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

I say to my colleagues, I sit here in continued amazement, because I keep hearing there is no disputing, from my side of the aisle by the gentleman from Texas [Mr. ARCHER]; there is no disputing from the Democrat side of the aisle, the gentleman from Florida [Mr. GIBBONS], that this Chinese Government is a rogue government, that they keep proliferating with nuclear activity, they keep dehumanizing people, and it goes on and on and on, but there is no disputing all this. All of my colleagues know and they admit it, but then they make all of these kinds of excuses.

Mr. Speaker, it is time to stand up to the financial interests that consistently push for business as usual with the criminal regime in Beijing, and it is time to discard the false dogma that says that if we just keep trading with Communist China, things will get better.

Some are comparing Communist China today to the depths of the Cultural Revolution 30 years ago when millions of people were being slaughtered, and they say that things have gotten better. Well, my goodness, Mr. Speaker, that is a pathetically low standard.

The fact is the behavior of the Beijing dictatorship is much worse than it was 5 or even 10 years ago, and you all sit here today and admit it. The trade deficit which destroys American jobs has tripled in the last 10 years. We all know it. Their military budget has more than doubled when ours and every other military budget in the world has been going down. It was just 3 months ago that they were lobbing missiles right off the Taiwanese coast in an act of intimidation.

Mr. Speaker, things are not getting better, they are getting worse and everybody in this Chamber knows it. How high does the trade deficit need to go before we react? How many more trade agreements does Communist China have to violate? You have all read about it in liberal newspapers, like The New York Times and The Washington Post, and how many people have to be imprisoned or killed for their political beliefs before we stand up on their behalf? Whatever happened to American foreign policy that looks out for human decency around this world? How much nuclear and chemical weapons material does Communist China have to ship to fellow rogue regimes, like Iran, our enemy, before we punish them? What will it take? Do they really have to make good on their threats to bomb Los Angeles?

Mr. Speaker, this dictatorial regime represents a growing threat to American interests, American jobs, and yes, even more importantly to American lives. I say to my colleagues, do not come back here 15 years from now and say, my goodness, I did not know it. They must be dealt with now, Mr. Speaker. History shows us very clearly that appeasement of tyrants does not work. In fact, it leads to more intransigence.

□ 1315

Mr. Speaker, I want everybody to come over to this Chamber and vote regardless of whether they have GE and IBM in their districts like I do with 25,000 employees and stand up for what is right in this country. We can cut off most-favored-nation treatment today and in a month we can restore it, because the Chinese will come to the table. They are smart people. They will then negotiate fair trade with this country, they will improve their human rights violations, and that is what this whole debate is all about.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings is a violation of the rules of the House.

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. STEARNS].

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

Mr. STEARNS. Mr. Speaker, Teddy Roosevelt once said, ''The only safe rule is to promise little and faithfully to keep every promise; to speak softly and carry a big stick.'' That is where that great quotation came from. Well, America's new policy seems to be one of empty promises and empty threats, a policy toward China where we speak softly and carry no stick whatsoever.

My colleagues, we have the opportunity to send a message to the world that America will not support this rogue nation, that we will not condone terrorism, oppression, and intolerance. today we have the opportunity to effect a change in China's policies, and tell the rest of the world America allies itself with only those nations that advance and encourage fairness, those nations who foster democracy, and those nations who embrace freedom.

We hold the power today, my colleagues, the power to help the people of China break the bonds of mass misery, not for their votes, not for their money, but because it is right. It is the right thing to do.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington [Ms. DUNN], a respected member of the Committee on Ways and Means.

Ms. DUNN of Washington. Mr. Speaker, I come from the Nation's most trade-dependent State, so the question of United States-China trade is crucial to the people I represent in Congress. In fact, Washington State ranks first among all 50 States in exports to China.

Contrary to what opponents of MFN suggest—trade with China does promote change. U.S. trade and investment teach the skills of free enterprise that are fundamental to a free society.

Washington State exports a number of U.S. products, from aircraft to software. And every single airplane and every single CD carries with them the seeds of change. These products serve to further unleash the free-market desires of the Chinese people. And I am certain that everyone of my colleagues would agree that it is in our national interest to move China toward a free market.

At the same time, we must make clear to the Chinese that their participation in the world economy and in international security arrangements can come about only with concrete evidence that China is abiding by norms of international behavior. Let me be clear: disengagement will not help us improve our relationship with China.

I suspect that my colleagues who oppose MFN would have had a difficult time suggesting that disengagement would have been the better course of action in addressing intellectual property piracy in China. In fact, it was only through engagement that we have been so successful on this front.

I propose that we use the following criteria to find the answer on difficult MFN cases like China's. We should extend normal trade status, or MFN, to a nation if: it allows U.S. investors and operators in; the rule of law is advancing; a multilateral action is unattainable; or we have that nation's assistance on a critical geopolitical issue.

Conversely, we should deny normal trade status to governments abusing their people if: a multilateral action is doable; they will not help the United States on other geopolitical issues; they do not allow U.S. employers in; and they do not respect the rule of law.

Indeed, I would go one step further by stating that the burden of proof is on those who deny normal trade status with China.

They must prove that an act of protest—such as denying to China normal trade status—would demonstrably improve the human rights situation in China, or how it would address grinding poverty or lessen religious persecution.

The only thing we know for certain is that an act of protest such as denying MFN would increase unemployment and suffering in the United States and result in a tremendous setback in our bilateral relationship with China.

I strongly urge my colleagues to oppose the resolution of disapproval.

Mr. STARK. Mr. Speaker, I would just like to remind my colleagues that China never was willing to deal with intellectual property rights until they were faced with the threat of trade sanctions.

At this point I am delighted to yield 11 minutes to the gentlewoman from California [Ms. PELOSI] who has been a leader in fighting for open trade, for human rights, and for bringing China

into the world of nations of human beings.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for being so generous in yielding me this time.

Mr. Speaker, this issue of granting most-favored-nation status to China is a very important one for the American people. It is about nothing less than our economic future, our national security, and our democratic principles.

As Members know, the debate in the House of Representatives and our disagreement on this issue has centered around the issues of trade, proliferation, and human rights. That is why I am so disappointed that we have so little time to debate this issue today and I can only ask the Republican leadership of this House and all of those who are so eager to move this along on both sides of the aisle, what are you afraid of? Are you afraid of the facts? Are you afraid over the Fourth of July break of constituents who cannot afford to travel to Washington who would have time to express their views to their Members of Congress? Are you afraid of 100,000 young people in Golden Gate Park gathered together to support a free Tibet?

I wish our colleagues were here and not away to a funeral or, without votes, off of Capitol Hill, because they must hear the facts. Because today Members of Congress will be asked to set down a marker: How far does China have to go? How much more repression, how big a trade deficit and loss of jobs to the American worker, and how much more dangerous proliferation has to exist before Members of this House of Representatives will say, ''I will not endorse the status quo''?

