Mr. SMITH); 240 prisoners that we saw working on socks to export to the United States are being persecuted.

Tibet. I visited Tibet last year. China has plundered Tibet. For those who care about culture and history, China has destroyed the buildings. There are TV cameras monitoring the streets. The public security police are all over. They have destroyed 4,000 monasteries. Lhasa is nothing more than basically a dirty Chinese city because of what they have done. So in human rights, there is no progress. There is regress. We are going back with regard to weapons proliferation, with regard to trade. We have a \$50 billion trade imbalance and it's going up 20 percent a year. They send us 30 to 40 percent of their goods, which could be made by American workers. We send them .02 percent of our goods.

Slave labor camps. Remember Solzhenitsyn's book "Gulag Archipelago"? There are more slave labor camps in China today than there were when Solzhenitsyn wrote the book "Gulag Archipelago" about the former Soviet Union.

We are sending a message. The message is that we care. The American people are not where the administration is and the American people are not where this Congress is. The policy of this administration is fundamentally immoral and MFN for China will ratify a fundamentally immoral policy.

Now, I am all for jobs. I have got a 90 percent Chamber of Commerce voting record. But jobs, jobs, jobs. It says in the Bible that "man does not live by bread alone." What about the monks in Dracphi Prison? What about the Bud-

dhist nuns that have been tortured? What about the Catholic priests, some persecuted for 30 years? We've heard very little talk about that.

Madam Speaker, I strongly rise and urge those who are searching, those who are thinking, those who are undecided, we are not voting on MFN today. We are really voting on whether or not we want to send a message. Do we want to send a message of hope, a message to the Catholic bishop who was there because he gave Holy Communion? Do we want to send a message of hope to the Dracphi Prison, which I went by in Tibet where the man who took me by was even afraid, because he risked his life to take me by so I could take a picture of it.

□ 1245

Or do we want to send a message that all we care about is the policy of business, and we will train the Chinese People's Liberation Army, and we will allow them to test their missiles when our President is there, because fundamentally all we care about in this country is business and we do not care about human rights. That is the issue.

I urge support of the Solomon amendment, whereby we will not be denying MFN but we will be sending a message of hope to the Chinese people and those who are being tortured in the prisons.

Madam Speaker, I rise in strong support of H.J. Res. 121, to revoke Most-Favored-Nation (MFN) status from China. I do so because since current U.S. policy has been in place—a policy of so-called "constructive engagement"—there has been no progress on human rights in China. No progress on weapons proliferation. And no progress on trade. It is a failed policy and this House should vote to put some backbone into this policy of appeasement.

Year after year we debate this issue. Year after year the House votes to continue MFN to China. Year after year, the Chinese Communists in Beijing continue to harshly control religious practice; imprison religious leaders and dissidents; plunder Tibet; sell weapons to Iran, Pakistan and other rogue or unsafeguarded countries and engage in unfair trading practices. Congress must send a message to Beijing that we are serious about our values, our national security and our commitment to fair trade.

Our policy on China is amoral—and I would argue that it borders on being immoral—because it is focused on preserving good relations with a brutal regime in order to help American companies get business deals. It is a one-sided policy that ignores the most fundamental values of the United States.

First, on the issue of human rights. There has been absolutely no progress since President Clinton de-linked trade from human rights in 1994 and no progress since the President's recent trip to China. In fact, more dissidents are in jail today than before the President's trip. As Air Force One was landing, Chinese democracy activists and religious leaders were being harassed and detained.

The Washington Post reports today that yet another dissident has been given a three-year jail sentence—part of a continuing pattern of

tightening repression in the weeks following the President's trip.

Just days after the President left China, 11 dissidents who tried to register a political party advocating democracy were detained by the Public Security Bureau. Five remain in detention. Last week, some 100 dissidents released an open letter calling for their release. Most of them are under surveillance or house arrest.

Religious persecution persists. Christians are still being put in jail for holding Bible studies in their homes, meeting with other believers, conducting Catholic mass and distributing Bibles. Leaders in China's underground church are constantly under surveillance, placed under house arrest, interrogated and pressured to close down "house" churches. Many are arrested or sent to labor camps. Over the past year, the number has gone up.

There are still a number of Catholic bishops in jail on account of their religious activity. None have gained their freedom. More have been arrested. Mercifully, the Chinese released 78-year-old Bishop Zeng from prison several months ago because his health was failing, but he is still under house arrest. The Chinese government also revoked the passport of a 96-year-old Cardinal, Cardinal Kung, who lives in the United States in exile.

A large number of Protestant house church leaders are in jail. Not one of the 30 religious prisoners on the list presented to the Chinese government during the President's visit or the visit by the 3-person religious delegation in February have been released.

There has been absolutely no progress.

In Tibet, the Chinese government continues to destroy the Tibetan culture, imprison dissidents including a large number of monks and nuns, restrict religious activity, monitor monasteries, denigrate the Dalai Lama, and leave millions of Tibetan people without hope for a better future.

Since the debate on MFN last year, I have visited Tibet. I saw first-hand the repression taking place. Absolutely nothing has improved for those people. Lhasa is no longer a Tibetan city. Surveillance cameras are all over. So are Chinese security officials. I heard story after story of harsh repression. Prisons are a growth industry.

Tibetans are sinking further and further into despair as Chinese immigrants rush to settle Tibetan lands. Chinese karaoke bars and prostitutes line the streets, many across from the Potala Palace, the historic home of the Dalai Lama. Young Tibetan men, denied a meaningful role in society, are idle and increasingly alcoholic. They are without hope.

China is sinking millions of dollars into Tibet—for roads, factories and telecommunications, energy, housing and so on. Lots of people are getting rich, but very few of them are Tibetans. Most are Chinese. China's constitution allows the state to claim all natural resources for its own, and Beijing is making millions on Tibetan virgin lumber and minerals.

At the same time, Tibetans are being robbed of their language and their culture. They are told it is inferior. Chinese propaganda spews out of the public address system and public security cameras record private conversations. Monks and nuns are forced to choose between undergoing "patriotic re-education campaign" and denouncing the Dalai Lama or being expelled from the monastery and sent to prison.

Tibetan refugees—monks and nuns forced out of their monastery, children sent out by

their parents to be schooled, the young seeking an opportunity simply to live as Tibetans, and the elderly hoping to see the Dalai Lama before they die—continue to risk their lives to flee over the highest mountain passes in the world into freedom.

There has been no progress in Tibet. Absolutely none.

Uighurs in Northwest China—who are predominantly Muslim—are also being persecuted. They are deprived of their right to religious freedom and having their culture destroyed. Nothing has improved for them either.

So on the issue of human rights—there has been absolutely no progress. In fact, things are getting worse.

Second is the issue of weapons proliferation. So maybe human rights has not improved, but haven't we at least been able to work with the Chinese to get them to stop proliferating weapons of mass destruction and make America safer? No. There has been no progress here either.

Thanks to China, the world is a more dangerous place today. China has continued to sell missiles and missile technology to Pakistan, despite continuous pledges not to do so. Because China helped advance Pakistan's nuclear program, India decided to resume nuclear testing. Several days later, Pakistan conducted its own nuclear tests. Now we have an arms race in Southeast Asia.

We put sanctions on Pakistan and sanctions on India. But we continue to kowtow to the Chinese government.

China also sells nuclear technology to Iran and helps Iran's missile program. China is helping the Khartoum government build a pipeline to pump oil out of Sudan—a country that sponsors terrorism and engages in genocide against its Christian population. China is helping the junta in Burma. China's friends are this world's most ardent enemies of democracy.

So sadly, there has been no progress on preventing China's proliferation of weapons and weapons technology.

I should also note that China is also modernizing its military and building ICBM missiles capable of hitting the United States. The Washington Times revealed yesterday that six more were built in the first four months of this year. A secret Air Force intelligence report released recently said China's new mobile ICBM's "will be a significant threat not only to U.S. forces deployed in the Pacific theater, but to portions of the continental United States." China is the only country with missiles currently pointed at the United States, in spite of claims otherwise by some in our government.

Third, fair trade. Our policy has not helped open China's market to U.S. goods. Today, China's trade surplus with the United States is almost \$50 billion. In May, it was up 24 percent over April. While China's trade surplus with the U.S. continues to skyrocket, American goods are being kept out of the Chinese market. China sends 30–40 percent of its merchandise exports to the U.S. In contrast, the U.S. sends only .02 percent of its merchandise exports to China.

What about the huge Chinese market? The real story is that 80 percent of China's total imports are re-exported to the rest of the world.

Harry Wu—who spent 19 years in China's gulag on account of his beliefs—advocates revocation of MFN to send a message. He

says "the undoubted primary beneficiary of foreign trade in China is the Chinese Communist Party. . . . As the Chinese economy grows so does the power of the Chinese Communist Party."

China forces American companies to turn over technology and transfer production to China in exchange for doing business there. China not only uses this technology to modernize its military, but also to compete with American companies and American workers. America is losing jobs to China.

So the current policy has resulted in no progress toward promoting more fair trade with China either.

No progress on human rights. No progress on proliferation. No progress on trade. The sign of a failed policy.

The Clinton administration says the way to achieve progress in these three areas—human rights, proliferation and trade—is to continue our policy of "constructive engagement." The same administration confirmed yesterday that U.S. special forces will begin training Chinese PLA troops to "develop rapport and understanding." It is also the same administration that allowed two American companies to export sensitive satellite technology to China—which proliferation experts say significantly improved China's missile program—allegedly in exchange for campaign donations.

In my view, this administration doesn't have much credibility on this issue. They have achieved nothing with their current policy besides some good soundbites and photo-ops. It is a failed policy.

I'd rather listen to the advice of Wei Jingsheng, one of China's most noted dissidents. He has spent 18 years in prison for his outspoken views on democracy.

He says that voting to revoke MFN for China is the "most concrete and most effective means available to address Chinese human rights and political reforms and gives President Clinton real power to represent the American people in his discussions with the Chinese communists over the questions of trade conditions, human rights, regional and global security and other issues." I submit his entire statement for the record.

He also says his conditions in prison improved when the Chinese really believed that MFN would be taken away.

Archbishop McCarrick, one of the religious leaders who went to China earlier this year as part of a religious delegation, also believes the House of Representatives should send a message to Beijing by voting to revoke MFN. He urges a strong vote in favor of H.J. Res. 121. He says "A strong vote to deny MFN status to China should strengthen the Administration's commitment to putting human rights at the top of the China agenda and send a strong signal that the status quo is not acceptable." I also submit his letter for the record.

There are many reasons to revoke China's MFN status. But, there are good people on both sides of the issue.

I want to end by addressing those who think revoking MFN is a blunt instrument. Remember, that at the end of the day, Congress will not take away China's MFN. The vote today is not really about revoking MFN, it's about sending a message.

A message of hope to the Christians, Muslims and Tibetan Buddhists suffering for their faith. A message of hope to the political dissidents who still bravely speak out for justice

and freedom despite the risk of going to prison. A message of hope to these men and women being beaten, tortured, raped, imprisoned and killed for their beliefs.

This vote is also about sending a message to the regime in Beijing. A message that we are serious about our values, our national security and our commitment to fair (not just free) trade.

If you vote in favor of H.J. Res. 121, you will be sending a message, not taking away MFN. I urge you to send this message.

How long will we continue to rubber stamp our current policy—a policy of appeasement? A policy that is amoral and not in line with the values of the American people.

Let's put some strength back into our China policy. Let's put some morality back into our China policy.

Vote YES on H.J. Res. 121.

Madam Speaker, I also include for the RECORD newspaper articles and letters from various organizations discussing the current situation in China with regard to many of the areas I have spoken on:

[From the Washington Times, July 22, 1998]
CHINA CONDUCTED TEST AS CLINTON VISITED
(By Bill Gertz)

China test-fired a rocket motor for its newest long-range missile during President Clinton's recent visit to China, Pentagon officials said yesterday.

The July 1 motor test for the DF-31 missile was part of China's ongoing strategic weapons modernization effort, which included producing six new long-range missiles in the first four months of the year.

In commenting on a report in The Washington Times about the surge in ICBM production, the State Department said yesterday that China's strategic nuclear modernization will not affect efforts to develop a cooperative security relationship with Beijing.

"The U.S. and China are building a cooperative security relationship, as symbolized by the agreement of the two presidents not to target strategic nuclear missiles at each other," State Department spokesman James P. Rubin said, referring to last month's summit.

"At the same time, we are aware that China continues its limited efforts to modernize its nuclear forces," he said.

Asked about The Times' report, Defense Secretary William S. Cohen declined to comment. "If it's an intelligence report, I wouldn't comment," he told reporters at the Pentagon.

Pentagon officials with access to intelligence reports told The Times that the test-firing of the new solid-fuel rocket motor is part of efforts to develop Beijing's newest ICBM, the DF-31 road-mobile missile. When deployed in the next several years, the missile will be the second mobile ICBM in the world. Russia's SS-25 is now the only mobile ICBM in service.

The officials said the test was unusual because it came during Mr. Clinton's June 27-July 3 visit.

A U.S. official who is an expert on missiles said he believes the Chinese intentionally timed the test to coincide with Mr. Clinton's visit.

The official noted that Secretary of State Warren Christopher traveled to China several years ago to discuss human rights and the Chinese responded by arresting dissidents before, during and after the visit.

"President Clinton said proliferation would be high on his agenda [during the sum-

mit], and by testing this key component for a new long-range missile when they did, the Chinese have made clear their lack of respect for both the president and his message," the official said.

This official does not believe China has "de-targeted" its long-range missiles away from U.S. cities despite its recent pledge. The CIA reported earlier this year that 13 of 18 CSS-4 missiles are targeted on U.S. cities.

The Chinese apparently knew the rocket motor test would be detected by U.S. spy satellites or other electronic listeners, Pentagon officials said. The test was carried out at the Wuzhai Missile and Space Test Center, located about 250 miles southwest of Beijing, they said.

Highly classified intelligence reports on the test were sent to Secretary of State Madeleine K. Albright in China as she accompanied the president, the officials said.

According to reports by the Air Force's National Air Intelligence Center (NAIC) the DF-31 is a single-warhead missile with a range of more than 4,500 miles in the "late stages" of development. Its solid-fuel propulsion is a major improvement over liquid-fuel CSS-4s, the current mainstay of the Chinese ICBM force.

"The DF-31 ICBM will give China a major strike capability that will be difficult to counterattack at any stage of its operation," said a December 1996 NAIC report labeled "secret." "It will be a significant threat not only to U.S. forces deployed in the Pacific theater, but to portions of the continental United States and to many of our allies."

A map accompanying the report showed that the DF-31 could hit targets throughout the western United States along a line running southwest from Wisconsin through California.

The DF-31 will give China a strategic missile design "similar to those of current generation Russian missiles," the report said, noting that the missile will probably be fitted with decoys and chaff to defeat missile defenses.

Deployment of the DF-31 is expected within the next year and a half at the earliest, the report said.

China also is building a second mobile ICBM, the DF-41, that will have a range of more than 7,000 miles. It will be deployed soon after the DF-31.

Regarding the new CSS-4s, Pentagon officials told The Times that China delivered six of the ICBMs to the People's Liberation Army nuclear forces between January and April. The surge in production, which was spotted by U.S. spy satellites and other electronic monitors, is part of a defense industry restructuring that will result in the closing of Beijing's sole ICBM production facility, at Wanyuan, in central China, within the next several months.

Two more CSS-4s will be produced before the shutdown, they said.

The underground production facility at Wanyuan is being relocated to a missile production center near the industrial city of Chengdu in central China, the officials said.

The CIA estimates China has 18 CSS-4s. The new missiles are the "Mod 2" version of the systems.

"This is a very serious problem," said House Majority Leader Dick Armey.

