

we debate this issue. This issue cannot be debated solely on emotion but must be based on reason.

United States companies have already committed to invest some \$26 billion in approximately 20,000 projects in China. United States trade with China already supports over 200,000 high-wage American jobs. But this is just a start. Over the next 25 years, China's economy is projected to expand to almost \$6 trillion. That is almost 10 times the size of China's economy in 1994.

Now, China's modernization plans call for imports of equipment and technology of approximately \$100 billion per year. Infrastructure expenditures amounting to as much as \$250 billion are projected through the remainder of the 1990's.

China's biggest import markets are in the areas of United States strength. Consider this: In both quality and price, the United States is in the lead for these markets: areas in aircraft, electric power systems, telecommunications equipment, computers, agricultural chemicals, and medical equipment.

Politics, unfortunately, could stop the United States from gaining tens of billions of dollars of new exports and hundreds of thousands of new jobs. This is already happening. Just the other day, Airbus took a \$2 billion contract from Boeing, based solely on politics. The president of China's aviation industries put it well when he said, and I quote:

We'd like to make our decisions based on technical and commercial factors, but governments and statesmen are involved. We can't control that.

Mr. Speaker, the second reason why revoking MFN would harm United States security interest in the region, let me say this, China is the emerging great power in that region, both economically and politically. There is no reason to think that its government can be deposed or ignored or strong-armed. It must be dealt with as a beligerent but as a great power.

I ask, Mr. Speaker, that the rest of my statement be entered into the RECORD.

This means engagement.

To go the other way, to adopt a policy of confrontation with China—which is what removing MFN does—would isolate the United States in Asia rather than isolate China.

As Henry Kissinger recently wrote:

In a confrontation with America, China would appeal to Asian nationalism and make the American military presence in Asia a bone of contention. And it would be able to enlist the economic cooperation of Japan as well as of the other industrial nations of Europe and the Western Hemisphere, all eager to seize the opportunities that we might abandon.

In addition, the futures of both Taiwan and Hong Kong are to be considered.

With Hong Kong to revert in a year, with Taiwan relying on China for \$20 billion a year in trade, and with the Taiwanese having invested \$25 billion in China, we need to treat these relationships carefully.

Reason 3: Revoking MFN will not improve human rights conditions or nonproliferation and trade policy in China.

As the Heritage Foundation recently wrote, history shows that China is far more oppressive against its people when isolated from the outside. This was clearly the case during the cultural revolution.

Human rights improvement is a long-term process that will require a long-term China policy.

The same is true on nonproliferation and trade. China needs to understand that it must meet its international responsibilities if it wants to attain international respectability.

The United States will have to use effective levers to achieve this.

A strong, clear, and coherent China policy is needed. Our goals will not be achieved in these areas otherwise.

MFN is simply the wrong lever. It was not designed for these goals, and it will fail miserably if used this way.

Reason 4: MFN is normal treatment that all our partners grant, and will continue to grant, to China without condition.

MFN is a misnomer. In reality it means that a country is treated in a nondiscriminatory manner on tariffs. It is the norm that rules.

In this respect, all our OECD partners grant such treatment to China. They do so without condition.

No official in any of those countries, to my knowledge, has suggested that this situation even be reviewed, much less altered.

The United States currently grants MFN to every country in the world except seven countries. These are Afghanistan, Cambodia, Cuba, Laos, North Korea, Vietnam, and the former Yugoslavia.

There are 17 others, including China, that currently receive MFN conditionally.

These 17 do not include Iran, Libya, Iraq, Syria, or Sudan. All these rogue states get MFN. Why is this?

This is because our MFN law is built on the cold war. The Jackson/Vanik amendment, enacted in 1974, was intended to pressure the former Soviet Union into allowing Jews to emigrate.

It was not designed to today's issues with China.

Mr. Chairman, I hope that my colleagues will find these reasons for extending MFN convincing. In conclusion, though, I urge that we consider two other needs during the coming debate.

First, that China is too important for today's United States policy.

This administration keeps drawing lines in the sand, and then backing off. They are running out of credibility, and pretty soon they will run out of beach.

We need a coherent, long-term, and bipartisan China policy.

Second, the world has changed dramatically since 1974. The law on MFN has not. We may need to reform this law.

Let's look at how it can be used for today's issues.