As I mentioned, it is about jobs, proliferation, and human rights. There are those who say we should not link human rights and trade and proliferation and trade. I disagree. But if we just want to take up this issue on the basis of economics alone, indeed China should not receive most-favored-nation status, for several reasons that I would like to go into now.

I would like to call the attention of my colleagues to this chart on the status quo that the business community is asking each and every one of us to endorse today. Right now we have a $34 billion trade deficit with China, the 1995 figure. It will be over $40 billion for 1996. Since the Tiananmen Square massacre, this figure has increased 1,000 percent, from $3.5 billion then to about $34 billion now.

In terms of tariffs, I think it is interesting to note that the average United States MFN tariff on Chinese goods coming into the United States is 2 percent; whereas the average Chinese MFN tariff on United States goods going into China is 35 percent. Is that reciprocal?

Exports. China only allows certain United States industries into China. Therefore, only 2 percent of United States exports are allowed into China. On the other hand, the United States allows China to flood our markets with one-third of their exports, and that will probably go over 40 percent this year, and it is limitless because we have not placed any restriction on it.

In terms of jobs, this is the biggest and cruelest hoax of all. Not only do we not have market access, not only do they have prohibitive tariffs, not only are our exports not let in very specifically, but China benefits with at least 10 million jobs from United States-China trade. The President in his statement requesting this special waiver said that China trade supports 170,000 jobs in the United States, whereas our imports from China support at least 10 million jobs.

Mr. ROHRABACHER. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from California.

Mr. ROHRABACHER. The gentlewoman is saying that 170,000 jobs are created in the United States by the China trade but are there not many more jobs that are lost in the United States?

Ms. PELOSI. That is the point I was getting to. I appreciate the gentleman focusing on that.

The fact is that United States-China trade is a job loser for the United States. Our colleagues on the other side of this issue will say that exports to China have increased 3 times in the last 10 years. They have. But they fail to mention that imports from China have increased 11 times, thereby leading to this huge trade deficit.

It is a job loser for several other reasons. There is an important issue that we are all familiar with: Piracy of our intellectual property. It remains to be seen if China will honor the commitment it has made in the recent agreement. It has not honored the memoranda of understanding or last year's agreement and indeed there is a report in the press yesterday that one of the PLA, People's Liberation Army factories has resumed production. But, the other issue is technology transfer. If intellectual property is a $2 billion, $3 billion loss, technology transfer is in the hundreds of billions of dollars. If you want to sell to China, bring United States products into China, the Chinese insist that you open a factory there. They misappropriate your technology, open factories of their own and then say to you, ''Now we want to see your plan for export.'' That is as simply as I can say it briefly.

But the fact is this is not about products made in America. The Chinese want American products that are made in China. The most serious of these transfers of technology are in the airline industry, where tail sections of the Boeing 737's were mostly made in Wichita, KS. Now they are made in Xi'an Province where workers make $50 a month and the transfer of the technology and the transfer of the jobs has taken place. General Motors, Ford, they are all fighting to get in to build factories there so they can make parts there. They want MFN so they can get those parts back into the United States. So we are exporting, not low-technology jobs and textile jobs, we are exporting our technology and high paying jobs. If you take a country the size of China with the very cheap and in some instances slave labor, the lack of market access, the ripoff of our intellectual property, the transfer of technology, a country that is not willing to play by the rules in any respect in this trade relationship, you have a serious threat not only to our relationship but to the industrialized world.

If there is one message that I want our colleagues and our constituents to understand today is that on this day, your Member of Congress could have drawn the line to say to the President of the United States, do something about this United States-China trade relationship. It is a job loser for the United States.

This brings us to the point that others have said, ''Well, we can't isolate China.'' Do you think for one minute that with at least 10 million jobs and $35 billion in profit, and it will be over $40 billion this year in a trade surplus, all those billions of dollars in surplus, that the Chinese are going to walk away? Where are they going to take 35 to 40 percent of their exports? Who is going to buy them? Their exports to the United States are what sustains the regime—the funding and the jobs. They cannot have those people out of work. They have to be at work exporting to the United States.

So we have a situation where again I say human rights, while others think they should not be linked, I think they are linked. We all agree, China will be large, it will be powerful, it is in our interest that they be free. For those who say that economic reform will lead to political reform, I reject that notion of trickle-down liberty. It has not worked. In fact, even by the Clinton administration's own country report on China, it has said that economic reform, and the quote is in my full statement, has not led to political reform because the government has not allowed that to happen.

I would like to quote from a China scholar, and I will read from this:

David Shambaugh, editor of China Quarterly, the leading academic journal on Chinese affairs, recently wrote:

> Let us not deceive ourselves. China's political system remains authoritarian and repressive. In fact, it has become significantly more so in recent years. The Chinese regime is one of the worst abusers of human rights and basic freedoms. It maintains itself in power in part through intimidation and coercion of the population. It tolerates no opposition.

The third issue of concern is proliferation, the most dangerous issue of all. Both in the Bush administration and in the Clinton administration, our administrations have waived sanctions over and over for the proliferation of nuclear and missile technology to Pakistan and nuclear missile and chemical and biological technology to

Iran and all of the above other rogue States.

□ 1330

Mr. Speaker, how dangerous does the transfer of weapons technology have to be, I would ask my colleagues, to stop us from putting our seal of approval on this policy? We are not legislating here today. The President will call the shot on most-favored-nation status. But what we are doing is either putting our name down in support of the status quo or calling out for change.

Mr. Speaker, as we approach our own Fourth of July, I hope that Members in this body will remember others who have studied the words of our Founding Fathers. Others who were inspired by them, who quoted those words in Tiananmen Square and were arrested for doing so, particularly Wei Jingsheng. He is the father of the democracy movement in China and is in jail for his second 14-year term because he has spoken out for freedom.

My dear colleagues, today we will have a chance to make the world safer, the political climate freer and the trade fairer. I urge Members to vote ''no'' on MFN.

Mr. Speaker, I rise today in opposition to President Clinton's request for a special waiver to grant most favored nation status to China.

The debate over China MFN is an important one for the American people. Nothing less is at stake than our economic future, our democratic principles and our national security. That is why I regret that the Republican leadership has chosen to railroad this legislation through the House. This action deprives our constituents, who cannot afford to come to Washington, of expressing their views over the July 4 break. That has always been the situation. This is a departure.

What are the proponents of MFN for China afraid of? Are they afraid of the truth? Are they afraid that Members may have to answer to their constituents for siding with the multinational corporations? Are they afraid of the 100,000 young people who gathered in Golden Gate Park on June 15 and 16 to support a free Tibet?