The majority leader said he has many questions about the Chinese missile program, including why the United States did not learn earlier about Beijing's weapons proliferation efforts, which he called "frightening," and how China acquired the technology to build missiles.

"We have a lot of serious, very serious, questions," he said.

The biggest question: "Does my grandson have to learn to duck and cover like I did

when I was a boy?" Mr. Armey asked, referring to nuclear air-raid drills common in schools during the 1960s.

BEIJING CONTINUED ARMS SALES TO PAKISTAN,
IRAN LAST YEAR
(By Bill Gertz)

China continued to supply missile technology to Iran and Pakistan last year and also sold Iran poison gas equipment and advanced conventional arms, according to a CIA report to Congress made public yesterday.

The report identified China, Russia and North Korea as major suppliers of weapons of mass destruction and delivery systems to "countries of concern"—the CIA's term for rogue states seeking unconventional arms and missiles.

"During 1997, Chinese entities provided a variety of missile-related items and assistance to countries of proliferation concern," the CIA said in its semiannual report to Congress on activities during 1997.

"China was an important supplier of advanced conventional weapons to Iran," it stated, noting that Beijing apparently has halted sales of C-801/C-802 antiship cruise missile as promised in late 1997.

The report also said that "Chinese and North Korean entities continued to provide assistance to Pakistan's ballistic missile program in 1997," and that Beijing gave "extensive support" to Pakistan's program to develop weapons of mass destruction.

Pakistan test-fired its 925-mile-range Ghauri missile for the first time in April.

An eight-page unclassified section of the report was released by the Senate Intelligence Committee. Its findings contrast sharply with recent Clinton administration assertions that China is curbing dangerous weapons proliferation activities.

Sen. Richard C. Shelby, Alabama Republican and chairman of the committee, said the report was disturbing.

"The report shows a high level of activity about the ongoing sale of missile technology and weapons of mass destruction by China, Russia and North Korea, who are the worst offenders," Mr. Shelby said in an interview. "It also shows that Iran, Iraq and Pakistan are the greatest benefactors."

A review of the policies should be carried out by Congress and the administration to see what can be done to solve the problem, he said.

It is the second report to Congress by the CIA and was required by a section of the 1997 Intelligence Authorization Act. The law requires a report every six months. Release of the report was overdue by a year and was doubled to cover the entire 12-month period of last year.

It also was delayed from release until after President Clinton's visit to China last month in an apparent effort to avoid offending Beijing, according to congressional sources.

The CIA report on global weapons proliferation activities during 1997 discloses these key findings:

Russia, China and North Korea continued to supply missile-related goods and technology to Iran.

"Iran is using these goods and technologies to achieve its goal of becoming self-sufficient in the production of medium-range missiles," the report said.

China provided Iran with chemical warfare material to supplement its stocks of blister, blood and choking agents and bombs and artillery shells. Iran is seeking "a more advanced and self-sufficient chemical weapons infrastructure," it said.

Egypt is working with North Korea on a joint missile development project, according to a North Korean army defector.

China also continued to supply nuclear technology to projects under International Atomic Energy Agency monitoring but appeared to be abiding by a pledge not to engage in new nuclear projects in Iran and halted its support for a uranium conversion plant.

Iraq is developing "dual-use" items that could boost its chemical weapons production capabilities and has purchased vaccines, growth media and thousands of pesticide sprayers in 1997 with potential biological weapons applications.

On Russian weapons proliferation efforts, the CIA said "Russian firms" supplied a variety of missile-related goods to rogue nations seeking missile delivery systems. Russian help to Iran "means that Iran could have a medium-range ballistic missile much sooner than otherwise expected," it said.

Russia also supplied India with extensive technology that could be used for nuclear weapons, and provided conventional weapons and spare parts to countries in the Middle East, including Iran and Syria.

North Korea continued to export missile equipment and components to rogue states in what the CIA said was an effort to obtain hard currency for the cash-strapped Pyongyang government.

Western nations such as the United States, Germany, Britain, Italy and France were major targets of weapons acquisition efforts by states seeking nuclear, chemical and biological weapons and missile systems, the report said.

WEI JINGSHENG FOUNDATION,
New York, NY, July 15, 1998.

To All Honorable Members of the House of Representatives.

DEAR LADIES AND GENTLEMEN, Some people are saying that President Clinton's visit to China was extremely successful, while others say it was not. My own view is that he only half succeeded, or, to put in another way, it wasn't a total failure. Mr. Clinton did in fact exert greater efforts in Beijing, but his efforts on behalf of America demands did not achieve tangible results. Why? Because Mr. Clinton didn't build up adequate pressures to back his demands.

When I was still in prison, I clearly felt that if Most Favored Nation trade status passed the Congress with ease, various "instructions" from the Chinese community judiciary organs made treatment for political prisoners much worse. When there were reports in the People's Daily that talked of "hostile forces" inside the American Congress who plotted to revoke China's most favored nation status, the prison guards received less "instruction" and the treatment of political prisoners improved accordingly. During eighteen years in prison, I never stopped making demands for improved treatment so I was sensitive to any change in the treatment of prisoners.

Perhaps because of the daily flow of so many resolutions in the Congress, many friends have grown somewhat weary of the burden of the MFN vote. They may not fully recognize the importance of the vote in their hands. In fact, on the question of Chinese relations, legislatures control all the initiative. To put it more bluntly, only the U.S. Congress controls the real initiative.

During his trip to Beijing, Clinton needed to make some demands. Otherwise he would have no way to account for his trip to the American people and Congress. Yet he did not intend to do things too boldly, because without adequate pressure from the Congress and public commentary, he lacked the means to persuade Jiang Zemin or Zhu Rongji to make further concessions. Meanwhile, the pressure put on Clinton from both Jiang and Zhu could not be small, so he didn't want to offend anyone.

Jiang and Zhu had no choice but to accept the inconsequential demands of Clinton; at the same time, they also had no choice but to resist making substantive results. Cognizant of the pressure from the Congress and public opinion, both Jiang Zemin and Zhu Rongji felt they needed to give Clinton some face. Otherwise they might lose any chance to get collaboration on the larger issue: the need for President Clinton's cooperation to maintain their shaky dictatorship. But there remain great pressures from Communist Party hardliners that continue to influence Jiang and Zhu and their positions within the party. This battle line is determined by the amount of pressure exerted by the U.S. Congress. It can be said that both Clinton and Jiang Zemin accurately assessed the prevailing strength of the two sides. There were no great mistakes. (This conclusion is only limited to their behavior in Beijing and Shanghai.)

Now, there is only one key variant that Clinton could use to persuade Jiang and Zhu; Jiang and Zhu could then use this excuse to persuade the hardliners in the CCP. This is precisely pressure from the American congress. If the Congress is not able to make the Chinese communist realize that the loss of MFN is possible, then the more enlightened wing of the CCP cannot pass this pressure on to persuade the hardliners. Therefore, in considering the temporary cancellation of MFN for China, we can see it not only as the most concrete and most effective means available to addressing Chinese human rights and political reforms, but also gives President Clinton real power to represent the American people in his discussions with the Chinese communists over the questions of trade conditions, human rights, regional and global security and other issues. This is the best means to gain more achievements.

Your eternal friend,

WEI JINGSHENG.

THE LAOGAI RESEARCH FOUNDATION,
Mittipos, CA, July 13, 1998.

United States House of Representatives.
TO THE HONORABLE MEMBERS OF THE HOUSE OF REPRESENTATIVES: As we approach this year's vote, I wish to voice again my support for the revocation of Most Favored Nation trading status for the People's Republic of China. Some may wish to call this degree of involvement "Normal Trade Relations" but under any name, I must oppose treating this oppressive regime as a worthy trading partner for the United States.

China serves as the single exception in the history of the United States' stance towards communist countries. The United States refused to grant MFN status to the Soviet Union, and has maintained its position against the repressive regimes in Cuba and North Korea. Why do we grant this totalitarian regime a privileged position when it comes to trade relations?

The question remains: who benefits from China's MFN status? While some of the Chinese people have experienced an increased standard of living, the undoubted primary beneficiary of foreign trade in China is the Chinese Communist Party. In other words, as the Chinese economy grows, so does the power of the Chinese Communist Party. This is the same Chinese Communist Party that remains guilty of systematic, egregious human rights violations; the same Party that uses the technology it acquires from the United States to modernize its military; the same Party that unequivocally refuses to undergo political reform, or even to tolerate calls for political reform.

The Party continues to enforce, with severe measures, its planned birth policy. Recent testimony has shed light on the use of forced abortions and sterilizations. Addition-

ally, in one of the most barbaric violations of human rights, the CCP sanctions the harvesting of organs from executed prisoners, some of whom may be facing the barrel of a gun because they expressed their political beliefs. This same party runs the prisons which house the Laogai, China's forced labor system, where Chinese prisoners labor to produce goods to be sold on the international market. Religious persecution persists in China, as do the repressive policies towards the people of Tibet. Each of these acts is intended to sustain the Party's stronghold of power.

Some have argued that granting Most Favored Nation status could lead to progress in human rights and other issues, including nuclear proliferation, in which China remains outside the international norm. This argument was never used in reference to the Soviet Union, North Korea, or Cuba. We know that bolstering those nations' economies would only strengthen their political power. Despite arguments to the contrary, mere economic contact with democratic nations would not suffice to bring the Chinese leadership in line with international standards of behavior. The Chinese Communist Party is well aware of those standards, and continually chooses to flaunt them.

I urge each of you to recognize the importance of your individual vote on Most Favored Nation trading status for China.

Sincerely,

HARRY WU.

[From the China Reform Monitor, July 20, 1998]

PENTAGON: ELITE U.S. SPECIAL FORCES SEEK TO TRAIN CHINESE COMMANDO FORCES

(By Al Santoli)

Pentagon spokesman Kenneth Bacon confirmed an AP dispatch that elite Special Forces soldiers will train Chinese PLA troops under a plan being considered in Washington, the South China Morning Post reports. "You need to engage, so you develop rapport and understanding," says U.S. Special Operations commander, General Peter Schoomaker. "What we encourage is low-level contact at the small-unit level. . . To develop trust and confidence that then brings in higher level people to the point where you establish the kind of relationship where you can have different types of dialogue." Military collaboration with the PLA is endorsed by U.S. Pacific Command chief, Admiral Joseph Prueher.

Talking with reporters, Bacon also confirmed the conclusions of a Congress-sponsored panel on ballistic missile threat to the U.S. chaired by former Defense Secretary Donald Rumsfeld, that China is a major exporter of ballistic missile to Iran and other states. "It's true, and it's unfortunate," Bacon said.

The Rumsfeld panel's final report identified China as a threat to U.S. national security, "as a significant proliferator of ballistic missiles, weapons of mass destruction and enabling technologies."

U.S. CATHOLIC CONFERENCE, DEPARTMENT OF SOCIAL DEVELOPMENT AND WORLD PEACE,

Washington, DC, July 20, 1998.

DEAR REPRESENTATIVE, As the Congress again takes up the matter of accepting or rejecting the President's waiver regarding the extension of favored trade relations to the People's Republic of China, I write to express the views of the United States Catholic Conference in this regard.

Each time over the past several years when the issue has arisen, it has been our conviction that the Administration—both present and previous—has been insufficiently committed to pressing the Chinese authorities

on their systemic violations of certain fundamental human rights. We have cited the persecution of religious groups, such as the unregistered Protestant and Catholic churches, the Buddhists of Tibet and others. We have raised the questions of the one-child policy and of coerced abortion, and have noted the widespread practice of using conscript labor for many of China's manufactured products, among other well-documented charges.

We acknowledge that President Clinton made a significant effort to raise these issues during his recent state visit to China, and we applaud that. But little, if anything, has changed on the human rights front since the visit. Indeed, the continued arrest and detention of democracy advocates there only point up the necessity for unrelenting official U.S. firmness on issues of human rights and religious freedom.

The Most Favored Nation debate may not be the best forum, but it does offer the Congress an important opportunity to raise the priority of human rights and religious liberty. Therefore, we urge the Congress to send the Administration as clear a message as possible by voting in large numbers to overturn the President's waiver of applying the relevant sanctions of the Trade Act of 1974. A strong vote to deny MFN status to China should strengthen the Administration's commitment to putting human rights at the top of the China agenda and send a strong signal that the status quo is not acceptable.

Sincerely yours,

MOST REVEREND

THEODORE E. MCCARRICK,

*Archbishop of Newark,
Chairman, Committee
on International
Policy.*

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. JEFFERSON).

Mr. JEFFERSON. Madam Speaker, I thank the gentleman for yielding me this time. I rise today to discuss the issue of normal trade relations status for China.

We know that MFN tariff treatment is not a privileged trading status, but the normal tariff treatment we extend to most nations, including many with whom we have substantial disagreements. MFN has been supported by every administration that has confronted the issue since 1980. China should be afforded MFN status again this year.

I think we all agree that China has not done enough on human rights, enough on intellectual property rights, and enough on proliferation issues. Encouraging improvement in China's records in these areas is an important goal for U.S. policy, and I commend and support many of my colleagues for continuing to press the administration to address these issues with China, as do I.

However, I would like to focus on one part of the critics' argument that we should not grant MFN for China because we have a large trade deficit with it. While it is true China is the second largest trading deficit partner of the United States, this should not preclude our continuing trade with this Nation, nor should it cloud the fact that the U.S. economy benefits substantially from trade with China despite the deficit.

Japan is our number one deficit trading partner and there is no call today to terminate our trading relationship with Japan. In fact, the calls are to strengthen Japan's economy so that it will not fail, because Japan's importance to our economy dictates that if it fails, it has important consequences for the U.S. economy despite the Japanese deficit with us.

I know that there has been heavy debate on whether a higher trade deficit is evidence of a trade policy failure. Actually, the trade deficit is evidence that our strong economy enhances consumer purchasing power, which draws imports, giving U.S. consumers a wide selection of goods to choose from at the most competitive prices.

Indeed, withdrawal of China's MFN status would result in U.S. consumers paying approximately \$390 million more a year for goods such as shoes, clothing, toys and small appliances. For manufacturers the cost of goods made with Chinese components would increase, reducing the competitiveness of their finished goods in domestic and international markets.

Recently Secretary Rubin and others in the administration have echoed this argument that the rise in our trade deficit reflects the strength, not the weakness of the U.S. economy. We must evaluate the trade deficit in this larger context. Look at the facts: We have not seen the trade deficit undermine our strong economic performance. The U.S. economy remains on a track of sustained growth, low inflation and low unemployment.

Revoking China's normal trading status will only serve to hurt U.S. exporters and manufacturers, not close the trade deficit. We have an important decision before us, Madam Speaker. Will we engage China so that other nations will not gain a competitive edge in developing Chinese markets over us? Or will this Congress choose to encourage China to improve its records on human rights, on weapons proliferation, and other issues?

I would urge my colleagues to choose both courses, and that extending NTR to China is a step in the process of doing just that.

Ms. PELOSI. Madam Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. DeFazio), who has been an active participant in the fight for human rights and workers' rights throughout the world.

Mr. DEFAZIO. Madam Speaker, I thank the gentlewoman for yielding me this time.

We can change the name of the debate to normal trade relations, but we cannot change the issues that are before the Members of this Congress. We can say it is only a debate about trade relations; we must discard our concerns about human rights; we must discard our concerns about Chinese involvement in the proliferation of high-technology to terrorist nations; we must discard other principal concerns of our Nation, this is only about trade.

But even the United States Trade Representative and their spin doctors cannot make China's trade policy look good or normal by anybody's means.