Why should rogue regimes supporting international terrorists be treated better than countries like the Ukraine, Armenia, Bulgaria, and Romania? Mr. Speaker, I think this needs review.

#### OIL COMPANY MISMANAGEMENT AND GASOLINE PRICES

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Massachusetts [Mr. MARKEY] is recognized during morning business for 5 minutes.

Mr. MARKEY. Mr. Speaker, the political party that once suggested that catsup should be counted as a vegetable in school lunch programs has given us a new plan to slash funding for public schools across America.

Over the weekend the Republican majority leader suggested that repealing the 4-cent tax on gasoline be paid for by cutting education for the children in the United States. He said if there is a place where we are getting a declining value for an increasing dollar it is in education.

That is right, the majority leader of the Republican Party wants to cut the education budget of our country. And to do what? Well, the Colombo-like, Dick Tracy-like investigations of the Republican Party have found that the 4-cent increase in gasoline tax in 1993 is somehow related to oil company executive speculation in the oil market in 1996, which has led to a 20-cent increase in the price of gasoline for consumers across this country.

Now, you are never going to hear a word from the Republican Party about the oil companies increasing gasoline by 20 cents a gallon in the last 3 months. Not a word. They are going to keep pointing back to a 4-cent gasoline tax in 1993 that actually led to a reduction in the price of oil over the next 2 years.

Why? Well, because they want to avoid some very simple facts. Fact No. 1: The central reason that oil prices are rising in America is that the oil company executives across the board, every one of them in 1995, decided that they were going to lower the inventories that they kept to hand in order to ensure against excessive cold weather or something else going on well below their average for the preceding 20 years.

Now, that is fine if it had not also been tied to a bet which they had, which was that Saddam Hussein would accept safeguards placed upon how he would use the profits from the sale of oil if the United Nations and the world community allowed has back into the marketplace for the sale of oil.

Surprisingly, Saddam Hussein refuses to accept the safeguards, which would ensure that the money, the profits which he would obtain would be used for humanitarian purposes within his country and not for a massive military buildup.

The oil company executives ran on empty. If we rode around in our automobile with the needle on the gas gauge down on empty and then ran into a traffic jam, we would blame ourselves. The oil companies ran on empty. There was plenty of oil in the world. The world was awash in oil all of last year and the beginning of this

year, but they decided not to go to the filing station to fill up because they thought they were going to go to Saddam Hussein's gas station.

Mr. Speaker, any other industry in the free market, if the Cherrios company forgets to put aside enough Cheerios, guess what? People go and buy corn flakes or raisin bran and they are the loser. Not the oil industry. They did not, through mismanagement, put aside sufficient reserves, and what happens? I tell my colleagues what happens: a 41-percent, on average, increase in profits in the last quarter for the oil companies. Forty-one percent profits.

What to hear something else? Seventy-four percent profits for the secondary oil companies, and a 799-percent increase in profits for the oil drilling companies, all in the last 3 months. The last 3 months. The Republicans want to blame the 1993 4-cent gasoline tax for your 20- or 30-percent increase at the pump this year, not pointing a finger at the oil companies' mismanagement. That is like a Red Sox fan blaming the trade of Babe Ruth for the fact that we are behind 10 games in the pennant race this year. The Republicans should be ashamed for talking about cutting the education budget instead of looking at the oil companies, where they should.

#### ICWA: A FORMULA FOR HEARTBREAK

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Ohio [Ms. PRYCE] is recognized during morning business for 5 minutes.

Ms. PRYCE. Mr. Speaker, I want to talk about a formula for heartbreak. The Indian Child Welfare Act was never intended to cause countless stories of heartbreak and tragedy. It was intended to protect native American culture from State agencies and officials who were, back in the early 1970's, removing children from their natural homes and, in many cases without due process of law, placing them outside the Indian culture. This was shameful.

Mr. Speaker, the Congress acted in 1978. The legislation, the ICWA, was well-intended, but it has been applied in a twisting and inaccurate way by some courts throughout this country that is equally shameful. The result of these misguided applications of the ICWA has had a chilling effect on all adoptions.

I came to learn of the chilling effect from a couple in my district in Columbus, OH. Since then, I have come to learn of many, many more cases.

For example, Mr. Speaker, the Indian Child Welfare Act was never intended to rip a little girl from her family of almost 6 years, but this happened. Clara and Kenneth Siroky took custody of Jessica when she was just 22 months old. They have been trying to adopt her every since, but last January, a court ordered Jessica from the

only family she has ever known and placed her with a single uncle of native American ancestry.