Today Members will be asked to give their seal of approval on the status quo in United States-China relations. The business community may overwhelm Capitol Hill, the President may tell you that he really needs you, but it is our vote and our constituents who will judge us on how we voted—not on who made us do it. Let us see what the business community is asking you to put your good name to:

Let us start with the truth about the trade situation—the hoax that the United States-China trade relationship is a job winner for our country. The facts are to the contrary:

TRADE

China does not play by the rules. On a strictly trade-for-trade basis, China should not receive MFN because it does not reciprocate the trade benefits we grant to them with MFN. The average United States MFN tariff rate on Chinese goods is 2 percent. The average Chinese MFN tariff rate on United States goods is 35 percent. Despite the fact that over one-third of China's exports are sold into the United States market, China's high tariffs and non-tariff barriers limit access to the Chinese market for United States goods and services. Only 2 percent of United States exports are allowed into China. The result is a $34 billion United States trade deficit with China in 1995. Ten years ago, in 1985, our trade with China was only $10 million. The huge trade deficit, which is expected to exceed $41 billion in 1996, does not include the economic loss from China's piracy of United States intellectual property, which cost the United States economy $2.4 billion in 1995 alone. It does not include the loss to our economy from Chinese insistence on production and technology transfer which hurts American workers and robs our economic future. And, it does not include money gained by China in the illegal smuggling of AK–47's and other weapons into the United States by the Chinese military.

You will hear that trade with China is important for United States jobs. President Clinton's statement accompanying his request to renew MFN, claims that ''United States exports to China support 170,000 American jobs.'' These jobs are important, but they must be seen in a larger context.

Other trade relationships of comparable size to the United States-China trade relationship support more than twice as many jobs in the United States as United States-China trade. For example, the United States-United Kingdom trade relationship, totalling $2 billion less than the United States-China trade relationship, supports 432,000 jobs. The United States-South Korea relationship, totalling $8 billion less than the United States-China trade relationship, supports 381,000 jobs.

United States-China trade generates over 10 million jobs in China. Ten million jobs and a $34 billion and the business community says China will walk away. Where will they take one-third of their exports?

We must also be concerned about the harm to our economy of the technology transfer and production transfer which is accompanying United States investment in China and United States sales to China.

The Chinese Government demands that companies wishing to obtain access to the Chinese market not only build factories there, But also transfer state-of-the-art technology in order to do so. The Government then misappropriates that technology to build China's own industries. The companies have little choice, in light of the high tariffs for their products to reach the Chinese marketplace. This is a $100 billion problem.

A recent Washington Post article, ''A China Trade Question: Is It Ready for Rules?'' May 19, 1996, outlines a number of serious questions about China's willingness to abide by the rules that govern international trade. On the critical issue of technology transfer, this article states that:

> As vital as the Chinese market is, the appropriation of foreign technology by the Chinese poses a serious problem for the industrialized world—''much more serious than CD pirating,'' said Kenneth Dewoskin, a professor at the University of Michigan and adviser with Coopers & Lybrand's China consulting business. ''Think of telecommunications, automotive, electronics, very high technology chemicals—there's enormous value in that technology. You're talking hundreds of billions of dollars.''

Dewoskin continued:

> ''When you provide technology to your Chinese venture, it has to be certified by one of these research and design institutes,'' he said, ''but unfortunately, those are the same institutes whose job it is to disseminate technology to domestic ventures.''

The Chinese Government is using our technology to build its own industries to the detriment of United States industries and we are not only letting them do this, our policies are encouraging them in this practice.

Some people argue that trade should not be linked to violations of human rights and proliferation. I disagree. However, even if we consider the United States-China relationship solely on economic grounds, China should not receive unconditional MFN.

PROLIFERATION

China does not play by the rules. China continues to transfer nuclear, missile and chemical weapons technology to unsafeguarded countries, including Iran and Pakistan, in violation of international agreements and yet the United States continues to hold them to a different standard.

While Congress is in the process of passing legislation to implement a secondary boycott on companies doing business with Iran, the administration is ignoring China's sales of cruise missiles and other dangerous technology to Iran. China's actions make the Middle East, indeed, the entire world, a more dangerous place.

In return for turning a blind eye to unacceptable Chinese Government actions, the administration has been rewarded only with an increase in the extent and the nature of the Chinese transgressions. During the Bush administration, Secretary Baker chose not to implement sanctions for China's violation of the missile technology control regime by its transfer of M–LL missile technology to Pakistan. Instead, he relied on a Chinese promise to halt such practices. As has been the norm with our relationship with China, that promise by the Chinese Government was broken.

The Clinton administration, following the Bush administration pattern, has also accepted such promises, with the same result. instead of halting such practices, the Chinese Government has increased both the quantity and quality of its transfers. It has now gone beyond transferring only advanced missile technology and is providing nuclear and chemical weapons technology to non-safeguarded countries.

In order to avoid implementing sanctions triggered by the recent transfer of Chinese nuclear weapons technology to Pakistan, the administration said the Chinese Government was neither responsible for nor knowledgeable about the transfer of this dangerous technology. If we continue to absolve the Chinese Government of responsibility for the actions of state-run industries, then how can we expect the Chinese Government to live up to the missile technology control regime, the Nuclear Nonproliferation Treaty, and other international arms control treaties? We cannot continue to allow China to violate the rules. Signatories must be expected to have responsibility for institutions within their control or their signatures are not worth the paper on which they are written.

HUMAN RIGHTS

As the Beijing regime consolidates its power by increasing its foreign reserves through trade and the sale of weapons, China's authoritarian rulers are tightening their grip on

freedom of speech, religion, press and thought in China and Tibet.

According to the State Department's Annual Country Reports on Human Rights Practices for 1995, as well as Amnesty International and Human rights Watch, repression in China and Tibet continues. The State Department's own report documents the failure of ''constructive engagement'' to improve human rights in China, and notes that, 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. David Shambaugh, editor of the China Quarterly, the leading academic journal on Chinese affairs, recently wrote:

Let us not deceive ourselves—China's political system remains authoritarian and repressive. In fact, it has become significantly more so in recent years . . . the Chinese regime is one of the worlds worst abusers of human rights and basic freedoms . . . it maintains itself in power in large part through intimidation and coercion of the population. It tolerates no opposition.

Today we hear comparatively little about those fighting for freedom in China not because they are all busy making money, but because they have been exiled, imprisoned, or otherwise silenced by China's Communist leaders. According to the State Department's report, ''by year's end almost all public dissent against the central authorities was silenced.'' Our great country is ignoring the plight of China's pro-democracy activists. In the process, we are not only undermining freedom in China, but we are also losing our credibility to speak out for freedom and human rights throughout the world.

The past few months have seen China act to intimidate the people of Taiwan in their democratic elections, diminish democratic freedoms in Hong Kong, crack down on Freedom of religion by Christians in China and Buddhists in Tibet, and smuggle AK–47s into the United States via its state-run companies.

The MFN vote provides us with the only opportunity to demonstrate our concern about United States-China policy and our determination to make trade fairer, the political climate freer and the world safer.