Sixteen single-spaced pages replete with special tariffs, taxes, written and even, yes, unwritten rules and restrictions against U.S. goods. The goods they want in, the high-technology goods to foster their military or their future economic superiority, they get in, and they do profit a few U.S. corporations. But the goods they want to produce, the industries they want to nurture, the areas where they want to employ their people, those U.S. goods, no matter how much better, no matter how much cheaper, they cannot get in. If they cannot stop them with the tariffs or they cannot stop them with the taxes, or the written rules, they stop them with the unwritten rules, the corruption and the bribery. China is the most unfair trading nation on earth.

Now, the proponents say the choice is isolation or engagement. What about reciprocity? What about reciprocity, the American principle, the ideal of a level playing field? No, the proponents of normal trade relations, well, they prefer the doormat policy. We have a doormat trade policy.

Anything and everything produced anywhere in the world, no matter how unfairly, no matter by prison labor, child labor, whatever else, it is welcome here. And if we do that, someday, someday those nations might reciprocate and allow our goods into their countries.

It is not working too well, folks, and we have to start somewhere. China is the most egregious example. Let us start there. This is the last 3 years of unfair trade policies against U.S. goods. Look, the book is getting thicker every year. It is time to act.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume to share another quote with my colleagues.

It is in the vital interest of the United States that China continue to open and reform its economy and improve the quality of life of its citizens. We can advance that vital interest by continuing to extend normal trading relations to China.

That was on June of this year by former Presidents Ford, Carter, Bush and 17 former U.S. Secretaries of State, Defense and National Security Advisers.

Madam Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Madam Speaker, I thank the gentleman for yielding me this time.

Today, Madam Speaker, we take up legislation that is freighted with more emotion and ideology than almost any other that this Congress may consider this year. Yet the outcome of this debate will shape our relations with one of the great nations of the world and our opportunities in the world's greatest emerging market. It will play a major role in shaping the economic and

strategic geography of the next century, a century which, I believe, will be dominated by American ideals, American innovation and American culture, but only through engagement.

Our relationship with China is, obviously, in a difficult phase. We have disagreements of the most fundamental sort over trade, human rights and arms proliferation, and the Chinese Government has been justly criticized for their abominable record in each of these areas. But the proponents of this resolution offer as a blanket solution to these disputes the disruption of normal trade relations with China; in effect, cutting off our growing trade opportunities in the vast emerging market of mainland China, while treating the People's Republic as a pariah on a par with a few rogue nations.

Not one of the proponents of isolating China has answered the fundamental question: How will ending normal trade relations address the problems facing Sino-American relations? It will not address the problem of marketing access. Clearly, that is a problem. But the solution to opening up Chinese markets is to negotiate their entry into the World Trade Organization on a liberal basis; it is not ending normal trade relations.

Clearly, there is a problem with intellectual property rights. It is intolerable that in the past the Chinese have tolerated piracy within their borders of American products and American technology. But the solution is selective pressure, which has worked recently; it is not ending normal trade relations.

Clearly, there is a problem with human rights, and I do not want to minimize this, including political rights and religious freedom. The solution is to promote reform from within China, promoted by contact; not by ending contact.

And here I want to quote Wang Dan, the eloquent veteran of Tiananmen Square and of the gulag, who wrote recently in *Newsweek* that, "Economic change does influence political change. China's economic development will be good for the West as well as for the Chinese people. China needs Most Favored Nation trade status with the United States, and it should fully enter the world trading system. The terms of that entry must be negotiated, of course, but in any case the rest of the world must not break its contact with China."

Madam Speaker, in my view, American ideals are infectious. Through engagement we can introduce them decisively to the largest and most important developing nation. I urge my colleagues to look at this issue dispassionately and to vote to continue the engagement that is the sole catalyst for Chinese reform, that will strengthen human rights and build a durable market economy that American products can enter and compete in.

Oppose this ill-conceived resolution and ill-conceived policy, not for their sake but for our sake.

Mr. CHRISTENSEN. Mr. Speaker, may I inquire as to the time remaining on all sides?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Illinois (Mr. CRANE) has 27½ minutes remaining; the gentleman from Nebraska (Mr. CHRISTENSEN) has 22¼ minutes remaining; the gentleman from California (Mr. MATSUI) has 36 minutes remaining; and the gentlewoman from California (Ms. PELOSI) has 31 minutes remaining.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. KENNELLY), the distinguished member of the Committee on Ways and Means.

Mrs. KENNELLY of Connecticut. Mr. Speaker, I thank the gentleman for yielding me this time.

There is no doubt we should have normal trade relations with China. It is very important to the future of the United States of America, and we come here today to vote on this issue again. The stakes are high. So often this is the case in important legislation. And the rhetoric is heated. And this also happens when people feel very strongly on a subject. But, for once, claims that this issue is critical to our future are fully justified.

Understanding that this is a difficult vote for many Members of this body; it, in fact, is one of the most difficult votes that we cast on China. On the one hand there is the China of opportunity: vast, populous, an almost infinite market, with its growing production, and bustling economy. And on the other hand there is the China of reality, where democracy is not a reality, a place where 2,000 languish in labor camps, a place that welcomes an American President but arrests others who might be dissidents if they disagree.

For me, the question is not whether to accept China as it is, it is how to best move China toward what we want in America, and I think the majority of the Chinese people would wish for, a place of additional hope and opportunity.

For me, the best path is that of engagement, not retreat. Normal trade relations cannot make China a worse place for democracy than it already is. Normal trade relations cannot decrease the freedoms available to the Chinese people at this very moment. And normal trade relations cannot limit our opportunities to shape the future of China.

We really have an opportunity today to do what we called the new legislation "normal trade relations" with China. I urge my colleagues to vote for normal trade relations and get on with the business of the United States of America and China.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume to say that it is wonderful to have this debate because we have big problems with China, and they are the result of this policy, of which MFN for China has been the centerpiece.

All this quoting from letters of former Presidents and Secretaries of State, et cetera, they are the people that got us in the spot we are in right now. It is no wonder they support their own position. But we are here today to change that.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN), one of the agents of change.

□ 1300

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentlewoman from California (Ms. PELOSI) for yielding.

Every day we see more and more Chinese products on American shelves, products made by child labor, products made in terrible working conditions, products made by prison labor, products made by grossly underpaid workers.

Chinese workers and slave labor conditions make dolls like this for America's children; 14-year-old children in China make softballs like this for 14-year-old children in America to play with on playgrounds. Every year we buy \$75 billion of goods from China, a nation of slave labor and child labor and a nation which sells nuclear weapons to our enemies and shoots missiles at Taiwan, a regime that terrorizes political dissidents and brutalizes Tibet.

Is that what we stand for as a nation? Are these values our values? Are these the values that we want to teach our children? Is this the legacy we want to leave our children?

I ask Members of the House to vote no on MFN, to vote yes on H.R. 121.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

I would like to share one other quote with our colleagues here:

I am optimistic about China, and the reason is because I believe China will meet the challenges it faces. I think it will add many new chapters to its modern success story. And in this, let me say, I hope the United States plays a positive role.

This was former President George Bush in June of this year.

Mr. Speaker, I yield 3 minutes to our distinguished colleague, the gentlewoman from Washington (Ms. DUNN).

Ms. DUNN. Mr. Speaker, I rise today in opposition to this resolution and in support of normal trade relations with China.

The open exchange of goods and services has been a critical component of fostering understanding between nations for centuries and has helped bring about regional economic and diplomatic stability.

As Reverend Pat Robertson stated so eloquently in a piece in the *Wall Street Journal* last month, "Leaving a billion people in spiritual darkness punishes not the Chinese but the Chinese people. The only way to pursue morality is to engage China fully and openly as a friend."

And the best policy, Mr. Speaker, continues to be engagement. The same

can be said about Congress' obligation to protect our national security. Will cutting off trade with China help us maintain adequate intelligence and diplomatic ties with a growing superpower? The answer, of course, is no.

While presidential summits occur only once in a great while, the day-to-day act of engaging in commerce continues unabated. It is the majesty of free trade that brings together businessmen and women in a ritual that has solidified relationships and fostered goodwill among the people of nations, not just their governments.

Make no mistake about it, denying normal trade relation status to China will drive U.S. tariffs into the 50-percent range and destroy our trading relationship. It is the equivalent of a declaration of economic war. Is this the signal we want to send to the Chinese people?

United States Government indicators already suggest that the Asian economic crises is beginning to affect the domestic production of goods in the United States. As a result, this debate takes on added significance.

China's resolve in holding firm in their commitment not to devalue their currency has helped to keep that region from slipping even further into an economic abyss. Any sudden and drastic shift in trade policy will only cause further harm to our economy and cause greater instability in a region already struggling with economic and nuclear proliferation problems. Free trade brings both economic and diplomatic benefits. Now, more than ever, we must continue our normal trade relations with China.

I urge my colleagues to reject the Solomon resolution. By doing so, we will allow American businessmen and women, religious leaders, and human rights advocates the ability to share their products, their philosophies, and their ideas with this rapidly-changing country.

Mr. Speaker, I include for the RECORD documents endorsing this vote against this resolution by the United States Chamber of Commerce.

THE VOICE OF BUSINESS—PRESERVE NORMAL TRADING STATUS WITH CHINA

(By Thomas J. Donohue)

WASHINGTON.—The President's recent trip to China highlighted an important annual debate in Washington: Should Congress renew China's Most Favored Nation trading status with the United States?

Some believe that Congress ought to restrict trade with China pending further human rights reforms and democratic changes in that country. But others recognize that cutting off trade will backfire—it could actually work to the detriment of those well-meaning goals, while hurting American businesses, workers, and consumers.

To begin with, Most Favored Nation (or "MFN") trading status is not special in any way—it's a term for the normal trading relationships that the United States has with the rest of the world. Just six nations are without MFN status—North Korea, Cuba, Serbia/Montenegro, Laos, Vietnam, and Afghanistan—and they face either extremely

high tariffs or embargoes on their goods. By granting MFN status, we are not doing any country a favor—we are simply treating that country as a normal trading partner.

And not doing so with China would be an enormous economic and strategic mistake. China is a vitally important trading partner of ours. In 1977, two-way trade was \$400 million. By 1997, this figure had exploded to more than \$75 billion—and it's still growing.

US-China trade supports over 200,000 export-related American jobs, as well as tens of thousands of jobs in US retail, financial services, consumer goods and transportation companies—not to mention American companies that rely on imported Chinese components to make their finished goods. Restricting trade with China would hurt a range of American companies—from large, globally competitive corporations, to tens of thousands of small enterprises.

Ironically, destroying the opportunities of thousands of American entrepreneurs is being touted as a moral and just policy. Indeed, some believe that refusing to grant MFN status is the best way to express distaste with China's domestic policies. This is wrong, too. Trade allows us the best opportunity to set the example and create the necessary relationships to effect change in China. Foreign companies there set the tone for democracy by reducing area poverty, helping to increase the standard of living, and teaching the values and behaviors necessary for open trade and democracy.

Trade helps to strengthen China's growing civil sector, creating independent pockets of wealth that allow people to reduce their dependence on the state. And by engaging China on the economic front, it has gradually become more open and tolerant. In fact, missionaries working in China have asked Congress to continue to grant China MFN trading status—they believe that it is having a positive effect. Commercial engagement naturally won't solve all the problems of the world—but it sure goes a long way.

Finally, refusing MFN status in order to forward one political goal—expressing disapproval of China's human rights record—would make achieving other political goals much harder. As a nuclear power with the largest population in the world, China is crucial to the stability of the Asian region. China is also taking steps to become a part of the world economic community. And China's cautious and helpful reaction to the Asian financial crisis has helped contain the problem.

As the door to China has opened wider, ideas of freedom are flooding in. It is in the U.S.'s enlightened self-interest to trade and work with China—creating an economic and national security ally in an area of the world that demands it.

—
ENGAGEMENT WITH CHINA HAS LED TO
CONCRETE BENEFITS
TRADE

In 1977, two-way U.S.-China trade was \$400 million. By 1997, two-way trade had grown to \$75.3 billion.

U.S. exports to China grew to \$12.8 billion in 1997.

U.S.-China trade supports over 200,000 export-related American jobs, as well as tens of thousands of jobs in U.S. retail, financial services, consumer goods, and transportation companies.

China is the 6th largest export market in the world for U.S. farmers. In 1997, the United States exported \$1.6 billion in agricultural products to China. The American Farm Bureau called China "the most important growth market for U.S. agriculture into the 21st century."

The World Bank estimates that China's infrastructure needs over the next decade are

in the neighborhood of \$750 billion. U.S. companies in the power generation, telecommunications, petroleum and other industries are well poised to meet these needs.

SECURITY

China helped broker a United Nations (U.N.) peace accord in Cambodia.

During the Persian Gulf War, China acceded to U.S. military action against Iraq by not exercising its U.N. Security Council veto.

In 1994, Chinese pressure helped defuse a crisis over North Korea's efforts to obtain nuclear weapons, and more recently China has played an important role in the Four-Party Talks between the United States, China, and North and South Korea.

China and the United States have made concrete progress on nuclear cooperation and nonproliferation goals. China joined the Nuclear Non-Proliferation Treaty in 1992; signed the Chemical Weapons Convention in 1993; and signed the Comprehensive Nuclear Test Ban Treaty in 1996.

HUMAN RIGHTS DEMOCRACY

The best way for the United States to see a prosperous, free China is for U.S. companies to stay commercially engaged. Commercial engagement is not a panacea that will solve all the problems of the world, but the human impact is clearly positive.

A June 8, 1998 Asian Wall Street Journal commentary noted that foreign companies in China set the tone for democracy by (1) reducing poverty; (2) teaching the values and behaviors of democracy (open communication, receptivity to change, teamwork, information sharing, and initiative); (3) supporting the rights of the individual, and (4) hiring on the basis of merit.

Trade is helping to strengthen China's growing civil sector, creating independent pockets of wealth that allow people to reduce their dependence on the state. Economic freedom is an essential dimension of other freedoms.

The lives and freedoms of ordinary Chinese have improved dramatically in the last twenty years. Access to outside sources of information, such as foreign television programs, books, and magazines, has expanded dramatically.

On June 14, The Washington Post reported that genuine elections have become commonplace in roughly half of China's 928,000 villages.

While China must further improve its human rights climate, sustained senior-level U.S.-China dialogue will mean continued attention to U.S. concerns in this area.

INTERNATIONAL FINANCIAL COOPERATION

China has received a great deal of international praise for the responsible role it has played to date in the Asian Financial Crisis. China has not devalued its currency in spite of the very damaging effect the crisis has had on its exports. Senior U.S. and Chinese officials have had ongoing consultations about how to address the crisis.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee (Mr. CLEMENT).

(Mr. CLEMENT asked and was given permission to revise and extend his remarks.)

Mr. CLEMENT. Mr. Speaker, this is a very important issue for all of us, something we need to consider seriously. Are we or are we not going to trade with China? Are we or are we not going to have normal trade relations with China? Are we going to say that

1.2 billion people we ought to totally ignore and isolate?

Do we want to go back to the Cold War? Do we want the Germans and the French and the Russians and every other country on the face of the Earth to do business in China but yet the United States of America is not going to do business anymore? That is the question we are asking ourselves today.

I have come to the conclusion that we should have normal trade relations with China. I think it is in the United States' best interest to trade with China. I firmly believe that the best way we can continue to influence and impact change in China is through engagement, not estrangement.

Certainly, the Chinese government must take serious legitimate steps to reverse its record of human rights violations and it must incorporate democratic reforms to promote liberty, freedom, and justice for the Chinese people. We want that to happen.

As a matter of fact, when President Clinton visited China recently, and I thought it was a tremendous success, even though we had many critics even here in the House of Representatives that said, Oh, Mr. President, do not go to China. You should not go to China. You should not go to China at all for any purpose, even though it might improve relations and solve a lot of problems that exist today. Well, I say to all of them, those of them that believe strongly in freedom and rights and human rights, this is the opportunity we have in the United States of America to make sure that we continue to move forward.

