

Any member of the U.N.—or the Secretary General—can bring a threat to the peace before the Council. China's veto power cannot be used to prevent putting a threat to peace on the Council agenda.

Separately, the U.S. and any country that considers itself a friend both of peace and America can condemn Chinese terrorism. Together they can present a resolution speaking for the U.N.

China will veto that. But if Beijing is so out of control as to threaten more terrorism in the face of a U.N. condemnation prevented only by a veto, we should know it as soon as possible.

Meantime, President Clinton should consider one sentence that tells how his Administration got to this point.

"The experience of China in the past few years demonstrates that while economic growth, trade and social mobility create an improved standard of living they cannot by themselves bring about greater respect for human rights in the absence of a willingness by political authorities to abide by the fundamental international norms."

The sentence in itself is not remarkable. It sums up the message of human rights victims around the world: strengthening our oppressors empowers them to torture us further. But it comes from the latest report on human rights of the State Department. It took courage by those officials who wrote or agreed to it.

Since 1993, the Administration has based its China policy on a contrary vision of morality and history. It insisted that economic growth in China would create a willingness by the dictatorship to live up to those "fundamental international norms." Beijing would give Chinese more human rights. It would stick to agreements against selling nuclear weapon technology. It would allow the people of territories it claims as its own, such as Tibet and Taiwan, to live in peace and dignity.

China's economy certainly has grown, stimulated nicely by \$40 billion more that it sells to America than it buys from America.

So: Torture and political repression have increased. And so have oppression of religion, and forced abortion. The choke-leash around Tibet tightens. The chief economic beneficiary of the trade that led to economic growth has been the Communist army, which owns vast parts of the economy, including the forced-labor camps.

The new, richer China has sold nuclear technology to Pakistan and has become the missile salesman to the world's dictatorships.

President Clinton promised to struggle for human rights in China. He did not.

Now his China policy lies adrift in the Strait of Taiwan. He owes us a new one. Its moral principle and historic reality were written for him by the meaning of that sentence in the State Department report: enrichment of dictators enchains their victims.●

ADMINISTRATION EFFORTS TO COMBAT INTERNATIONAL BRIBERY

● Mr. FEINGOLD. Mr. President, most of us believe that a key factor in America's economic growth will be an increase of U.S. exports overseas, and accordingly, we have concentrated our efforts on overcoming obstacles which U.S. businesses face overseas. One of the real problems which has not received enough attention, though, is bribery and corruption.

Bribery as a way of doing business is widespread. But it is inefficient: it

skews international markets, it discriminates against the honest, and it taints the overall image of a company. No one benefits in the long-term from contracts based on bribery.

U.S. business is prohibited from engaging in bribery under the Foreign Corrupt Practices Act [FCPA]. I am proud of this law, and believe that it promotes good business. But, in a perverse irony, our businesses are disadvantaged in the international marketplace because they can't pay bribes. Some have suggested repealing the FCPA, which is very short-sighted. Rather, a more constructive alternative is to work for international acceptance of the principles of the FCPA. In light of the corruption scandals that have rocked Taiwan, France, and NATO, to name a few, there are serious moves afoot on the national level as well as among the grassroots to do so.

This is a sensitive topic because it involves moral, financial, and intellectual concerns with, in many cases, our friends. But that sensitivity cannot deter us from addressing the subject seriously. U.S. businesses cannot afford their Government avoiding the issue.

For these reasons, I am very pleased that the U.S. Trade Representative, Mickey Kantor, has made the countering of bribery and corruption a high priority in U.S. trade policy. Last week he gave an encouraging speech which identified bribery as the triple obstacle that it is: a barrier to U.S. exports; a burden to developed countries seeking to do business; and an obstacle to the establishment of sound governments in developing nations.

The full remarks of Ambassador Kantor are unfortunately too extensive to include in the RECORD, so alternatively, I ask to have printed in the RECORD an editorial which appeared in Sunday's Washington Post applauding Ambassador Kantor's initiative, and encouraging the administration to maintain the pressure.

The editorial follows:

[From the Washington Post, Mar. 10, 1996]

TRADING ON BRIBES

Ever since 1977, when the United States barred U.S. corporations from paying bribes overseas, U.S. executives have complained that enforced honesty was costing them business. European and Asian competitors were beating them out all over the world—and then going home and deducting the bribes from their taxes.

How much of this lost business was real, and how much involved sour grapes, has never been clear. Some studies have shown only marginal losses to U.S. business. Some U.S. firms have found ways around the Foreign Corrupt Practices Act, as the 1977 law is called. And many executives agree that the act has also helped them at times, by giving them an excuse not to pay costly bribes that might in any case bring small or no returns.

Still, no one denies that the act can handicap U.S. firms. And with trade now accounting for 30 percent of our total economy and a sizable number of domestic jobs, any such impediment has to be taken seriously.

U.S. Trade Representative Mickey Kantor this week identified bribery and corruption in overseas business as significant and unfair

barriers to trade. Rather than softening the U.S. law, he said, Washington will now press other nations to deal more honestly.

Fat chance, you may say. And of course corruption will never be entirely uncoupled from international business, any more than the influence of money can be entirely leached out of politics.

But in two areas a full-court press would not be entirely quixotic. The first is to press other developed countries to play more by our rules. The Organization of Economic Cooperation and Development, which includes the nations of western Europe, North America and Japan, is moving toward adoption of a policy barring tax-deductibility of overseas bribes. That policy should be encouraged as a bare minimum, with criminalization of bribery to follow.

The second goal is to persuade developing countries to adopt fair rules for government procurement contracts in telecommunications, energy and other, dollar-rich sectors. The more open such processes are, the less opportunity is provided for bribery.

Such a campaign would be as much in the interest of the developing countries themselves as it would benefit U.S. firms. Widespread corruption usually enriches a small elite while discouraging foreign investment and impoverishing the economy as a whole. Even many of our competitors would welcome a clearer set of rules, if they knew everyone was playing by the same ones.

Clinton administration officials have raised these issues before. This time they should maintain the pressure. Pushing for honest trade is not an unfair trade practice.●

TRIBUTE TO STU CARMICHAEL ON HIS RETIREMENT

● Mr. SMITH. Mr. President, I rise today to honor a dear friend and faithful staffer in my Portsmouth Congressional office—Stu Carmichael. Stu has worked for me since I first entered politics in 1980, over 16 years ago. He is retiring next week and we will all miss him dearly.

Stu Carmichael joined the Air Force in 1950 upon graduation from East Providence High School in Rhode Island, and served for 4 years as a radio operator in the Korean war. Occasionally, he still proudly wears his flight jacket into the office and asks the staff to take note of a special shiny pen in the left sleeve. He quickly yanks at this writing utensil and proceeds to show everyone how it was made to write upside down. "Something every astronaut cannot live without" he always notes.

We all know Stu for his delightful sense of humor and his wit. He impresses everyone he meets with a new anecdote or joke that usually leaves his friends laughing long after he has gone. Many of my staff can still recount some of his original stories and humorous incidents he concocted. We love him for that. That is Stu's legacy—one we will fondly remember for years to come.

When Stu graduated in 1958 from the University of Rhode Island with a bachelor's degree in business, he quickly went on to pursue an extensive career in the benefit management business. Several actuarial firms sent him all over the country and he ended up on