Mr. STARK. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from California.

Mr. STARK. Mr. Speaker, the gentlewoman from California has touched on a lot of issues that are important to our colleagues: trade, jobs in this country, intellectual property. She somehow has missed a point or two that I am concerned with, and if I voted against this resolution, would I not, in effect, be supporting the thousands of children that have died in China's orphanages, where girl orphans have been selected for dying rooms, where they are tied up and left to die from neglect and starvation after they have been sexually assaulted?

If I voted against this resolution, would I not really be voting to support the practice of taking prisoners and executing them and selling their organs to the highest bidder, which goes on in China today?

And would I not be supporting, if I oppose this amendment, the fact that religious freedom does not exist and that harsh crackdowns of any unofficial religion, which is all religions except the State, the religious leaders are subject to physical abuse and prison terms? Would that not be the effect of my voting against this resolution?

Ms. PELOSI. Reclaiming my time, I would say to the gentleman, that would be the effect. I spent my time on the economics. I am so pleased the gentleman brought up the point, because the National Conference of Bishops opposes MFN.

Mr. GIBBONS. Mr. Speaker, I yield 2½ minutes to the gentleman from Indiana [Mr. HAMILTON].

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

Mr. HAMILTON. Mr. Speaker, I thank the ranking member for yielding me the time.

Mr. Speaker, today we are to vote on one of the most important foreign policy issues Congress will face this year: whether to extend China's most-favored-nation status for another year. I strongly urge my colleagues to support MFN renewal by voting against the Rohrabacher resolution of disapproval. Any other course will seriously damage crucial U.S. interests and undermine important American values.

TWO MISCONCEPTIONS

Let me at the beginning address two misconceptions about this vote. This vote is not a referendum on China's behavior. This is not a vote on whether we approve or disapprove of Chinese actions. This is a vote on how best to protect U.S. interests and promote American ideals. That should be the sole criterion for Members as they cast their vote today: What serves U.S. interests and values?

Let me turn now to misconception No. 2: the idea that MFN means preferential treatment for China. That's simply wrong. MFN does not denote special or privileged status. MFN simply means that we accord China the same treatment we give our other major trading partners. This is worth repeating: MFN does not constitute an American seal of approval. Iran, Iraq, Syria, and Libya all have MFN status, despite the fact that we have fundamental differences with these governments.

A DIFFICULT RELATIONSHIP

Mr. Speaker, the Chinese-American relationship is a complex one involving many tough issues: human rights and democracy, nonproliferation, Taiwan, Tibet, trade, and intellectual property rights. Managing this relationship is difficult even in the best circumstances.

At the same time, it is important to remember that sound Chinese-American relations are very much in the interest of the United States.

China, with one-fourth of the earth's population, is the world's largest country. A generation ago we tried to isolate this immense country. It didn't work. As a permanent member of the United Nations Security Council, China is not only a key country in Asia, but has a significant impact—for good or ill—on United States interests around the world. China has the world's largest standing army, which has a direct bearing on peace and stability in East and Southeast Asia. United States efforts to halt the spread of weapons of mass destruction in North Korea, South Asia, and the Middle East can succeed only if China cooperates with us and the rest of the international community. Without China's cooperation, we will be severely handicapped in our fight against narcotics trafficking, alien smuggling, and environmental degradation.

On the economic front, American exports and American jobs depend on decent relations with China. Last year, we sold $12 billion worth of goods to China. These exports supported 170,000 high-wage American jobs.

MFN AND HUMAN RIGHTS

These realities lead me to conclude that engagement with China will best promote our many interests—including our interest in protecting human rights. A decision to revoke MFN and isolate China, on the other hand, would eliminate whatever modest influence we now have on Chinese behavior, including its human rights practices. Do not misunderstand me. Even with MFN, China will remain, for the foreseeable future, an authoritarian state which routinely abuses the rights of its people. But the lesson of the past two decades in China—and the lessons of South Korea, Taiwan, and other authoritarian countries which have evolved into vibrant democracies—is that the best way to promote human rights is to stay engaged. Those who would have us retreat from China do the Chinese people no favors. Withdrawing from China will undermine the position of those Chinese we most want to support—entrepreneurs, reformers, students, and intellectuals. Revoking MFN will strengthen the hand of reactionary elements in China such as the army, central bureaucrats, and hardline Communists.

WDESPREAD SUPPORT FOR MFN

Within China, political dissidents are split on the question of MFN. But many of China's most prominent dissidents, including Wei Jingsheng and other leaders of the pro-democracy movement at Tiananmen Square, have publicly called for renewal of China's MFN status.

Our friends in Hong Kong, who live under the shadow of China, have urged

us to renew China's MFN. Christopher Patten, the Governor of Hong Kong, recently warned that revoking China's MFN would badly hurt Hong Kong. Martin Lee, Hong Kong's best known democratic politician, has said the same thing.

Our friends in Taiwan also see MFN renewal as the best way to safeguard Taiwanese interests.

In other words, those on the front lines, who have most reason to fear China, believe that their position would be undermined if Congress were to revoke China's MFN status. The argument is often made that revoking MFN will force China into more acceptable behavior.

MFN IN THE U.S. NATIONAL INTEREST

But the most important reason to renew MFN is that it is in the U.S. national interest.

MFN is not about doing China a favor. It is about doing the United States a favor. It is about supporting our security, political and economic interests. It is about standing up for important U.S. ideals and values

Renewing MFN for China will enable us to address our very real concerns about nuclear and missile proliferation. It will give us an opportunity to influence China's security policies in East Asia. It will help in our efforts to maintain peace on the Korean peninsula. It will give us at least a bit of influence on China's human rights behavior. It will enhance our efforts in the fields of counternarcotics, alien smuggling, and the environment. And it will provide the markets that translate into high-paying jobs for American workers.

CONSEQUENCES OF REVOKING MFN

Revoking MFN for China will also have consequences. It will greatly unsettle our friends and allies in the region. It will have an especially adverse impact on our friends in Taiwan and Hong Kong, who have pleaded with us not to take this step. It will undermine the pro-market, reformist elements in China we seek to assist. It will lessen our ability to make our influence felt on a whole range of issues—proliferation in South Asia, security on the Korean peninsula, stability in the South China Seas, Taiwan. It will make our task of securing U.N. Security Council approval for our initiatives in other parts of the world far more difficult. It will sever our economic ties with the world's largest market. And it will be seen by the Chinese, and the rest of Asia, as a declaration of economic warfare and an American attempt to isolate China.

These are serious penalties—penalties we will inflict upon ourselves if we revoke China's MFN.

Mr. Speaker, many of us are angry at China over its behavior and actions across a wide range of issues. Cutting off MFN would make us feel better. But it will not advance our interests nor promote our principles. The way to do this—the only way to advance important U.S. interests and promote fundamental American values—is to remain engaged with China. And this requires that we vote to renew MFN.