China has a population of 1.2 billion people. Shanghai alone, one city in China, has 17 percent of all the building cranes in the world just in that one city. The Minister of Education in China said not long ago that "we are teaching more Chinese English than you have in population." I say that not to raise fears or concerns. I am saying that they are on the move.

And there is no doubt we will see sometime in the 21st century that China will be a superpower. Yes, it is just a developing nation today. It will be a superpower. I want a friend, not a foe. I ask my colleagues to vote no on H.J. Res. 121 and support normal trade relations with China.

Ms. PELOSI. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from New Jersey (Mr. PASCRELL). While only a freshman, it is impossible to believe he is only a freshman, with all the work that he has done on this issue so successfully.

Mr. PASCRELL. Mr. Speaker, I hold up an ad that was in *The Hill* today, which cost \$3,885 for the record. It is a part of the democracy we live in. I will not name the firm, but the firm writes this: "This firm is committed to helping China develop sustainable economic growth."

And I find that to be very, very laudable. But what about us in this coun-

try? That is what this is all about. And to answer the last speaker who spoke eloquently here, we are all for freedom. The question is, what does that freedom mean?

We have seen what has happened to the textile industry in this Nation over the last 30 years. If that was not bad enough, China is currently the third largest source of U.S. textile and apparel imports. Chinese textile and apparel exports to the United States are limited by U.S. quotas established under a bilateral agreement with China. The most current agreement was reached in February of 1997.

The U.S. Customs Service, that is us, has found evidence that China has attempted to circumvent the U.S. textile quotas by transshipping Chinese products through other countries to the United States using false country-of-origin labels. This is a very common problem. I ask the opposition to this resolution to respond to this illegal trafficking of goods into this country.

We talk about the sliding Asian economy. As it gets worse, there will be a propensity to produce more cheap goods to flood our markets. That is what this is all about. We cannot have normal relationships with the Chinese government. Our fight is not with the Chinese people. God, they have been treated horribly. Our argument is with the Chinese government.

Instead of thinking about what kind of message will we send them if we put sanctions, if we do this or that, my question is, when are they going to start sending us messages that are not confusing messages, that speak to this very one-sided ad in *The Hill* newspaper this morning? When are they going to begin following the law of the land and of the world? When are they going to be treating their workers as human beings? When are they going to stop trading nuclear weaponry equipment to countries that are our enemies? That is a very serious question.

We believe in freedom in America, and we cannot wish it through a trade agreement that is not reciprocal.

The SPEAKER pro tempore. Without objection, the gentleman from California (Mr. DREIER) will control the time allocated to the gentleman from Illinois (Mr. CRANE).

There was no objection.

Mr. DREIER. Mr. Speaker, I am very happy to yield 2 minutes to the gentleman from Morristown, New Jersey (Mr. FRELINGHUYSEN), a very hard-working member of the Committee on Appropriations, one of the leaders in the cause of our strategy of engagement.

(Mr. FRELINGHUYSEN asked and was given permission to revise and extend his remarks.)

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of normalizing trade relations with China and against the resolution.

As a Member of Congress who supports increasing our trading exports

and increasing American jobs, the only way we can accomplish this is by continuing normal trading relations with China.

While there has been much heated rhetoric over this annual decision, the fact is that a vote against extending trade relations with China will indeed cast a serious doubt in the United States and abroad on Congress' capacity to deal constructively with many of the serious issues facing our relationship with China and, for that matter, other nations.

The U.S. must send a signal that we will continue to be engaged with China. Engagement has worked and continues to work. Without engagement, we cannot expect any constructive movement towards our mutual goal of protecting human rights or dealing with the Asian financial crisis.

Our policy of engagement allows us to press human rights directly with Chinese leaders. Normal trade and economic engagement has continued the process of opening China, exposing Chinese citizens to our politics, our ideas of freedom, and all the things that we hold dear in our country.

In addition, China has played an important role in responding to the Asian financial crisis, in part by maintaining its exchange rate. Would these things have happened if we would not have pursued continuing engagement with China? Probably not.

An estimated 400,000 jobs depend on exports to China and Hong Kong. In my home State of New Jersey, approximately 5,000 to 8,000 jobs depend upon our continuing trading with China. Our national exports to China have more than tripled.

I rise against the resolution and for normal trading relations.

China is now our fifth largest trading partner. In New Jersey exports to China amount to \$350 million and range from manufacturing products such as electric and electronic equipment to various food and paper products. Revocation of trading status with China would invite retaliation against U.S. exporters and investors, giving a huge edge to other nations, thus hurting U.S. consumers, who pay upwards of half a billion dollars more per year on products because of higher tariffs.

Mr. Chairman, I support trade relations with China and improving human rights in China and urge my colleagues to vote against this resolution.

While there has been much heated rhetoric over this annual decision, the fact is that a vote against extending trade relations with China will cast a serious doubt in the U.S. and abroad on Congress' capacity to deal constructively with many of the serious issues facing our relationship with China and the nations! The U.S. must send a signal that we will continue to be engaged with China. Engagement has worked and continues to work. Without engagement we cannot expect any constructive movement towards our goal of protecting human rights or in dealing with the Asian financial crisis. Our policy of engagement allows us to press human rights directly with China's leaders. Normal trade and economic engagement has continued the process

of opening China, exposing Chinese citizens to our politics, ideas and personal freedoms.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I thank the gentleman from California (Mr. MATSU) for yielding me time.

Mr. Speaker, I rise today to support trade with China. It is absolutely essential for America's farmers. We can face the challenges with trade that China represents, or we can turn our back and face the consequences: lost markets for American farmers and the possibility of food shortages in China.

China cannot produce enough food. They have 25 percent of the world's population, 7 percent of the world's arable land.

□ 1315

In 1997, U.S. ag sales to China totaled \$4 billion. Huge trade surplus in agriculture, almost 250 percent in our favor. One of our largest wheat importers.

China is increasing its food imports. Normal trade relations with China is absolutely critical to continued market access. As the China economy improves, more value-added goods will be bought by China.

China will have to play fair to enter the World Trade Organization. China must show improved access for U.S. ag products to enter the World Trade Organization. Revoking normal trade relations will derail this progress.

Engagement results in improvements. We want a peaceful, prosperous China. A billion hungry Chinese does not lead to a stable democracy. The U.S. is well positioned to help feed their people while maintaining positive relations. Turning our back on China today would be a huge mistake. We must recognize we are in a global economy.

Human rights is a great concern. But just recently in my home State of Arkansas we found that the governor had ignored torture and abuse of children in our State in juvenile detention centers. That is a terrible thing. None of us approve of that. But we did not stop trading with the State of Arkansas because that happened. We must continue an effort to have constructive engagement. I urge a "no" vote on H.J. Res. 121.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume. Before I yield, I want to comment on the gentleman's statement about agriculture. I think it is absolutely true that our agricultural products should have access to China. Unfortunately, they do not. Just over 2 percent of U.S. agricultural exports are allowed into China. A witness before the committee on Ways and Means in favor of MFN for China, nonetheless his testimony, Mr. Micek's testimony said:

Our ability to participate in some of China's agricultural markets remains re-

stricted. The Chinese central government controls grain production, pricing and distribution. The government also controls how much fertilizer and agricultural chemicals are imported, what prices will be paid for grain and cotton, and how much of these commodities can be exported. The government maintains monopolies on grain and fiber purchases, as well as on the main distribution channels for agricultural inputs. We have had difficulty collecting on contract obligations, even from branches of the government.

I do not understand why the agricultural community in this country is not demanding more in terms of access to Chinese markets instead of following down this path of just keep waiting another 10 years and maybe we will be able to increase our exports to China above 2 percent.

Mr. Speaker, I also want to quote Senator KENT CONRAD from the Senate Finance Committee hearing on July 9, 1998 when he said China has reduced imports of American wheat from 3 million tons a year to 400,000 tons in the past 4 years while wheat farmers in North Dakota were facing disaster.

In agriculture as in other trade sectors, and these are my words, the administration's policy is not working. Let us change that. Let us change the status quo.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Vermont (Mr. SANDERS), a champion of human rights in this Congress.

Mr. SANDERS. Mr. Speaker, I rise in strong opposition to most-favored-nation trade status with China, or whatever it may be called today.

Yes, I know that all of corporate America wants us to pass MFN. I know that companies who contribute tens of millions of dollars to both political parties want us to pass MFN. I know that the corporate media wants us to pass MFN. But nonetheless, we should do the right thing, protect American workers, protect decent-paying jobs, and we should oppose MFN.

Mr. Speaker, our current trade policy is a disaster. This year we will have a record-breaking trade deficit of some \$200 billion. That means that we are importing \$200 billion more in goods and services than we are exporting, with the loss of some 4 million jobs, many of them decent-paying jobs. Our trade deficit with China this year is exploding, and this year will reach some \$60 billion.

Mr. Speaker, American workers should not be asked to compete with the desperate people of China who are forced to work at wages of 15 cents an hour, 20 cents an hour, 30 cents an hour, and who are unable to form free trade unions, elect their own government or speak out for their rights. That is not fair competition or a level playing field. We should not continue through MFN to encourage our corporations to throw American workers out on the street while they invest tens of billions of dollars in China in search of cheap labor. Let us not forget, Mr. Speaker, that over the last 20 years,

while trade with China has increased and our deficits with them have soared that the standard of living of American workers has gone down and people are working longer hours for lower wages.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my very good friend and classmate from Findlay, OH (Mr. OXLEY) the chairman of the Subcommittee on Finance and Hazardous Materials of the Committee on Commerce.

(Mr. OXLEY asked and was given permission to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I rise in opposition to the resolution of disapproval.

Mr. Speaker, before I get into the thrust of my comments, I think most of all we need to be reminded that this debate is really all about extending normal trading relations with China, something that we do with 223 other countries and we finally got around to changing that nomenclature and I am glad that we did.

We have got to consider how far our relationship has gone with China in the last 20 years. In 1978, China was trying to recover from the results of the cultural revolution. The little economic activity that did take place was completely controlled by the government in a traditional, centrally-planned system. The Chinese people were lucky to have rice on the table. There was no religious or political freedoms whatsoever.

Mr. Speaker, 20 years of economic freedom have created a thriving middle class of 350 million people. Freedom of religious expression, while certainly limited, has returned and churches of all faiths are active across the country. Finally, local elections are now free and competitive. People are beginning to have a say in politics.

Mr. Speaker, a few years ago, I had the opportunity to visit China with several other members. We were pleased to participate in a luncheon that was hosted by AT&T, one of our major telecommunications companies that are opening markets within China. I was seated beside a young lady who was working at that time for AT&T. We discussed her past and her future and she told me that she had been a student at Brown University, one of 20,000 college students from China who study in the United States every year, most of whom return to China to build a new China. That is what she said she was all about, that she wanted to return to her home country, build a new China, and she said, I realized my utmost dream, and that was I had a chance to be educated in the United States and work for an American company in my home country.

China is changing. We have to recognize that fact. I ask that the resolution be defeated.

Mr. CHRISTENSEN. Mr. Speaker, I yield 5½ minutes to the gentleman from Pensacola, FL (Mr. SCARBOROUGH).

Mr. SCARBOROUGH. Mr. Speaker, I thank the gentleman for yielding me this time and I rise in support of this resolution. I love these debates just because of the things that we hear. I heard earlier the human rights conditions in Arkansas being compared to the human rights conditions in China. Just 5 minutes ago we heard it. How desperate can you be to pass this thing?

In Arkansas you were not drug off away from your family for holding a religious service in your home for 2 years. That happens in China. There are not 1.2 million people from Arkansas who have had to flee their country or their State simply because they believe in Buddhism as has happened in Tibet. In Arkansas you are not taken out and killed if you disagree with the government. That still happens in China. In Arkansas, 60 million people have not been killed over the past 50 years. That has happened in China. Ten times the number of people killed in the Holocaust by Adolf Hitler during World War II, 10 times that amount of people have been killed in China since 1949. Yet the human rights condition in the State of Arkansas is compared to the human rights condition in China. How desperate.

I also hear, "I want a friend, not a foe." I think that is a sweet sentiment. I also want a friend, not a foe. But does a friend just 2 years ago threaten nuclear annihilation of Los Angeles, California? Now, maybe you do not like Hollywood or the Dodgers, but this is a dangerous thing. You do not threaten nuclear annihilation of Los Angeles.

Also, we are constantly being given false choices. We have to be told, you are either a friend or a foe of China. We will either engage in China or be knuckle-dragging isolationists. That is a false choice. We all recognize that the 21st century will be the American and Asian century. We all recognize that seven out of 10 countries in the Pacific rim will be the largest economic powerhouses in the world in the next 50 to 60 years. We all recognize we will once again face a bipolar world that we will be sharing with China. The question is, when we are negotiating in this bipolar world, will China receive the message that we are going to be negotiating every time by Chinese values, or by normal, human issues and values?

I think it is essential that at the beginning of this new century, we have to lay down markers and say this is what we believe in, this is what we stand for, these are principles that we will not negotiate. I thought that is what we did in 1995 when we said we will extend MFN, the good old days, when it was called MFN, we will extend it under three conditions: Number one, do not abuse human rights; number two, do not export nuclear weapons; number three, stop stealing our intellectual properties.

The past 3 years have only shown things have gotten worse. In human

rights, ask Wei. He was at a press conference yesterday saying things are no better today than they were 3 years ago. Tibetans are still being crushed. Christians are still being crushed. Human rights are not respected in China today any more than they were in 1995.

As far as their nuclear export business, let us look and see what has happened in India and in Pakistan. Let us see what has happened in Iran. Let us see what has happened in Iraq. They continue to export weapons technology that place my children and your children under a graver threat of nuclear annihilation today than we were in 1995. Yet we just blow it off. We lay down these markers, the Chinese scoff at us, and we pass it in 1996 and 1997.

The Chinese say they are going to cooperate with the President more, and they fire missiles, they conduct weapons tests while the President is in Beijing. The Chinese have a word for it. The word is kowtow, and it is what many people in this Congress, many people in this administration, and many of these people on Wall Street have been doing for years. The question is why? The question is why are we doing this? Why are we negotiating away what we stand for? Why have we turned our back on Jeffersonian democracy? Two reasons. They are the next great export market. Well, God bless the next great export market. And also it is cheap labor. Let us face it, this is the dirty truth. Cheap American products are fueled by what we would consider slave labor in China.

I believe, like the gentleman from Nebraska, like the gentlewoman from California and like many others in this fight that no matter how cheap goods are that we import from China, cheap goods, paid with the blood of fellow human beings, are too expensive. I say support this resolution, and for once send a message to China that we will not continue to kowtow to them, and once they understand that, then we can begin the next century which we will share with Asia and together we will work together to fight for the things that should matter to both of us.

□ 1330

Mr. MATSUI. Mr. Speaker, I yield 4½ minutes to the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Speaker, I thank my good friend from California (Mr. MATSUI) for yielding to me. I want, first of all, to salute him and the gentleman from Indiana (Mr. Hamilton) on our side for their hard work on this issue, as well as recognizing the gentleman from Arizona (Mr. KOLBE) and the gentleman from California (Mr. DREIER) on the Republican side for their bipartisan effort on this very, very critical issue. I also want to congratulate the President on his recent trip to China and the success of that recent trip.

As I get into my remarks, I want to be very clear about what this debate is

about and what it is not about. It seems to be more and more that we have a number of myths about this debate.

The first myth is that this debate is about MFN, most-favored nation status, or it is about normal trade relations, or it is about isolationism. It is not about any of those terms. It is about constructive engagement with maybe the most important bilateral relationship that the United States will have over the next 50 or 100 years.