She is now 7½. She has celebrated 6 birthdays in the only home and with the only family she has ever known.

Jessica was born to a mother who was part Indian and a caucasian father, making her one-eight native American. Due to problems experienced by the birth parents, they lost custody of Jessica who was placed in foster care in the Siroky's home. Today, Jessica's biological mother is dead, murdered during a drug deal, and her biological father is in prison in Nebraska.

Mr. Speaker, Jessica wants to be adopted by the Siroky's. She wants to be with the only people she has every called mommy and daddy. She wants to be with her little sister, Susanna. As for 4-year-old Susanna, she is hurt and confused by the departure of her older sister, crying frequently and wondering where her best friend has gone.

During the court proceedings, the scared and panicked Jessica begged to speak to the judge, but he even refused her. In the end, she only had 3 days to say goodbye to her whole world.

Mr. Speaker, one can only wonder what long-term effects this emotional trauma will have on Jessica and all the other children who have been removed from their loving homes under this act. How can we, as a Congress, allow such a well-intentioned law to be interpreted in such a way?

It is hard to imagine how devastated this family is. It is hard to conceive how scared and lonely little Jessica is, being forced to move away to a new and strange home with a new and strange parent with no friends and an unfamiliar school.

This horrifying, traumatic story is but one example of the way the Indian Child Welfare Act has been abused and distorted. There are countless other children and families in this country that have been hurt by this flawed legislation.

Mr. Speaker, it is hard to understand how Congress can allow a law, that it passed with all good intentions, to continue to be doing such terrible damage to families without taking the initiative to correct what we did wrong.

Congress has an opportunity to remove a major obstruction to safe, loving adoptive homes for thousands of children. These minor changes to the Indian Child Welfare Act will go a long way toward protecting and preserving one of our Nation's most precious resources: Our children.

Mr. Speaker, I urge my colleagues to join me in taking this very important step for parents and children throughout our Nation by supporting this legislation.

#### TAX FREEDOM DAY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. GOSS] is recognized during morning business for 2 minutes.

Mr. GOSS. Mr. Speaker, today is tax freedom day, the day that working Americans can finally stop toiling for the Government and begin to keep their earnings to provide for themselves and their families. By any measure, taxes are continuing to grow at a record pace, consuming an even greater portion of taxpayer income.

The average American family pays more in total taxes than it spends on food, clothing, and shelter combined. Put another way, the typical American now works nearly 3 hours out of every 8-hour workday just to pay taxes. These examples demonstrate what the American taxpayer already knows—all Americans are overtaxed.

A recent Reader's Digest poll underscores this fact. According to the poll, the maximum tax load Americans believe a family of four should bear is 25 percent—that's not just Federal income taxes but all levels of taxation—a far cry from the 38 percent that the average family actually pays today.

This Congress has responded by moving to repeal the fundamentals of the 1993 Clinton tax hike on working Americans—the tax hike on seniors' Social Security benefits and the increase in the gas tax that all Americans are feeling at the pump today. We have passed meaningful tax relief for families that would have erased the income tax burden entirely for 140,000 taxpayers in my State of Florida alone. While we have done our job, President Clinton has consistently opposed and obstructed our tax relief every step of the way.

Tax policy comes down to a basic choice: The failed status quo of ever-increasing taxation of lower taxes that allow Americans to earn more and keep more so they can do more for themselves, their families and their communities. For me and for this Congress, the choice is clear.

#### CHINA'S VIOLATIONS OF UNITED STATES INTELLECTUAL PROPERTY RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from California [Ms. PELOSI] is recognized during morning business for 5 minutes.

Ms. PELOSI. Mr. Speaker, I rise today to call to the attention of our colleagues legislation which I plan to introduce this week to impose sanctions against China for violations of our intellectual property rights.

Mr. Speaker, regardless of where Members are in this body over the annual debate on most-favored-nation status for China, an issue separate from that but clearly about America's competitive advantage internationally, our intellectual property, is one where I think we will have agreement.

Mr. Speaker, over the last 7 years, the United States trade deficit with China has increased by over 1,000 percent. In 1988, the deficit was \$3 million. In 1995, the deficit was \$35 billion. It is