CHINA WILL NOT BE COERCED

Finally, let me address the argument that revoking MFN will force China into more acceptable behavior. Where is the evidence of this? Unfortunately, there is none. China is an old and proud country that is highly sensitive to perceived coercion by foreigners—and no more so than at this moment of political transition in Beijing.

We would not dream of buckling before foreign intimidation. Why would anyone think that China would do so? To the contrary, threats may cause Beijing to dig in its heels, producing the very behavior we are trying to discourage.

MFN opponents have said: But China needs us; it needs our markets.

Yes, China benefits by trading with us and hopes to continue that trade. But China can, if necessary, do without the U.S. market. It has in the past, before our opening to Beijing 25 years ago. And it can today—both because it has the ability to force its people to accept economic discomfort and because the world is filled with other countries eager to take our place in trade with China. History gives little evidence that China can be coerced into better behavior.

CONCLUSION

The choice is clear-cut. Isolating China will neither advance United States interests nor promote American principles. Our interests require engagement with China. That means MFN. Please join me in voting to extend China's MFN for another year. Vote ''no'' on the Rohrabacher resolution.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in support of the resolution of disapproval.

I see no reason to continue extending most-favored-nation trading status to China, and I commend Mr. ROHRABACHER for introducing the resolution before us today.

Every summer when the House wrestles with this issue, MFN supporters tell us we need to continue giving most-favored-nation status to China and how expanded commerce with Beijing is changing China for the better.

We hear that China is improving upon its pitiful human rights record, and that it is finally going to exorcise the ghosts of Tiannamen Square.

But, every year when MFN renewal comes before the House, I am reminded of the old saying, ''The more things change, the more they stay the same.''

MFN supporters keep telling us how continuing most-favored-nation trading status is changing China for the better.

But nothing really changes at all.

Since we visited this issue last year, China has not changed its brutal one-child-per-family policy of forced abortion and sterilization.

China hasn't stopped persecuting Christians or the Tibetan monks, and it still uses slave labor to produce commodities for export to the Unites State.

China continues to menace Taiwan and tried to undermine the recent elections with its thinly veiled threats of invasion.

It has not stopped smuggling AD-47's and other weapons to gangs in America, and only recently claims to have stopped exporting missiles to Iran and nuclear bomb-making materials to Pakistan.

Since the MFN debate last year, I can not see any hard evidence that China has begun mending its ways.

In fact, if Beijing is headed in any direction, it is backward.

Mr. Speaker, when dealing with China, I think that we should probably just put a new twist on the old adage and just say, ''The more things change, the more they get worse.''

I can think of no reason to support MFN or to further encourage trade with China.

I urge support for the resolution.

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

Mr. ROHRABACHER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. SCARBOROUGH].

Mr. SCARBOROUGH. Mr. Speaker, I rise in strong opposition to extending MFN to China and I rise as somebody who is deeply aware of China's growing importance and the inevitable rise of China in the 21st century. That is why I believe we have to stand firm today.

I, quite frankly, am getting a little tired of people telling us that the only way that we can change China, the only way we can promote American ideas, is to ignore what happens in China. That is what we heard from a Republican administration in 1989 after Tiananmen Square. Then we had a Democrat run for President and attack the butchers of Beijing. Then he got elected and kept ignoring what went on.

Mr. Speaker, we are told to ignore Tiananmen. We are told to ignore technological piracy. We are told to ignore the murderous orphanages. We are told to ignore infanticide and 9-month abortions. We are told to ignore nuclear proliferation and nuclear trade secrets to Pakistan.

And I just heard somebody stand up here today, telling us that we have to cooperate with China because they can actually help in nuclear matters. How can we depend on a country that is trading nuclear technology and secrets to Third World countries to help us on the issue of nuclear proliferation? But it seems like we gear that every year.

People are willing to turn, throwing their logic out the window, simply to continue kowtowing to a murderous regime, and they continue to fool themselves into believing that we can deal with a country that has murdered 60 million of their own people in the past 50 years. These people do not think like us. These people do not share our values. The only thing they understand is that the United States continues to kowtow and the United States continues to be fearful to say no to China. If we do not say no to China today, then we send another message that we continue to kowtow to them in the future. Say no to extending MFN.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. KOLBE] who has spent so much productive and worthwhile effort into trade issues.

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

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding me the time.

Earlier the gentlewoman from California was talking about the trade deficit with China, and we will probably see a chart up here on the floor very shortly on this. There it is, sure enough that green line. Members can see the trade deficit going up. What Members will not see on that other chart is the trade deficit with the Asian tigers; that is, Taiwan, Singapore, Hong Kong, and South Korea. They won't see it because that deficit is going down. It is pretty clear there is a correlation. We have import substitution. As these countries have gotten richer, they are buying more of our expensive goods, China is producing more of the textiles and footwear and toys. As China grows richer, they too will buy more of our goods. It is important to keep that in mind.

Mr. Speaker, it is clear that our relationship with China is one that is extraordinarily important, and as everybody here acknowledges, extraordinarily complex. There is no doubt we have a lot of contentious issues that surround our relationships. We just heard about some of them: Nuclear proliferation, intellectual property, political and economic freedom for the Chinese people.

Mr. Speaker, no one minimizes the difficulties of those issues, but I believe today we can take a great step, perhaps the first real step in years, toward resolving some of these problems. This resolution for the first time acknowledges that most-favored-nation status for China cannot bear the entire burden of the bilateral relationship between the United States and China, and that is an important milestone.

The destructive debates that we have had here, that we pursue every year over MFN, keep this Congress from addressing the serious challenges that we do face in our relations with China. MFN simply is not the right tool to do that. Complex problems are not solved through this kind of a solution. We have to continue to work for open markets for American exporters. We have to continue to push for greater cooperation on nuclear proliferation. We have to seek Chinese accession in the world trade organization to ensure that they trade fairly and in accordance with international rules, and we have to continue to fight for the right of the Chinese people to live in freedom and democracy, using every avenue and every institution that is available to us to achieve those goals.

But, Mr. Speaker, cutting off MFN is not going to accomplish any one of those worthwhile goals. Denying MFN drives China into the camp of every rogue nation in the world, Iraq, Iran, Libya, opening the door to even more Chinese weapons sales to these countries, eliminating what leverage we may have on these issues.

Cutting off MFN will not solve our bilateral trade problems. It will only shift the source of our Chinese imports from China to other low-cost producers such as India and Pakistan. Meanwhile, much and perhaps all of our $13 billion in exports would be lost through retaliation. This would result in the loss of many high-paying good jobs that are good for American workers. We would find ourselves locked out of the world's fastest-growing market in the world, abdicating our economic leadership in Asia to Europe and Japan.

Nor would cutting off MFN help the Chinese people. As a time when we need to encourage more trade, more economic freedom, more prosperity, we would mire the Chinese people in poverty and economic chaos. Unemployment, hunger, and hopelessness is not a formula for improved human rights, only for increased repression.