Will we constructively engage, cajole, criticize, beat up a power that we do not agree with on some fundamental issues? I believe in the President's policy of constructive engagement. This is a nation that is accelerating in power around the world. The Russian relationship is declining. The Chinese relationship is quickly accelerating.

China has 1.2 billion people, the fastest growing economy in the world, growing at 9 to 13 percent a year, and plays a critical role in this Asian crisis going on right now for our exports and for the strength of our economy. This is a vitally important relationship.

Many people get up and argue the second myth: This is in the Chinese people's interests for us to engage China. No, it is in the United States' interest to do this. It is in our interest to do this for trade.

I am not happy with the \$63 billion trade deficit. I wish the President would have had some more success on this issue, quite frankly. But the income level of the average Chinese citizen is growing rapidly. Hopefully, in the not too distant future, this citizen in China is going to be more and more free, religiously free, politically free, and economically capable of buying more and more U.S. products.

It is in the American interests for us not to isolate China on defense than for us to spend more and more money on our defense budget. It is in our interests in international competition. It is in our interest on international cooperation, where China has been very, very helpful with issues of concern and sensitivity to North Korea.

Finally, the last myth is, that those who support constructive engagement are not in favor of human rights. I want to dismiss that myth very forcefully. Nobody is more sensitive to what happened in Tiananmen Square than, I think, President Clinton. He has taken on Jiang Zemin in Washington face to face, he has taken on Jiang Zemin in China face to face, and he has done it on TV.

Many of the supporters of constructive engagement recently voted for the Political Freedom in China Act, the enforcement ban on slave labor products, enforcing restrictions on Chinese missile exports, and so forth.

If we want to truly move China in the right direction, if we want to make them more sensitive to human rights, open up religious freedoms, make them eventually sign the missile technology control regime, let us, in a bipartisan

way, vote for constructive engagement today.

Ms. PELOSI. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from Ohio (Ms. KAPTUR), who is a nationally recognized leader on human rights throughout the world.

Ms. KAPTUR. Mr. Speaker, I thank the gentlewoman for yielding and for her tremendous international as well as national leadership on this issue.

I urge my colleagues to vote "yes" on H.R. 121 and, therefore, vote "no" on extending most-favored-nation to China. Why do I say so? Mainly because the policy is not working. It is one way. Most-favored nation is not normal. It is abnormal. It is preferential.

How can you say, when China keeps 40 percent tariffs up against our goods, and we allow their goods to come in here at 2 percent, that kind of differential, how can that be normal? It is preferential. It is defective. It is not reciprocal. It is not normal.

Why should we reward, therefore, a growing trade deficit to our country that results from that system? Over \$50 billion now, a 350 percent increase during the last decade, knocking off a quarter point off our GDP. People say, well, what does that really matter? It matters because it erodes productive power inside this society as we cash out our middle class jobs and working class jobs across the Pacific.

We have had to raise the minimum wage here. We have to save health benefits for our people. We have to try to somehow retain pension benefits at the level they existed in the past decades. And this begs the question of the other issues that should concern us on China—nuclear weapons proliferation, the kind of religious and human rights abuses China is famous for, the brutality toward Tibet.

If you look at agriculture, even in this so-called era where we are supposed to have a beachhead with China, we actually reached our little teeny weeny blip in exports in 1996 and have had a 23 percent decrease since that time.

They keep their tariffs up on our soybean oil. They do not let in our citrus. They keep their state-run monopolies on fiber and wheat. What are we to do?

In this post-Berlin Wall era, what is it that the United States stands for? Are we using our moral, political, and economic power to build democracy in developing nations of the world? Or are we, as Nelson Mandela reminded us during President Clinton's visit there in Africa, part of a web of forces that exploits ordinary people on behalf of repressive regimes and transnational corporations who hold a disdain for democratic principles themselves?

I can tell which side of the question the passion in this debate is on. Vote "yes" on H.R. 121. Let us represent the voices of millions of people in this country and in China who feel they are held in bondage by those who fundamentally do not respect and will not tolerate the very idea of democracy for all.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have another quote I want to share with my colleagues: If each person in China were to eat one more slice of bread every day, they would need 400 million bushels more. That is about what Kansas' entire output was last year.

Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Kansas (Mr. RYUN).

Mr. RYUN. Mr. Speaker, I rise today to address a very contentious issue that deserves debate. This is a debate between religious freedom and human rights in China as well as about how to promote democracy and economic freedom throughout the world.

As a supporter of freedom as well as free trade, I wish trade relations with China were a much easier issue. However, the actions of the Chinese leadership in Beijing make this a very, very complicated issue.

As a member of the House Committee on National Security, I am very concerned about China's role as a proliferator of weapons of mass destruction and for fueling the nuclear arms race between India and Pakistan. As a Christian, I am concerned about the slowness of China's progress in the area of human rights and religious liberty.

However, after much prayerful thought, I continue to believe that the best way to affect China morally, economically, and politically is through interaction with the Chinese. We should demonstrate the American way of integrity, honesty, and openness.

During last year's debate I quoted this editorial from the Economist which stated: "If you hear your neighbor beating up his children, do you give a shrug and say it is none of your business?"

I answered absolutely no last year and I do so again this year. We should not shirk our duty to go next door and try to stop the abuse.

I urge my colleagues to support normal trade relations with China in hopes of continuing our influence of religious and economic freedom.

Mr. CHRISTENSEN. Mr. Speaker, I yield 2 minutes to my colleague and friend, the gentlewoman from Florida, (Mrs. FOWLER).

Mrs. FOWLER. Mr. Speaker, I rise in support of this resolution and to oppose granting China normal trade relations status.

China continues to sell weapons of mass destruction and missile technologies to rogue states. Approval of normal trade relations status, formerly known as MFN, will not persuade China to act more responsibly.

Last year the Director of Central Intelligence reported that China was a most significant supplier of weapons of mass destruction-related goods and technology to foreign countries, end of quote. China has provided key technologies for Pakistan's nuclear and missile programs, and has driven India's programs. It continues to provide weapons of mass destruction and mis-

sile technologies to Iran. Last January, a Chinese state firm agreed to provide Iran with hundreds of tons of hydrofluoric acid, used for making nuclear weapons, and Sarin poison gas under falsified documents.

On top of this, China only this year increased its ICBM arsenal by one-third, weapons that can target the United States.

I urge my colleagues to tell China's leaders they must change course. Support this resolution.

Mr. MATSUI. Mr. Speaker, I yield 4½ minutes to the gentlewoman from Missouri (Ms. MCCARTHY).

Ms. MCCARTHY of Missouri. Mr. Speaker, I thank the gentleman from California (Mr. MATSUI) for the time.

Mr. Speaker, I rise today to speak in favor of extending normal trade relations to China for the coming year and against House Joint Resolution 121.

Extending normal trade relations is in the best interest of the United States. It will strengthen our presence in Asia and allow us to remain engaged on such questions as human rights and protecting the global environment.

Further, it will help to integrate China with the rest of the world and expose China to American values of individuality, freedom and democracy. Our engagement with China has resulted in the release of Wei Jingsheng and Wang Dan and the signing of an international covenant on economic, social and cultural rights.

Extending normal trade relations to China does not endorse their disregard for human rights. Instead, it provides the United States with an opportunity to speak against China's human rights violations, as the President did on his recent visit.

Our relationship with China has made it possible for organizations such as China's Children to facilitate the adoption of 154 baby girls in my district alone. Next week's Children's Hope International, of which China's Children is a member, will be meeting right here in our Nation's Capital to discuss and determine how this new engagement will facilitate even further progress.

One quarter of the world's people live in China, Mr. Speaker, and it is one of the fastest growing economies in the world. It is estimated that China's energy demand will double within 10 years. It is already the world's largest producer of ozone-depleting substances and the second largest emitter of greenhouse gases. Building trade relations with China will open the door for the United States to work with China to protect the global environment we are all concerned about.

Trade relations will also provide opportunities for cultural exchange. The United States and China have agreed to implement cultural and educational programs to increase the interaction between the two societies, including high school student exchanges, scholar exchanges for the Fulbright program, and book donations of 550 American

volumes to Chinese educational institutions. These exchanges are the key to promoting American ideas of individual freedom and democracy in China.

Finally, approximately 400,000 American jobs depend on export to China and Hong Kong, and export to these countries have more than tripled over the past decade. China is our fifth largest trading partner and it is crucial that we continue our relationship with China.

In 1997, my State of Missouri exported \$296 million in goods to China, and from 1995 to 1996 our exports to China grew by 631 percent. China is in Kansas City's eighth largest export destination, with \$61 million in merchandise and export in 1996 alone. My district exports plastic materials and resins, automotive parts, telecommunications equipment, building materials, food and dairy products, agricultural machinery and pollution control equipment to China.

Since 1988, 51 percent of all new manufacturing jobs in Missouri have been as a result of foreign investment in China, and these new positions have been higher paying than traditional manufacturing jobs. The average monthly wage for Missouri employees who work for a foreign subsidiary is 13 percent higher than all Missouri businesses.

For example, Blackwell Sanders Peper Martin, one of Missouri's leading law firms and the Nation's fastest growing firm, employs more than 320 attorneys and 500 staff members, and many of their clients transact business with China and anticipate growth in that area.

□ 1345

Mr. Speaker, a small manufacturing company in Kansas City, Dan Bunch Enterprises, has shared with me that they expect a 40 percent increase in jobs for their company this year as a direct result of trade relations with China.

I urge my colleagues to support extending normal trade relations to China, and to continue to work toward engaging this country on international issues of importance. Please oppose House Joint Resolution 121. Help to bring freedom and democracy to the people of China.

The SPEAKER pro tempore. The Chair advises Members the following time remains in this debate: For the gentleman from Illinois (Mr. CRANE), 18½ minutes; for the gentleman from Nebraska (Mr. CHRISTENSEN), 15 minutes; for the gentleman from California (Mr. MATSUI), 19½ minutes; and for the gentleman from California (Ms. PELOSI), 19 minutes.

Ms. PELOSI. Mr. Speaker, I am pleased to yield three minutes to the gentleman from Pennsylvania (Mr. KLINK), a real powerhouse for American workers.

(Mr. KLINK asked and was given permission to revise and extend his remarks.)

Mr. KLINK. Mr. Speaker, I thank the gentlewoman for yielding time and being so kind in her comments.

Mr. Speaker, I have to support this legislation, H.R. 121, and I must oppose normal trade relations for China. I wish I could come here and say that I wanted to promote normal trade relations with China, that I felt that that would solve all of our problems, but my conscience will not allow that to happen.

You see, we keep granting the Chinese favorable trading status in hopes that they are going to clean up their act, that they are going to fix all of these problems, and each year we are increasingly more and more disappointed.

Since the Tiananmen Square massacre back in 1989, the U.S. trade deficit with China has soared from \$6 billion a year to \$60 billion this year, tenfold. If we use the common multiplier of 20,000 jobs for every \$1 billion in trade, that is 1.2 million U.S. jobs that we have lost this year. If that is normal trade relations, Mr. Speaker, I, for one, want nothing to do with normalcy.

China continues to use slave labor conditions to produce its goods and products, using children and military and exporting the goods to America, while our goods to China face tariffs that are 5 to 20 times that of the Chinese exports to the U.S. If that is normal, Mr. Speaker, then maybe we need abnormal trade relations with the Chinese.

Furthermore, in the area of human rights, the Chinese continue to be the most serious of violators. Indeed, China's treatment of the people who attempt to practice freedom of religion is directly responsible for many of us here voting earlier this year to support the Freedom from Religious Persecution Act. The Chinese have little tolerance for freedom of speech or assembly, and the Chinese have been implicated in aiding the nuclear weapons program of Pakistan and Iran. Mr. Speaker, if all this adds up to normal trade relations, then I want nothing to do with it.

One of the previous speakers talked about Kyoto. I was in Kyoto last year, and we spoke to the Chinese. Whether you agree with global warming or disagree, you have to admit that it does not do any of us any good to emit pollutants into the atmosphere.

The Chinese sat across from us and said they will not do anything in the next 20 years, or the next 50 years, or the next 100 years, or the next 150 years. It was no, no, no. That is the same approach they take to trade. The Great Wall of China is in fact the word "no." When they tell us repeatedly they are not going to do business with us in a fair way, why should we try to establish normal relations with them?

We want to try to improve our relations with the Chinese, but it has to be a two-way street. The government of China has to tell us that they are will-

ing to treat us with respect, and we must send a message back to the 1 billion-plus Chinese people that we stand beside you. When we in the United States say that we believe in equal rights for everybody, it is everybody, whether they live in our country or they live in China. So we must approve H.J. Res. 121.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would remind colleagues on the floor and who are following this debate that if we are losing all these jobs, I do not know where we will find the labor force, since we have been at full employment for two years. But, in addition to that, on the religious persecution issue, to be sure there are restrictions that remain, but there are now an estimated 12 to 20 million Protestants in mainland China, 4 to 10 million Catholics, 100 million Buddhists, 18 million Muslims, and 2 to 3 million Taoists currently practicing their religion in China. There are more than 12,000 official Protestant churches and 25,000 homes or other unofficial meeting places where church services are held.

Mr. Speaker, I yield two minutes to my distinguished colleague, the gentleman from Illinois (Mr. PORTER).

Mr. PORTER. Mr. Speaker, I thank my colleague from Illinois for yielding me time.

Mr. Speaker, yesterday I had a meeting with Doug Johnson of the Center for Victims of Torture, who is working to find innovative ways to address human rights problems all around the world. He said to me, "When the only tool you have is a hammer, every problem looks like a nail," and I believe that this is a statement that applies directly to this situation. Our hammer is MFN, and all we have is a problem that looks like a nail.

We have to find other tools to deal with China. There is not anyone in this Chamber that does not know that the bottom line is that MFN is not going to be withdrawn. Even if the Senate were to agree with the House and even if the House were to pass it, the President would veto it, and it is not going to happen.

The gentleman from Virginia (Mr. WOLF) said earlier, yes, but it holds out hope to prisoners. If that is so, it is a good debate and we should have it. I have the highest respect for the gentleman from Virginia (Mr. WOLF) and his judgment and his leadership on these issues, but we have to look, Mr. Speaker, for the other tools.

Last year, we introduced legislation in the Congress that would add other tools to our addressing human rights abuses in China. Together with a number of colleagues, the gentleman from California (Mr. DREIER) and the gentleman from Arizona (Mr. SALMON) and others, we introduced legislation that would provide us with real tools to change China: Increased funding for Radio Free Asia, increased funding for the National Endowment for Democracy, discrete sanctions on human

rights abusers, increased reporting on human rights by the State Department, increased contact between Chinese people and Americans, and more. This body passed that legislation. It is over in the Senate now.

Mr. Speaker, this is the way we have to address these problems and solve them.

Mr. MATSUI. Mr. Speaker, I yield 4 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I do identify very strongly with the comments we just heard from the gentleman from Illinois (Mr. PORTER).

Mr. Speaker, we are in the process of shaping our relationship with China for decades to come, but we are also in the process of defining what kind of international leadership in the post-Cold War era we are going to have, moving away from military might and trying to thoughtfully exercise our role in a changing economy.

Our annual ritual of threatening to revoke normal trade relations is understandably mystifying, not just to the Chinese, but to many others around the world.

But looking at the Chinese, this ancient culture can appropriately be baffled by the many voices of Congress and the administration that happens every year in this debate, when they and every Member on this floor is aware that there are problems in many other countries that enjoy normal trading relations, in Asia, in the Middle East, in Africa, that have problems with human rights, environmental issues, religious persecution, and enjoy routinely normal trading relations. Normal trade relations is in fact a blunt instrument which does not advance our agenda of integrating the Chinese into the community of nations with whom we share economic, environmental and human values.

We also need to pause for a moment on this floor to reflect upon the important and complex relationship that this country has in fact enjoyed with China over the course of this century. The Chinese were a key ally in dealing with the former Soviet Union, and it was as a result of that relationship that we hastened the end of the Cold War. They continue to be a moderating influence in the area where the American troops are most likely to be engaged in armed conflict, the Korean Peninsula.

We also need to realize the environmental value to the United States of remaining engaged with the Chinese. Strengthening our relationship will help influence their decisions on controlling pollution and development.

I do not think anybody should accept Chinese behavior assisting rogue nations or denying that we should do all in our power to encourage greater freedom for the Chinese people. There is, in fact, much more that needs to be done. But, as the President's recent trip to China highlighted, significant progress has been made over the course of the last couple of decades. There have in

fact been gains, even in areas of religious freedom, and there are the stirrings of grassroots democracy, unthinkable only a few years ago.

Mr. Speaker, the environmental progress, progress on human rights, greater freedom for the Chinese people, peace and stability in Asia, greater economic opportunity for the United States, these are all key long-term goals that are in fact shared by the vast majority of people on this floor. I strongly urge the rejection of the resolution before us.

I would just make one brief reference to a dinner I had in my district two weeks ago with a variety of representatives from high tech companies. One small high-tech company admitted that their software was in fact continuing to be pirated by the Chinese. They stepped back for a moment and said to me, "Yes, it is true. But, you know, the way we are looking at it, we have them hooked on our product. Ultimately they are going to be relying on us for the product, in the long run." I think this is the sort of approach we could engage in this debate as well.

Ms. PELOSI. Mr. Speaker, I would like the record to show the rate of piracy of software in China is 95 percent.

Mr. Speaker, I am very, very pleased to yield one minute to the very distinguished gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I thank the gentlewoman for her outstanding leadership on this issue.

Mr. Speaker, I rise in favor of withdrawing normal trade relations with China. Does anyone really think that this is going to be the norm, this is the type of norm we want? We want a country that uses its platform, a very large country, for nuclear proliferation, for conventional arms sales, like missiles, for weapons of mass destruction? That, of course, has such an abysmal record on human rights, that is threatening countries with force, threatening parts of its nation, Taiwan and Tibet, with force?

If one just wanted to look at the trade issues, is it normal to in fact trade with countries that have encouraged child labor, that have forced labor, that have slave labor, that use their military production capacity for consumer product production, that have no worker rights? Is that the norm?

There are no safety rights and no health rights for workers, as well as blatant disregard for intellectual property and other types of normal trade rules. Prohibitive and unfair tariffs, which they unilaterally impose, is that normal, or offsets they require, so much so, as one of my colleagues said, that a Boeing plane is at home when it arrives there?

Mr. Speaker, I think it is time we ask for what is normal and vote up this resolution to deny normal trade with China—over two decades of excuses and excusing China is enough. China is not entitled to be treated special when its actions are so below the norm.

I rise today in support of the resolution to withdraw normal trade relations with China. Because of the limited progress that has been attained on vital issues between the United States and China, extending normal trade relations is inappropriate. The action to curtail normal trade relations is harsh, but based upon the objectives, values, and facts as they pertain to United States-China relations, necessary.

China's government continues to be one of the most oppressive in the world. The United States has a responsibility to employ our economic leverage and respond to the irresponsible, inhumane and unjust behavior. Revoking trade relations may not be an ideal vehicle, it is at best a blunt instrument. But it is one of the only mechanisms we have today to highlight China's lack of compliance with internationally accepted human rights norms. And yes, their conduct and behavior is such that this type of profound action is indeed justified.

Many of my colleagues are willing to set the human rights issues aside, reasonably concerned about economic impacts which may result in revoking normal trade status. It has been said that this legislation would hurt American labor. However, the trade deficit with China is in reality actually costing American jobs, notwithstanding the upside-down logic that has been repeatedly advanced by the interests that profit from the United States/Chinese trade deficit. Some 63B this past year.

If China was a market for made in the USA goods, it would indeed be a vital method of boosting our economy. If we were importing goods from Chinese-owned businesses, we would be promoting free enterprise within China. However neither one of these scenarios reflect reality. Some American companies use China as a production platform—a manufacturing site for goods which are then sold in the United States. Jobs which have traditionally provided American workers with living wage employment within the USA and a real chance to join the middle class are being given to Chinese workers, who are paid \$2 a day or less!

It has been said that all of these issues will be more effectively addressed within the framework of normal trade relations; that trading with China would encourage the breakup of the socialist economic, political, and social systems and support free enterprise; that we don't want to offend China for fear of further oppression. Historically, reduced tariffs have not automatically resulted in enhanced human rights. After all, trading indiscriminately with Nazi Germany, or Japan in the 1930's didn't cause reform, and it is unlikely to cause reform today. In fact, we can take some solace in the action which limited economic intercourse with the former Soviet Union, or on a different scale, with nations like South Africa. These limits and economic sanctions did have positive results.

Let's change the focus of this debate. Rather than focusing on what kind of country China is, we must ask ourselves; what kind of nation are we? Has the United States reached the point where we believe that economic change alone will deliver human rights? That trade relations are supreme to the welfare of American workers? More important than standing up for freedom and democracy? All of the factors being discussed here today; the record deficit, the tariff gap, the wage disparity and the abuse of workers, illegal copying of intellectual property, arms proliferations, weapons

of mass destruction, and technology transfers—all of these undermine values which this country is committed to uphold. Continuing to grant normal trade relations status to China would send a clear message; business as usual, our Nation will bend if the price is too high. Frankly, that is a price that we cannot afford. Human rights and people must come first in our world view and values. If this is the norm, the U.S. may as well put on the shelf its advocacy and values when it engages in trade.

Chinese actions, both internally and internationally, do not merit special status or normal trade status with the United States. I encourage my colleagues to join me in supporting this legislation, which sends a clear message to the Chinese government that such actions will not be tolerated and that the U.S. policy in light of such Chinese policies and actions is not business as usual and normal trade relations.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have another quotation I would like to share with my colleagues. "No country has a larger interest than Taiwan in seeing prosperity take hold on the mainland, for prosperity will help push mainland China into becoming a responsible member of the international community. MFN is a useful tool in steering the PRC on the path to prosperity and eventually democracy."

That is a quote from the Honorable Jeffrey Koo, Advisor to Taiwan Government, Chairman, Chinese National Association of Industry and Commerce, in May of this year.

Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Pennsylvania (Mr. FOX).

□ 1400

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to support normal trade relations with China. However, I share the concerns of others in this body about stopping the human rights violations. This should be achieved, I believe, through constructive engagement with China.

Of special concern are those particular human rights violations that involve the killing of minor criminals whose body parts are then sold for profit. I will note that the U.S. Attorney's Office in New York is investigating these crimes. The need for engagement goes beyond the improvement of human rights violations, but also making sure the balance of payments, of trade, are improved, and stopping the nuclear proliferation.

My hope for the future, Mr. Speaker, is that China moves to democratic rule and the U.S. becomes their role model nation. I believe that by working together, the government that flourishes now in Taipei, Taiwan can be what the people of Beijing, China yearn for and will receive. I hope that my colleagues join me in supporting normal trade relations.

Mr. CHRISTENSEN. Mr. Speaker, I yield 2½ minutes to the gentleman from California (Mr. HUNTER), my good friend and colleague.

Mr. HUNTER. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, a lot has been made about the label of this debate. Is it over "normal trade relations" or is it over "Most-Favored-Nation status?" In reality, it is over \$64 billion. It is a \$64 billion question, because we send to China \$64 billion more each year than they send to us.

The second question we should ask is, is it in America's interests to send \$64 billion a year to China? Well, let us examine some of the things they are doing with that money. They are buying missile cruisers that were designed by the then-Soviet Union to do one thing: kill American aircraft carriers and the men and women who operate those aircraft carriers. That is one thing they bought with the money we have given them.

What are some of the other things they have done with the money we have given them, some of that \$64 billion? They have upgraded their strategic systems. That means the Long March missiles, some of which are aimed at American cities like New York, like San Diego, like Los Angeles. So they have built and deployed and aimed nuclear weapons at some of our cities with some of the money that we have given them.

What are some other things they have done with some of the \$64 billion we have given them? They have proliferated poison gas components and nuclear weapons components to such adversaries of the United States as Iran, Iraq, Libya, and North Korea. They have sent poison gas and nuclear components with some of that \$64 billion that we have given them.

Mr. Speaker, I say to my colleagues, if this is a business deal, the currency of this business deal may be death in the future for young Americans in uniform, and that is the worst kind of trade deficit. Vote up on this resolution.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. DAVIS).

Mr. DAVIS of Florida. Mr. Speaker, I rise in opposition to the disapproval motion and in support of renewing normal trade relations with China.

The question is whether renewing normal trade relations with China is really a false and antiquated choice. We can no longer afford to ignore this superpower. We need to maximize our lines of communication. Where we can agree with China on matters of trade, we need to agree; where we disagree with respect to human rights or national security, we should fight like the dickens to protect our interests, and we certainly can assume they will do the same with respect to their interests.

It is fair to say that a trade deficit exists with China that we need to aggressively tackle. It is estimated that about 400,000 well-paying jobs are created in this country as a result of trade with China, but it is not nearly enough.

But make no mistake about it, the solution to that problem does not lie in revoking normal trade relations with China, it lies in hard-nosed negotiating at the bargaining table.

In my State of Florida there are many nontariff barriers that exist with respect to importation of agriculture into China, and at the bargaining table where we have a voice is the best way to effectuate that change.

Much has been said about human rights violations in China. Billy Graham wrote a letter last year to the gentleman from California (Mr. DREIER) citing the work of his son, Ned, with churches in China, in which he advocated improving our relationship with China and having a stronger relationship. The best way for us to effectuate positive change in elevation of religious freedom and other democratic values we so deeply cherish is by exposing that country to our values and doing so by a more aggressive relationship with China where there is more interaction. That happens by normal trade relations; it happens by sending more of our religious leaders and other leaders concerned about human rights into China to bring about change from within.

We cannot ignore this superpower. We need to continue to have normal trade relations. It is in the best interests of our country in terms of trade; it is our best way for effectuating positive change within the borders of China.

Ms. PELOSI. Mr. Speaker, I am very, very privileged to yield 1 minute to the gentlewoman from California (Ms. WOOLSEY) who comes closest in my mind to being the conscience of this Congress.

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, I would like to thank my colleague from California (Ms. PELOSI) for her leadership in this regard. I rise in support of this resolution.

Mr. Speaker, we have been told and we are hearing today that economic engagement will solve China's abuses of human rights and that China has made progress in many areas. To that I ask, what progress? Repression of religion is not progress; forced abortion is not progress; nuclear proliferation is absolutely not progress; and repression of peaceful expression is not progress.

Mr. Speaker, we have been told that revoking MFN status would discourage progress or a change in China. Well, I do not believe that for one second. The Chinese bluster, they bully, and if they believe we are committed to progress, they will progress themselves because they want to sell their products to the United States. To ensure that China makes real progress in labor rights, religious tolerance, basic human rights and the end of nuclear proliferation, vote for H.J. Res. 121.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume for another quotation.

"Vigorous economic development leads to independent thinking. People hope to be able to fully satisfy their free will and see their rights fully protected. And then demand ensues for political reform * * * The model of our quiet revolution will eventually take hold on the Chinese mainland," end of quote. That was from the new Taiwanese President, the first elected President of Taiwan, in his inaugural address 2 years ago.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. CUNNINGHAM), our distinguished colleague.

Mr. CUNNINGHAM. Mr. Speaker, China is a rogue nation, as dangerous to us and the world as a dangerous pit viper. It is ruled by totalitarians and lying communists over a people that want to be free.

Dissidents beg us to stay engaged, both diplomatically and economically, and I take a back seat to no one in fighting Communists or socialists in this country and abroad. China is different than it was 10 years ago because we have engaged economically. Go there and see the differences that we have made. If we had not engaged, China would not be different. Trade with Middle East, trade with Northern Ireland, we could make the same arguments on trading with them.

I understand why the other side is opposed to this issue. I am that close to being with them on the issue, because while engaging in trade, the President has failed the other side. You do not walk softly and carry a big stick of candy in trade. You do not stand up for American rights and let China have high tariffs. You do not let our own forces train the Communist PLA that will be used against Taiwan. You do not slap Taiwan in the face and support China. You do not stand up for human rights. And the other side is absolutely correct, but I believe unless we trade economically, unless we try and change this 10,000 year-old dog, that we will be behind.

COSCO, Long Beach shipyard. You do not let a pit viper in the crib of your baby. You do not let a communist Chinese shipping company that has shipped chemical and biological weapons into California. They have shipped AK-47s into California. They have shipped to Iran and Iraq, the reason that we are there right now in California.

So the President has failed in his policies with China, but he has also traded with them, and I think that will make the changes necessary.

Mr. CHRISTENSEN. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. SANFORD), my good friend and colleague.

Mr. SANFORD. Mr. Speaker, I thank the gentleman for yielding me this time.

I stand in essence where the gentleman from California, my colleague, stands, and that is, it has been said that it is but a straw that can break

the camel's back, and that is where I am with this vote, because on the one hand I very much believe in free trade. I look back at the gentleman from California (Mr. DREIER) back there, who has been courageous in leading for free trade around the globe, and I believe with him in that very simple concept.

But I also believe that we in Congress have a fiduciary responsibility to send a message where we think a message ought to be sent, and that is where I am struggling. Because if we look right now, I would say that there is a growing sense that there is an expansionist policy in the South China Sea with China, and that we ought to send a signal that says that is not okay.

Now, admittedly, using MFN to send that signal is a very blunt instrument, but as a Member of Congress it is the only instrument that I have that will mean something to the Chinese. So it is with great reluctance that I will be voting against MFN, but I do so because of what is happening.

We look at for instance what happened in the Straits of Taiwan last year when they opened democracy. Taiwan was trying to hold its own elections when China had military exercises. We would say we have a problem. If we look at what happened with Mr. Fareef or the Spratly Islands, you would say we have a problem. When China moved natural gas drilling rigs into what was clearly identified as territorial waters of Vietnam, you would say we have a problem. I think we ought to send a signal that says expansionism is not okay.

So other people may have a problem with human rights or trade or a variety of issues, but for me it comes down to one very simple thing, and that is an expansionist policy is bad for the region in Southeast Asia and it is bad for our allies in Southeast Asia.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I am very pleased to yield 2 minutes to the very distinguished gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, my Most Favored Nation, America, has freedom of speech, freedom of press, freedom of religion, freedom of assembly, believes in the rights of minorities, believes in human rights, believes in workers' rights, believes in nuclear nonproliferation, and believes that life is sacred.

China has no freedom of speech, no freedom of press, no freedom of religion, no right of free assembly, does not believe in the rights of minorities, does not believe in human rights, does not believe in workers' rights, does not believe in nuclear nonproliferation, does not believe life is sacred.

Why then should China become the Most Favored Nation of the United States of America? Most Favored Nation indeed. Of whom? Most-Favored-Nation status is now held up as the elixir of liberty, the cure-all. Give

MFN to China, let us just keep giving China access to our markets, expose them to our values, they say, and they will become more like us. Even as they take away millions of American jobs and arm the Asian subcontinent.

Mr. Speaker, this vote will not tell us anything about what China is or what it is becoming, but it will tell us plenty about what America is and what we are becoming. The Bible says, "He who troubleth his own house shall inherit the wind."

When we place free trade over human rights, when we place free trade over democratic rights, when we are so eager for a friendship with China that we forget our moral compass, we are a Nation which is preparing to inherit the wind.