One only need to look at the political repressiveness of the Mao Zedong era—a period in history where countless millions of Chinese were killed—to know this is true.

Today I call for the beginning of a new era in United States-Chinese relations. An era where we can move beyond this destructive yearly debate over MFN for China. The choice today is simple—do we retreat from the challenges facing United States-Chinese relations and begin an era of hostility and isolationism by denying MFN—or do we being an era of real engagement, working at every level, bilaterally and multilaterally, to solve the complex and divisive problems we face.

I urge you today to make the right choice.

I urge you to vote ''no'' on the resolution of disapproval.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. KAPTUR].

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Ms. KAPTUR. Mr. Speaker, a vote not to disapprove China's favored trade status is a vote to rubber stamp a political relationship devoid of Democratic principles, an economic relationship whose benefits will be siphoned off by the powerful few at the expense of the many, and a military relationship that monetizes the growing trade deficit dollars into new Chinese weaponry.

That vote will give China a 2-percent tariff rate in our market while they maintain a 30- to 40-percent tariff rate against our goods, which is the reason for this vast and growing trade deficit we have experienced over the last decade and a half.

There are hundreds of thousands and millions of jobs affected in this country. Just take a look at Nike closing down all U.S. production. The gentlewoman from California, Congresswoman PELOSI, talked about Boeing and how it had moved its production out of Wichita into China. A vote not to disapprove will signify a triumph of commercialism over balanced foreign policy and a triumph of fascism over liberty.

Our terms of engagement with China, which gives them the right to send a third of their goods into our market, should be conditioned on greater freedom. Move toward freedom, not oppression.

Mr. GIBBONS. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. RANGEL].

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

Mr. RANGEL. Mr. Speaker, I rise in support of treating China like any other trading nation. They call it most favorable treatment, but actually what we are talking about is free trade and trying to see how we can best improve the economy of the United States and create more jobs here.

That does not mean that I have any less sensitivity to human rights. How more sensitive can I be? These Chinese, these Communist bums, shot me over there in 1950. I do not like them worth a darn. I do not like any Communists. I do not like the North Koreans, I do not like the North Vietnamese, but I do not know whether the United States of America has to have a litmus test with who we trade with.

The Cubans, my God, I know they are vicious people, Communists, and violate human rights, and we look like the village clowns at the United Nations. Every one of our partners that trade with us are now suing us because they say we cannot have secondary boycotts against them. We say Iraq, Libya, Iran, you name it, we get sick and tired, by our standards of disliking someone, so we give sanctions.

Hey, I like sanctions, if we are going to win. I like feeling powerful. The United States of America, we have a code. If countries do not live up to our code, they do not have a democracy, then we do not play the game with them. But somehow we have different standards for different countries. Is there any difference between the Communists in China and the Communists in Cuba or the Communists in North Korea? I do not like any of the Communists, so why are we picking them out?

And we talk about human rights. Do my colleagues know that some of these scoundrels believe that we violate human rights here? Do my colleagues know some of them have checked out the jail population and found out we have a million and a half poor folks in jail, most of whom did not commit any crimes of violence? Do my colleagues know that some of these scoundrels are critical of this great country?

At our worst we are better than all the rest of them, and yet they are talking about the number of minorities that all of a sudden find themselves not even being able to be elected to the Congress. Do my colleagues know that? For 200 years they found out how to gerrymander and cut the blacks. Out comes a law and they say do not do that any more. And now the Supreme Court has said do not take color into consideration. We are now colorblind.

I just think they do not understand our American way of life, and I darn

sure do not understand them. What I do understand is this: That there are millions of people in jail, more millions of people without jobs, without education, and without hope, and I do not have any hope that this Congress is going to support tax money for education. Oh, we believe in it, we just do not want to pay for it.

I do not believe that this great Nation can keep up with international competition unless we make that investment. If we are not prepared to do it, then I am not prepared to allow local school boards to determine the level of education and job training that we have in this country. The only way to get this money is to expand our economy, the only market is outside of our borders, and this is the only way to go.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. SMITH].

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New Jersey [Mr. SMITH] is recognized for 3 minutes.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friends for yielding me this time.

Mr. Speaker, when the People's Liberation Army massacred, maimed and incarcerated thousands of peaceful prodemocracy activists in June 1989, the well intentioned but wishful thinking that, somehow, the People's Republic of China was turning the page on repression was shattered.

The brutal crackdown on the reformers was not the end, however, it was the beginning of a new, systematic campaign of terror and cruelty that continues still today.

Each year since Tiananmen Square—the savagery has gotten worse and the roster of victims grows by the millions.

It is my deeply held conviction that in 1989 and by the early 1990's, the hardliners in Beijing had seen enough of where indigenous popular appeals for democracy, freedom, and human rights can lead. The Communist dictatorships in control in 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 points to a new bottom line that we ignore and trivialize at our own peril—and that is democracy, freedom, and respect for human rights won't happen in the PRC any time soon. The dictatorship's not going to cede power to the masses, especially when we fail to employ the considerable leverage at our disposal. We are empowering the hardliners. We are standing with the oppressors, not the oppressed.

Accordingly, stepped up use of torture, beatings, show trials of well known dissidents, increased reliance on the hideous and pervasive practice of forced abortion and coercive sterilization and new, draconian policies to eradicate religious belief, especially Christianity, have been imposed. Genocide is the order of the day in Tibet. Repression on a massive scale is on the march in the PRC.

Some have argued on this floor that conditions have improved, citing the excesses of the cultural revolution as the backdrop to measure improvement. But that's a false test. The depths of depravity during that period has few parallels in history—and the Chinese leaders knew themselves that such extreme treatment of its people could not be sustained.

But the real test is the post-Tiananmen Square reality—and the jury is in—China has failed miserably in every category of human rights performance since 1989.

Mr. Speaker, I chair the International Operations and Human Rights Subcommittee. Since the 104th Congress began my subcommittee has held 9 hearings on human rights in China and an additional half dozen hearings, like a hearing on worldwide persecution of Christians, where China's deplorable record has received significant attention. I have led or co-led 3 human rights delegations to the PRC. On one trip, Representative FRANK WOLF of Virginia and I actually got inside the laogai prison camp and witnessed products being manufactured for export by persecuted human rights activists.

Mr. WOLF and I met with Le Peng—who responded to our concerns with disbelief, contempt, and arrogance.

Mr. Speaker, each representative of the most prominent human rights organizations made it quite clear—things have gotten worse in China and current United States policy has not made a difference for the better and has sent the wrong message to the Chinese Government and other nations in the region and around the world.

Last week at my subcommittee's hearing Dr. William Schulz, the executive director of Amnesty International testified that ''the human rights condition in China has worsened since the delinking of human rights and MFN. Despite rapid economic changes in recent years in China, which has led to increased freedom and some relaxation of social controls, there has been no fundamental change in the government's human rights practices. Dissent in any form continues to be repressed.''

While Amnesty International takes no position on MFN, it is significant to note, Mr. Speaker, that Dr. Schulz reported that ''the delinking has given a clear signal to the Chinese government that trade is more important than human rights considerations'' and that ''the message is clear, good trade relations in the midst of human rights violations is acceptable to the U.S.''

Nina Shea, the director of the Puebla Program on Religious Freedom at Freedom House testified that ''China ranks at the bottom of the 1996 Freedom House Freedom in the World survey among the '18 Worst Rated Countries' for political and civil liberties.''

And if I might be allowed one more example of what my subcommittee heard, Mr. Speaker, Mike Jendrzejczyk, the Washington Director of Human Rights Watch/Asia testified that—

> In recent months, Chinese authorities have ordered increased surveillance of so-called ''counter-revolutionaries'' and ''splittists'' (Tibetans, Uighurs and other national groups) and given even harsher penalties for those judged guilty of violating its draconian security laws. China has silenced most, if not all, of the important dissent communities including political and religious dissent, labor activists, and national minority populations. Their members have been exiled, put under house arrest, ''disappeared,'' assigned to administrative detention, or subjected to economic sanctions and systematic discrimination in schooling and employment. Dissidents also continue to suffer criminal charges, long prison sentences, beatings and torture.

Mr. Speaker, I've met with Wei Jingsheng in Beijing, before he was thrown back into jail, and was deeply impressed with his goodness, candor, and lack of malice towards his oppressors. It is unconscionable that this good and decent democracy leader is treated like an unwanted animal by the dictatorship in Beijing. For Wei—for countless others who have been brutalized by a cruel and uncaring dictatorship. Vote to take MFN away from this barbaric regime.

Each year, Mr. Speaker, as the time approaches for Congress and the President to review the question of most-favored-nation status for the Government of the People's Republic of China, Members of Congress are approached by representatives of business interests to support MFN. Their argument is that constructive engagement is the best long-term strategy for promoting human rights in China.

The biggest problem with this strategy is that it has not yet succeeded in the 20 years our Government has been trying it. Our Government has been embroiled in a 25 year one-way love affair with the Communist regime in Beijing. There is no question that increased contact with the West has changed China's economic system—but there is little or no evidence that it has increased the regime's respect for fundamental human rights.

I have made an honest effort to try to understand why this is—if, as we Americans believe, human rights are universal and indivisible, then perhaps the extension of economic rights should lead to inexorable pressure for free speech, democracy, freedom of religion, and even the right to bring children into the world. And yet it has not worked. One possible reason is that although there has been economic progress in China, this has not resulted in true economic freedom. In order to stay in business, foreign firms and individual Chinese merchants alike must

have government officials as their protectors and silent or not-so-silent partners. Yes, there is money to be made in China—and every year at MFN time, we in Congress get the distinct impression that some of the people who lobby us are making money hand over fist—but this is not at all the same as having a free economic system. Large corporations made untold millions of dollars in Nazi Germany. Dr. Armand Hammer made hundreds of millions dealing with the Soviet Government under Stalin. Yet no one seriously argues that these economic opportunities led to freedom or democracy. Why should China be different?

For 20 years we coddled the Communist Chinese dictators, hoping they would trade Communism for freedom and democracy. Instead, it appears that they have traded Communism for fascism. And so there is no freedom, no democracy, and for millions of human beings trapped in China, no hope.

Another reason increased business contacts have not led to political and religious freedom is that most of our business people—the very people on whom the strategy of comprehensive engagement relies to be the shock troops of freedom—do not even mention freedom when they talk to their Chinese hosts. After the annual vote on MFN, the human rights concerns expressed by pro-MFN business interests often recede into the background for another 11 months.

During those 11 months, Mr. Speaker, the United States trade deficit with China continues to grow. In 10 years China rose from being our 70th largest deficit trading partner to our second largest. The deficit has grown from $10 million to over $33 billion. One-third of all of China's exports come to the United States and are sold in our markets. If China did not have the United States as a trading partner they would not have a market for one-third of their goods. China needs us, Mr. Speaker, we do not need China.

Our State Department's own Country Reports on Human Rights Conditions for 1995 make it clear that China's human rights performance has continued to deteriorate since the delinking of MFN from human rights in 1994. In each area of concern—the detention of political prisoners, the extensive use of forced labor, the continued repression in Tibet and suppression of the Tibetan culture, and coercive population practices—there has been regression rather than improvement. And every year we find out about new outrages—most recently the ''dying rooms'' in which an agency of the Beijing Government deliberately left unwanted children to die of starvation and disease.

Since February 1994, just 1 month into the Clinton administration the United States has been forcibly repatriating people who have managed to escape from China. Some, although not all, of these people claim to have escaped in order to avoid forced abortion or forced sterilization. Others are persecuted Christians or Buddhists, or people who do not wish to live without freedom and democracy. Still others just want a better life. For over 3 years now, over 100 passengers from the refugee ship *Golden Venture* have been imprisoned by the U.S. Government. Their only crime was escaping from Communist China. In the last few months, several dozen of the *Golden Venture* passengers have been deported to China—some by force, some voluntarily because they were worn down by years in detention.

A few days ago I received an affidavit signed by Pin Lin, a *Golden Venture* passenger who through the intervention of the Holy See has been given refuge in Venezuela. He has received information from families of some of the men who have returned. The Chinese Government had promised there would be no retaliation. Contrary to these promises, the men who returned were arrested and imprisoned upon their return to China. Men who had been mentioned in U.S. newspapers or who had cooperated with the American press were beaten very severely as an example to others. The men and women remaining in prison—the men in York, PA, and the women in Bakersfield, CA are terrified by these reports. And yet they are still detained, and they are still scheduled for deportation to China.

I ask the Clinton administration, please, let these people go. They have suffered enough. And I hope this House will send a strong message today to the totalitarian dictatorship in Beijing, to the enslaved people of China and Tibet, and to the whole world, that the time has come to say enough is enough. It is clear that most-favored-nation status and other trade concessions have not succeeded in securing for the people of China their fundamental and God-given human rights. Now we must take the course of identifying the Beijing regime for the rogue regime that it is, a government with whom decent people should have nothing to do.

Mr. Speaker, the time has come for us to send a clear and uncompromising message to China and to the rest of the world: Human rights are important, human lives are more valuable than trade, the people of the United States do care more about the people of China than we do about profit. Now is the time to disapprove MFN.

The SPEAKER pro tempore (Mr. LAHOOD). The Chair would advise Members that the gentleman from Texas [Mr. ARCHER] has 20 minutes remaining; the gentleman from Florida [Mr. GIBBONS] has 22 minutes remaining; the gentleman from Kentucky [Mr. BUNNING] has 7½ minutes remaining; the gentleman from California [Mr. ROHRABACHER] has 11 minutes remaining; and the gentleman from California [Mr. STARK] has 16 minutes remaining.