Send a message: liberty and justice in trade, in America, and even in China.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume to share another quote with my colleagues. "The current debate about renewing China's 'Most Favored Nation' trading status no doubt raises many complex and difficult questions. . . However, I am in favor of doing all we can to strengthen our relationship with the Chinese people. . . Furthermore, in my experience nations respond to friendship just as much as people do." The Reverend Billy Graham, June of last year.

Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. BARRETT).

□ 1415

Mr. BARRETT of Nebraska. Mr. Speaker, I also rise to oppose ending normal trade relations with China. Proponents of ending trade with China fail to answer the question: If we end normal trading relations with China, then how do we influence change?

The days when the U.S. could act like a bull in a China shop are over. Countries simply go elsewhere if they do not like the sounds that are coming from ours.

That is why maintaining normal trade relations with China is vital to agriculture. Ending trade with China could cause a 3-year loss of more than \$2 billion in U.S. farm income. At \$1.6 billion, China is our seventh largest agricultural export market, and almost half of our exports are of wheat, corn, and soybeans, staples of our Nebraska exports.

Some may claim a moral victory if we end trade with China. I am confident it will be a hollow victory, washed away in a few months when our trade competitors fill the void left by exiting U.S. businesses.

Mr. Speaker, I encourage my colleagues to reject this resolution, and maintain the engine of change. Maintain trade with China.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I continue to reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Speaker, I thank the gentlewoman from California (Ms. PELOSI) for yielding me this time, and I also offer my congratulations and thanks to her for her strong, outstanding leadership on this issue.

Mr. Speaker, I rise in opposition to Most Favored Nation status, and rise in support of the resolution. People will say that we have made some progress in our dealings with China. I do not see that progress. I see a \$64 billion trade deficit. I see jobs that should be in this country that are in China. I see the piracy of intellectual property by China going unabated.

Mr. Speaker, the reality is basically this: If we do not take a strong stand, we will continue to be the loser. They have engaged in trade practices that do not benefit this country, but some people somehow say that that is progress despite the fact that we continue to lose jobs.

Mr. Speaker, our best jobs, the so-called good-paying, high-tech jobs come out of our intellectual property. But they pirate our intellectual property and guarantee that we will not see the benefit of those good jobs.

It is suggested we must stay engaged. We must stay engaged, but engaged based on toughness and strength, not on weakness.

Mr. Speaker, I urge support of the resolution.

Mr. CRANE. Mr. Speaker, I reserve the balance of my time.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BERMAN).

(Mr. BERMAN asked and was given permission to revise and extend his remarks.)

Mr. BERMAN. Mr. Speaker, I rise in support of another year's extension of normal trade relations, formerly known as "Most Favored Nations trade," for China.

This is a tough issue, and I have great respect for people who come down on either side of the question. But in the end, I have concluded that I should base my vote not on what I hope may be in terms of China's future, but on what I think China's leaders can do.

Last year, I voted against MFN for China because of my concern that China's leaders were not living up to their international agreements in regard to preventing the proliferation of weapons of mass destruction. I was concerned that the administration had failed to make this enough of a focus in its discussions with the Chinese and had not produced the results which I thought were necessary.

The administration's efforts to engage China to make new commitments and to live up to old ones have intensified over the past year. They have produced some encouraging results.

The U.S. and China agreed to not target strategic nuclear weapons on each

other. I know this is a small step. Retargeting nuclear missiles can be accomplished in a matter of hours, if not minutes, but it is a sign that the Chinese are willing to take active steps to reduce the risk of accidental launch, and the challenge we now face is to extend this small, positive step in the direction of a more serious effort at eliminating the threat of nuclear war.

China indicated during the President's trip that it is actively considering membership in the Missile Technology Control Regime. I am quite cognizant of the fact that we have been inhaling the vapors of Chinese commitments in this area for many, many years. But I am willing at this point, based on all the things that have been happening, to accept the administration's analysis that the latest commitment by the Chinese to consider joining the MTCR is a sign they will soon join the MTCR regime.

Mr. Speaker, I rise in support for another year's extension of normal trade relations—formerly known as most-favored nation trade—for China.

I have supported MFN in the past although last year I voted against it. As Ranking Member of the Asia and Pacific Subcommittee, I have spent many hours in hearings and meetings on China. I have traveled to China and Hong Kong, meeting with senior leaders, including the new Chief Executive for Hong Kong, C.H. Tung.

Much of China's behavior since the last time we voted on this issue has been deeply disturbing.

Our trade deficit with China continues to expand at an alarming rate while our trade negotiators appear to be no closer to reaching a firm agreement with China on entry into the World Trade Organization (WTO)—an agreement that would guarantee more opportunities for American exports. Our companies continue to invest in China and China continues to export to the United States but access for American goods remains restricted. I am struck by a brochure distributed to Members by General Motors, extolling the value of its investment in China even as GM's operation in the United States are being struck by American workers. GM claims that it needs to shrink its American operations while at the same time it trumpets its 18 automotive projects in eleven provinces of China employing over 10,000 people.

Maybe the Chinese gave GM no choice: either produce in China or don't sell to China. Maybe China keeps its tariff levels so high that American cars won't sell in China unless they are produced there. Either choice is the wrong one. A trade policy which results in larger and larger deficits and comes at the cost of jobs for American workers will not long have the support of the American people. Corporate America, the Administration, and the Chinese Government should be aware that if these trade problems are not resolved the Administration's policy of engagement with China will collapse from the weight alone of this failure.

The human rights situation continues to be troubling. As the State Department Human Rights Report this year noted, "the Government continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms stem-

ing from the authorities' very limited tolerance of public dissent, fear of unrest, and the limited scope or inadequate implementation of laws protecting basic freedoms." In other words, not much has changed in a year.

I am concerned that in some areas the situation may be worsening. I recently introduced H. Con. Res. 283, expressing the sense of the Congress about the situation in Tibet. Repression in Tibet has increased steadily since 1994 and, despite the joint pronouncements on Tibet during the President's recent visit to China there is no sign that the Chinese are willing to take the initiative of meeting with the Dalai Lama.

I continue to believe that change in China's human rights behavior will only come through internal pressure—pressure that can be nurtured to some extent by outside support but which will ultimately depend upon the will of the Chinese people. Those leaders who risk their lives to speak out today are the vanguard of the future.

But my vote has not depended upon setting a standard of what China's leaders should do but cannot now accomplish. I recognize the type of reform which I would want to see in China would require a revolution in the Chinese political system. However much I may wish that, I recognize that it is unrealistic. I believe that we need to continue to press the Chinese to release individual prisoners and to reform their system to permit greater freedom but I believe that the final revolution in China must be one by the people.

That day is inevitable. There is no doubt that there has been tremendous progress in China in terms of economic development and opportunity for the Chinese people, accelerating the forces of change in China in a direction that can only lead to greater personal liberty for the Chinese people. What impresses me most is not the shallow monuments of contemporary office buildings but the changes being wrought in the Chinese people as a result of greater access to modern ideas. China is being changed by its exposure to us in ways more profound than any glass edifice.

However, I do not base my vote on what I hope may be but on what I think China's leaders can do.

Last year I voted against MFN for China because of my concern that China's leaders were not living up to their international agreements in regard to preventing the proliferation of weapons of mass destruction. I was concerned that the Administration had not made this enough of a focus in its discussions with the Chinese and had not produced the results which I thought were necessary.

The Administration's efforts to engage China to make new commitments and to live up to old ones have intensified over the past year and have produced some encouraging results:

The United States and China agreed to not target strategic nuclear weapons at each other. I know this is a small step. Retargeting nuclear missiles can be accomplished in a matter of hours if not minutes. But it is a sign that the Chinese are willing to take active steps to reduce the risk of accidental launch, and the challenge we now face is to extend this small, positive step in the direction of more serious efforts at eliminating the threat of nuclear war.

China indicated during the President's trip that it is actively considering membership in the Missile Technology Control Regime

(MTCR). Chinese membership in the MTCR would be an important step * * * if it comes before the Chinese have exported all the missile equipment they want to rogue regimes. I know that our policy makers have been breathing the vapors of Chinese commitments on the MTCR for years from private letters to President Bush's Secretary of State to pledges to the Clinton Administration to abide by MTCR guidelines. I am willing to accept the Administration's analysis that the latest commitment by the Chinese to "consider" joining the MTCR is a sign that they will soon join the MTCR.

China has put a place for the first time comprehensive controls on nuclear exports and joined the Zangger Committee which coordinates nuclear export policies among Non-Proliferation Treaty members. In joining the Zangger Committee I look forward to seeing the Chinese play a constructive role in promoting the work of the Committee, not use their position to weaken international controls.

The Chinese also promised to halt their nuclear cooperation with Iran. Stopping aid to Iran is an important step. We have yet to obtain a similar commitment from Russia to cease support for safeguarded nuclear facilities.

The Chinese also committed to cut-off all cruise missile aid to Iran. Cruise missile technology is important. With short-range cruise missiles, the Iranian Navy could endanger American warships in the Persian Gulf if not threaten directly American control of that vital waterway.

If we were to revoke normal trade relations with China, we would jeopardize the progress we have achieved in these areas. The Administration's efforts to engage in a dialogue with the Chinese on critical issues would definitely become a dialogue with the deaf. We would lose much and gain little. Continuing our trade relations with China offers the prospect of further progress.

But in voting to maintain China's current trade status with the United States, I do so because of the assurances which I have received that these achievements will be matched in the coming year by real progress in gaining, first, Chinese membership and participation in international agreements to halt the spread of weapons of mass destruction, and, second, that the Chinese will take unilateral action to control the export of technology and material which is used in the production of weapons of mass destruction and delivery systems.

In voting to maintain China's current trade status with the United States, I do so with the expectation that there will be substantial progress in the coming year to eliminate barriers for American exports to China and to improve protection of American intellectual property.

In voting to maintain China's current trade status with the United States, I do so with the expectation that China will follow through with the commitments it made this year to sign and ratify the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR). Prior to the Clinton-Jiang summit in Washington, the Chinese signed the ICESCR but have not yet ratified it. They have since indicated that they would sign the ICCPR. As with the MTCR, these are commitments which China needs to follow through on now that they have been made.

I will vote no on the resolution of disapproval this year not because I am satisfied with the progress that has been made but because I believe that what has been achieved promises to be the basis for more progress during the coming year.

Ms. PELOSI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentlewoman from California (Ms. PELOSI) for yielding me this time.

Mr. Speaker, it is a shame Congress does not have a "truth in advertising" law, and it is a shame it does not apply to this bill. If we had a truth in advertising law, this bill would be called the Annual \$20 Billion Tax Forgiveness for the Most Oppressive Communist Regime in the World.

That is what it is all about. When we give them normal trade relations, formerly known as Most Favored Nation, they changed the name because the American public did not like the idea of giving them a \$20 billion tax break. So now they are going to try to slide it in again.

Why is it wrong? They charge us 40 percent on America products when they are sold in China. This would allow our country to charge them only 2 percent. I am getting a little tired when I go to visit the troops of finding out that we have 12,000 soldiers, sailors, airmen, and marines on food stamps, but we cannot find the \$100 million to help pay them a little better.

I am a little tired when our military retirees are saying they are not getting the health care that they were promised, when we do not have the \$2 billion to fulfill that pledge.

I am extremely tired every time an American helicopter and an American plane crashes because it is too old to be flying our kids around, and we do not have the money for weapons procurement. But, Mr. Speaker, we just gave the most repressive regime in the world 20 extra billion dollars to modernize their equipment.

The Chinese communists in the past 3 years have acquired ports on both ends of the Panama Canal. On the first day of the year 2000, we lose our last base in Panama. We lose, they gain. Chinese communists are getting ready to take over what was an American naval station in California. We lose, they win.

So, for those Members who want to give them the \$20 billion tax break, I hope they are ready to explain this to the people of their districts.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to remind all colleagues that China is our fastest growing export market. And in addition to that, its growth rate in terms of U.S. exports to China has more than doubled in the last six years. So, there is considerable hope about vast improvement in our economic relations.

Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. SMITH),

chairman of the Committee on Agriculture.

Mr. SMITH of Oregon. Mr. Speaker, there is no question about the issue before agriculture in America. We must normalize trade with China. It is \$2 billion today for trade with China for agriculture in America. And with the largest population of any country in the world, of course it is a great opportunity for agriculture.

It is no secret that when China is in the business of buying wheat, we have \$6 wheat in America. When China is not buying wheat, as they are not today, we have \$2.50 per bushel wheat. If we block China from ever buying wheat, we will continue to have \$2.50 wheat.

A month ago I joined with the Speaker and the gentleman from Texas (Mr. STENHOLM) in a bipartisan effort to help solve the crisis of agricultural prices in America today. We joined by suggesting that we have a square deal for agriculture, the four corners of which are as follows: Lift sanctions for Pakistan and India; pass the International Monetary Fund funding; normalize trade with China; and pass fast track so that we can be again competitors in the international market.

That is the square deal that we propose for agriculture, and this is one more step to improving the crisis in agriculture in America.

Mr. CHRISTENSEN. Mr. Speaker, I yield 3 minutes to the gentleman Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Speaker, I rise today reluctantly in support of H.J. Res. 121. I served in the Bush administration and 5 years on the staff of U.S. Senator TRENT LOTT. During that time, I always supported the extension of Most-Favored Nation status, because I believed it was the right way to achieve our trade objectives. But, sadly, I have come to the conclusion that the current policy is failing. It is flawed, fundamentally flawed, and it needs to be changed and replaced.

At a time where we are taking bold leadership in other areas of our policy with China, taking a stand with the passage of the Religious Persecution Act, trying to find ways to limit technology transfer and to limit the proliferation that we are seeing, we are sticking and staying in the rut of the status quo of the MFN debate.

Mr. Speaker, year after year we have done that for the past 10 years, and no change. The deficit gets worse every year. Our objective of getting them into the World Trade Organization seems to be slowing and lessening. What incentives do they have now to join the international community, to play by the rule of law, to open their markets, to reform their state-owned entities? The truth is the incentives today all work against our trade objectives. This policy, the current policy, works against our objective of opening their markets.

Let me be clear, my opposition is not one of closing our market. It is not one

of isolating China, but it is advocating going from appeasement and an outdated policy from the Cold War to a policy of effective engagement, a constructive framework.

I would join the gentleman from California (Mr. DREIER) and the others who care about opening the markets in China, but there is a better way, there is a better alternative.

Mr. Speaker, I have been working with the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from Illinois (Mr. EWING) on an approach that has good support from the ag community and is gaining support in the business community as a new way, a new policy for the 21st century. This is the purpose of the legislation.

It would simply say, if China joins the WTO, we will automatically, prospectively grant Most-Favored Nation status. We give them credible, date-certain incentives to join the WTO by the end of the year 2000, and failure to join could create reasonable and realistic cost incentives for them to join.

There would be flexibility built into it that if there are snap-back provisions, that it could be sector by sector, so that waivers could apply. So it is certain, it is credible, it is doable, and it is flexible.

We need a new framework for the 21st century with the right incentives to open their market. I would urge my colleagues to work with us as we go into the next year's debate, and I reluctantly support the present resolution.

□ 1430

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, I rise in support of extending normal trade relation status to China and urge my colleagues to oppose the Solomon resolution for two reasons: Vital American interests are at stake, and engagement is working.

Over the years, Members of this body have raised numerous reasons why trade relations should be cut off between our countries, and rightly so. China has traditionally had many problems of concern to all Americans. And human rights abuses, weapons proliferation, intellectual property protection and other issues continue to worry me and my constituents.

But, Mr. Speaker, things are changing, and President Clinton's recent trip highlights many of those improvements. Perhaps the most important was President Clinton's uncensored broadcast in China of his news conference held with the Chinese leader.

Last year I quoted Secretary of State Albright in noting that engagement does not mean endorsement. I stand by that statement, while recognizing that engagement does mean, and has meant, opportunity; opportunity to export our values of free enterprise, personal liberties and democracy, and the oppor-

tunity to promote a better and more secure world for our children and the children of China.

Just in the past year, Chinese leaders have endorsed accelerated privatization of industry, banking reforms, legal due process, and more open political debate. These improvements, while not complete, are largely due to quiet prodding by the United States.

I believe there is no greater opportunity or challenge in American foreign policy today than to secure China's integration into the international system as a fully responsible member. I believe we can better influence China's direction by exposing them to our democratic ideals. We can more effectively move the Chinese to change by increasing their exposure to the United States, because we are the model of democracy and freedom for the world.

Revoking NTR would severely damage American interests and undermine our ability to influence China's directions. I urge my colleagues to vote "no" on this resolution.

Ms. PELOSI. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK), the distinguished ranking member of the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services.

Mr. FRANK of Massachusetts. Mr. Speaker, it is an important day. The Republican leadership, and much of the Republican Party, will take a brief time out from attacking the President over China to vote for what China most wants. So that no one should be confused by these criticisms of the President in China, because today, with I believe the support of the majority of Republicans, China will get that which it most wants, a continuation of one of the most imbalanced trade and political relationships in the world.

No one I know of is suggesting we should have no relations with China. What we are saying is that we have negotiated a lousy deal. We obsess that they might not think so much of us. Frankly, if I were the Chinese, I would be worried about what America thought of them. And I believe we have, with this enormous market of ours, of which they take great advantage, we have an enormous power to put better terms on our relationships with China.

The question is not whether we should have normal or nonnormal trading relations. By the way, I am also glad to see the Republican Party repudiate their attacks on political correctness. By changing this from Most-Favored-Nation to Normal Trading Relations, they obviously show the power of semantics. But we can get a better deal than the one we are prepared to buy today.

Ms. PELOSI. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. MILLER), the very distinguished ranking member of the Resources Committee of the Congress,

former chair of the Natural Resources Committee.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, only in Washington, D.C. and inside the so-called beltway would this be considered a normal relationship. Unfortunately, when we talk about this normal relationship, we talk about the engagement of China. Every time this administration engages China, it must diminish and depreciate the American values of religious freedom, of freedom of speech, of human rights and self-determination, of national security, of nonproliferation, and of fair trade.

Each and every time the administration sets out its goals for China, they sound laudable and they sound supportable. The only problem is the Chinese Government does not meet those goals, and yet we call that engagement. We call that engagement because in order for this administration to continue to engage, they must concede these very basic American values, values that have built this Nation and values that this Nation has been a beacon for across the world.

To say that engagement is not endorsement sounds like a child-rearing policy of the 1960s when we wanted not to admit what our dysfunctional children were doing.

Mr. CHRISTENSEN. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, it has been the fourth year I have had an opportunity to work on this issue, and for the last three I have always voted with my colleagues on the right here in favor of renewing MFN. Last year I gave a statement that said that we are going to give it one more year to see if things change. But, my colleagues, things have not changed.

Nothing has changed. Nothing has changed in the trade imbalance. The trade imbalance has grown. We have heard today that it is at \$60 billion. Over a billion dollars every week we grow the trade deficit with China.

Has the issue of human rights gotten any better? No. We have had testimony this past week and this past month in the various committees, talking about the various human rights violations, various forced abortion issues, the slave labor camps, the harvesting of organs, the repercussions with dissidents, the taking away of free speech, whatever free speech there is. Nothing has gotten better. But yet each and every year we continue to renew this. But the number is growing.

Has anything gotten better in the area of national security? No. Our good friend the gentleman from California (Mr. DUKE CUNNINGHAM) stated that in Long Beach, California, the port has been given over to the communists. The Straits of Taiwan, the continued persecution of the Taiwanese people.

The taking away of liberties, of religious faith, whether of Muslim, whether a Tibetan monk, whether it is a Christian. If an individual does not belong to the patriotic Catholic church, they are not in an officially recognized religion and they are under persecution.

Nothing has gotten better. Whether it is economic, whether it is national security, whether it is weapons proliferation, or whether it is human rights, not one single area has gotten better over the last four years. And no longer could I continue to go along and say, yes, engagement, intervention is the way to go.

I believe we need to call it exactly as many have spoken here today; that the policy is a failed policy; that we must hold them accountable; that we must move from normal trading relations back to what I believe is the right policy, and that is holding them accountable. The Chinese people are crying out. Human rights around the world are not like they are in China. We must do a better job. We must send a message.

This is going to pass. It has the votes. So it is not an issue about renewing the MFN or the normal trade relations. This is about sending a message to Jiang Zemin and the people of China who are looking to us for hope and help.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. FAZIO).

Mr. FAZIO of California. Mr. Speaker, I rise in opposition to the resolution and support of normalized trade relations with China.

Let me be clear, granting NTR to China benefits, I believe, America's security and its economic interests. We need to be at the table with China for constructive dialogue to occur instead of peeking over our neighbor's fence wondering anxiously what they may be up to.

Normal trade relations and increasing economic engagement has continued the process of opening China and exposing the Chinese to our politics, ideas, and personal freedom. And China has made significant strides not only in global affairs but within its own borders. It has contributed significantly to enhancing Asian political stability by condemning India's and Pakistan's nuclear tests and encouraging restraint.

China's role is critical to preventing nuclear proliferation.

Ten years ago religious liberty in China was nonexistent. Today, China has made tremendous strides in the tolerance of religious freedoms by accepting U.S. religious leaders on its shores and allowing the practice of Christianity.

Furthermore, revoking normalized trade relations will not achieve our human rights goals.

Engagement does work. If we build relationships, we can directly influence

a country's human rights record. China is changing quickly and our policy must keep abreast with these changes.

I think this is also part of an overall test that this Congress faces, and that is whether or not we will play up to the role of world leader in every sense of that term, whether it is funding the International Monetary Fund or looking to reach further global trade agreements that will strengthen the creation of jobs in this country.

All of these are hard to do, particularly in a period even of economic growth, as we have experienced in the 1990s. It is so much easier to tell the American people things that perhaps are more acceptable about things they believe, whether it be religious persecution, or the loss of jobs through trade imbalance, or where we ought to be spending our tax dollars here at home, not overseas. But we know that we are not only the world's leading military power, but its leading economic power as well, and we have to project that strength, that vision of what the world economy can be, not just for Americans but for people across the globe.

So I urge my colleagues not just to vote against this resolution but to remain focused on the relationship with China and to move further, as this Congress unfolds, to fund the IMF, to take other steps that will help shore up the economies of Asia and the former Soviet Union so that we can, in fact, continue the kind of leadership that we provided since Harry Truman at the end of World War II, where the American people, with tremendous challenges here at home, played the role of economic leader for the world.

In the long run, it is the American people who will suffer the consequences of nonengagement, not the Chinese, if we fail today.

Mr. Speaker, today, many will attempt to muddy the waters by saying that China should not be granted Normal Trade Relations because of its history of human rights abuses, unfair trade relations and nuclear proliferation.

I won't deny the validity of these allegations, however, shutting the United States off from engagement with China severely reduces our leverage for open dialogue.

Shutting ourselves off to the most populated country in the world is more detrimental to monitoring human rights abuses than productive.

Engagement promises long-term rewards because it allows the U.S. a way to influence China's human rights policy at a grass root level. It would be foolish to follow a contrary policy. Renewing NTR is important to our nation, and it is important to California and the district that I represent. Exports to China and Hong Kong from California totaled nearly \$5.7 billion in 1997. Exports supported over 108,000 jobs. Agriculture exports alone, from California to China, totaled over \$300 million.

Denying NTR would translate into the loss to the agricultural market for the farmers in my district. Shutting these farmers off from trade would allow Canada, Chile and other nations to fill the trade vacuum that would be created. Denying NTR would be reminiscent of our

sanctions against the Soviet Union in the early 80's in regard to its invasion of Afghanistan. The Soviet Union didn't get out of Afghanistan and our wheat farmers suffered the consequences of our policy. Our sanctions penalized us—benefitting other nations that capitalized on our policy.

Americans deserve us to act in their best interest—engagement promises not only jobs but security to the United States.

Ms. PELOSI. Mr. Speaker, what is the status of the time?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Illinois (Mr. CRANE) has 7½ minutes remaining; the gentleman from Nebraska (Mr. CHRISTENSEN) has 4½ minutes remaining; the gentleman from California (Mr. MATSUI) has 6½ minutes remaining; and the gentlewoman from California (Ms. PELOSI) has 7 minutes remaining.

Ms. PELOSI. Mr. Speaker, could the Chair discuss the order of closing for us?

The SPEAKER pro tempore. The order will be the gentlewoman from California (Ms. PELOSI) will be first, then the gentleman from California (Mr. MATSUI), then the gentleman from Nebraska (Mr. CHRISTENSEN), and then the gentleman from Illinois (Mr. CRANE).

Ms. PELOSI. So the gentleman from Illinois (Mr. CRANE) will ultimately close, and we go in this order?

The SPEAKER pro tempore. That is correct.

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Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. DREIER).

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, it is an honor to be able to have this opportunity to stand here in the well and say that just a few minutes ago the President signed the IRS Reform Bill, which has now established exactly what it is we are debating.

There is nothing favored about this. We are talking about normal trade relations. Even many of the leading proponents of this resolution admit that it is not a serious legislative proposal; it is just a signal, a primal scream of frustration, a helpless yelp of resignation.

We must send a clear signal. Furthering reform in China is a moral issue. And I think it is important for us to listen to some moral leaders who have commented on it.

The Reverend Billy Graham said: "I am in favor of doing all we can to strengthen our relationship with China and its people. China is rapidly becoming one of the dominant economic and political powers in the world, and I believe it is far better for us to keep

China as a friend than to treat it as an adversary."

The Reverend Pat Robertson: "Leaving a billion people in spiritual darkness punishes not the Chinese Government but the Chinese people. The only way to pursue morality is to engage China fully."

And His Holiness the Dalai Lama: "Confrontation or condemnation: I don't think it works. The only practical way is to be a genuine friend."

Mr. Speaker, we know that the single most positive change in the 5,000-year history of China has been the economic reform, those economic reforms which have empowered hundreds of millions of individuals to be lifted out of poverty. It is the height of absurdity to send a signal attacking the one positive change.

We have found over the years, over the last decade and a half, that maintaining economic engagement has in fact led to the positive political reform that we all seek. We found that out in Chile. We found that out in Argentina. And in the Pacific Rim, we found that out in both Taiwan and South Korea.

We never thought of cutting off economic ties with any of those 4 countries, which had horribly repressive human rights policies. And what has it brought about? That policy has helped us improve political pluralism, human rights, the rule of law in those nations. And it will do the same in China.

If we are going to send a positive signal, we should be doing the very important things that we have discussed repeatedly here in the Congress. For one thing, \$22 million for Radio-Free Asia, which is included in the Commerce-State-Justice appropriations bill, is a request that is over that that the President has requested.

I want to compliment the gentleman from Kentucky (Mr. ROGERS), chairman of that very important subcommittee, who has led the charge to help in this effort supporting the increased funding for the National Endowment for Democracy.

I am privileged to work with the International Republican Institute, a very important arm of that. We now have over half a billion Chinese people who have participated in village elections there; and in 40 percent of those elections, we have seen non-communist candidates actually victorious.

I think it is also very important for us to send a signal to the other body. That signal is they should pass the very important China bills that we successfully reported out of the House of Representatives last year.

Maintaining this strategy of engagement is the wave of the future. We have to recognize that if we are going to do everything that we can to help the people in the United States and the people in China, we must maintain normal trade relations.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I request how much time do I have remaining?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Illinois (Mr. CRANE) has 3½ minutes remaining. The gentleman from Nebraska (Mr. CHRISTENSEN) has 4½ minutes remaining. The gentleman from California (Mr. MATSUI) has 6½ minutes remaining. And the gentlewoman from California (Ms. PELOSI) has 7 minutes remaining.

Ms. PELOSI. Mr. Speaker, is it my understanding that if we have a call of the House that we would each have 4 minutes or less, depending on how much time we have for the closing presentations?

The SPEAKER pro tempore. The Chair is not party to any agreement.

Ms. PELOSI. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, as I said earlier today, the debate on the floor today is not whether China will get Most Favored Nation status or that same status by any other name. The debate on the floor today is whether Members of Congress want to associate themselves with a failed policy, a policy which in the last 10 years has seen our trade deficit with China increase from \$3 billion to \$63 billion projected for 1998.

It is interesting to hear people talk about normal trade relations, as it will now be called. As I said before, a rose is a rose is a rose. In this case, a thorn is a thorn is a thorn.

Because the fact is that the Chinese regime has already decided that we are not going to have normal trade relations with them. They have done that by having the Great Wall of China around their markets resulting in that big trade deficit, by using slave labor for export, by using transshipments to avoid our quotas, and by pirating our intellectual property in the case of software at a rate of 95 percent.

So they must be having a great big chuckle over there in Beijing to see that we are debating to give them what they have already decided will not be a normal trade relationship.

Let us hear it for a normal trade relationship. I hope we can achieve one. But clearly, we have not gotten from here to there with this failed policy of granting Most Favored Nation status to China.

I just want to talk about a couple things I have heard said here. I heard people say they are making progress in human rights because they freed a few political prisoners. They forcefully exiled those people. That is punishment. That is not progress.

That is why Wei Jingsheng has been speaking out since he came to the United States to say, unless there is a threat of withholding this preferential trade treatment from China, the hands of the reformers in the government are not as effective in trying to persuade the hard-liners to change. To change, to open the doors to the prisons of those who are still in prison from the Tiananmen Square massacre and many

from the Democracy Wall era, which is 20 years ago. We cannot put the Tiananmen Square massacre behind us until those people are free, until the exiles are able to return home and speak freely within China.

I have heard others say that China is moving on human rights because they are going to work on the rule of law. How the Beijing rulers must enjoy that one. In Chinese, it is the rule by law. And that can be very, very oppressive.

I have heard people say here that the President made great progress on the proliferation issue because of the targeting. They present that notion and then they belittle it because they know that that is not a summit accomplishment.

And what was really happening while the President was there? While they may have been not targeting us, China was conducting a test. And an official of our own Government said, "President Clinton said proliferation would be high on his agenda during the summit. And by testing this key component of a long-range missile when they did, the Chinese have made it clear their lack of respect both for the President and his message," they said.

Trade, proliferation, human rights. Let us have a normal trade relationship. Yes, let us use the leverage that we have to make the world safer, the trade fairer, and the people freer.

I ask my colleagues, is \$1 billion a week deficit normal? Vote "yes" on the resolution and "no" on MFN for China.

Mr. CRANE. Mr. Speaker, I reserve the balance of my time.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

CALL OF THE HOUSE

Ms. PELOSI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 316]

ANSWERED "PRESENT"—408

Abercrombie	Bilbray	Burton
Ackerman	Bilirakis	Buyer
Aderholt	Bishop	Callahan
Allen	Blagojevich	Calvert
Andrews	Bliley	Camp
Armey	Blumenauer	Campbell
Bachus	Blunt	Canady
Baesler	Boehert	Cannon
Baker	Boehner	Capps
Baldacci	Bonilla	Cardin
Ballenger	Bonior	Carson
Barcia	Bono	Castle
Barr	Borski	Chabot
Barrett (NE)	Boswell	Chambliss
Barrett (WI)	Boucher	Chenoweth
Bartlett	Boyd	Christensen
Barton	Brady (PA)	Clay
Bass	Brady (TX)	Clayton
Bateman	Brown (CA)	Clement
Becerra	Brown (FL)	Clyburn
Bentsen	Brown (OH)	Coble
Bereuter	Bryant	Coburn
Berman	Bunning	Collins
Berry	Burr	Combest