The gentleman from Texas [Mr. ARCHER] has the right to close, immediately preceded by the gentleman from California [Mr. STARK].

Mr. ARCHER. Mr. Speaker, I yield 30 seconds to the gentleman from Nebraska [Mr. BEREUTER].

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

Mr. BEREUTER. Mr. Speaker, I rise in strong support of the continuation of normal tariff status for the People's Republic of China and oppose the Rohrabacher resolution.

We have a whole range of sanctions that are used now for proliferation, human rights abuse, and a whole range of trade practices that are inappropriate. Many of those sanctions are now in place with respect to the PRC. This denial of so-called MFN is not the place to have our impact.

We should remember that China is a 4,000-year-old culture. They have no tradition of democracy. They have real problems on which we have had a full recitation of here today, but we need to approve MFN. It is in our vital national interest to do so, both in the short and long term.

Mr. Speaker, this Member rises to unequivocally support extending normal tariff status to the People's Republic of China. Furthermore, this Member proposes abolishing this annual process because the imposition of Smoot-Hawley type tariffs on China is contrary to our national interest and because this futile annual debate undermines our leverage to deal constructively with that country.

Justifiably disturbed by reports of China's weapons proliferation policies, it's military aggressiveness, human rights abuses, and unfair trade practices, many Members of Congress argue for sending China a signal by voting against so-called MFN status. However, the Chinese Government knows our own national interest precludes such a draconian step and both Republican and Democrat administrations have long recognized that abolishing China's normal tariff status will only prohibit us from exerting a positive influence on that country.

Therefore, we have chosen to rely on targeted sanctions against China. For example, we currently prohibit United States companies from selling defense articles or not-so-fast computers to the Chinese. We scrutinize China's satellite purchases and we have suspended military exchanges. We oppose multilateral development bank lending to China except loans for humanitarian reasons and we prohibit some indirect United States aid. We impose special procedures on the United States Export-Import Bank and we deny United States firms all other export financing. Recently, we banned the importation of munitions and ammunition from China, and we have long prohibited United States contributions to the United Nations Population Fund [UNFPA] from being used there.

While some claim that the United States has not been tough enough on China, this partial laundry list of United States sanctions suggests the opposite is true. Perhaps we have erratically imposed too many unenforceable sanctions on China. Many of my colleagues probably need to recognize that we do not have sufficient influence to alter China's behavior by acting unilaterally. Presumably, for example, European nations care about human rights abuses in China, and presumably China's neighbors are seriously concerned about

China's assertive territorial claims. However, it is no secret to United States companies that our allies businesses gleefully steal American business when the United States engages in a principled disagreement with China over, for example, intellectual property rights.

Mr. Speaker, today's procedure reinforces the view that normal tariff status for China is clearly in our national interest and that maintaining it enables us to positively influence China. However, this process also permits consideration of a separate resolution which requires us to further evaluate our overall foreign policy relationship with China.

During this period, we should examine why no other nation in the world engages in a similar annual trade debate over China. Let us discuss why we deny United States companies Government assistance in one of the world's fastest growing markets. Most important, let us examine why President Clinton and Secretary Christopher have abdicated their responsibility to routinely engage the Chinese in direct meetings to seek constructive ways to improve our mutual understanding and our overall relationship.

Perhaps we should also examine the ridiculous assertion that nothing has changed in China. We should listen to the Chinese jurists, scholars, and students who are optimistic about the legal reforms and village elections budding throughout China and determine how we can assist them in their efforts.

Mr. Speaker, despite very real limitations on our influence and our inept foreign policy, no country in the world has more influence on the course of events in the People's Republic of China than the United States. Already, the lure of our huge market has caused that country to pursue dramatic economic reform in a miniscule fraction of that country's 4,000-year history. However, we cannot expect to end China's unfair trade practices without European cooperation and the support of the Pacific Rim nations. Today's vote for normal tariff status for China is a tacit acknowledgment of our enormously positive influence on that country. It is also an acknowledgment that we cannot, alone, maintain that positive influence.

Mr. Speaker, in listening to the heated rhetoric during debate on the rule for considering the resolution which would reject normal tariff status for the People's Republic of China—all but eight countries in the world have such status—I was appalled by at least two particular remarks. First, one of our colleagues asked at what level is our threshold of conscience regarding the human rights abuses and various outrages in the PRC. This kind of sanctimonious comment about those, like this Member, who believe it is unwise, counterproductive, and contrary to our vital national interest to end normal tariff status for the PRC.

Such remarks and the tone and substance of similar remarks by many other colleagues, self-proclaimed paragons of virtue, violate the dignity and proper civility of the House. This Member and a very large share of Members of the House disagree with those who would deny normal tariff status to the PRC. Many of us believe that a decision to deny that trade status to the PRC does great harm to the short- and long-term vital national interest of the United States of America, but we do not ascribe improper motives or objectives to those with whom we disagree. We do not ask them to check their threshold of conscience when it comes to the impact of their actions on our country.

Second, I was appalled and saddened to hear one of our very esteemed colleagues—perhaps only because the heat of debate—refer to China as our enemy. China is not our enemy but our vacillating, inept foreign policy actions and the continued ill-advised rhetoric and actions of the congress—especially in the distorted and counter-productive annual debate on extending so-called MFN—can push China to unnecessarily become an enemy or adversary. That would undoubtedly prove to be one of the truly momentous tragedies in American and world history. The financial consequences of a cold war with China are staggering and the costs of an eventual overt conflict with the PRC are unimaginably tragic for the two countries and mankind.

Mr. Speaker, it must be emphasized that what Members do here today on this issue, what we have done in the past, and what we do in the future, taken altogether, does have very important consequences. Our actions over time, in combination with the inept handling of Sino-American relations, actually can move our two countries to an adversarial status with all the consequences which follow. Members should be reminded that they are not free to cast irresponsible votes for purely political reasons or to appease interest groups without recognizing the damage they do and the consequences that follow.

Mr. Speaker, while I speak as chairman of the Asia and the Pacific Subcommittee of the House International Relations Committee, I do not claim to be an expert on China. Indeed, it might be said that there are no experts on China—only degrees of ignorance. Yet I would hope that my colleagues would make a sincere and urgent effort to learn more about the PRC, the Chinese people, and their culture. They would better understand how this nation—with a 4,000-year history in which its people understandably take great pride, with a huge percentage of the world's people, with no democratic traditions that resemble our own—will not easily change its ways. They understandably see our own erratic, grossly ineffective foreign policy toward China as consisting primarily as a constant, ad-hoc badgering on an issue-by-issue basis and believe it to be a heavy-handed effort to impose our practices, ideals, and cultural standards. Many of our actions and emphases in our foreign policy and in the Congress are also seen as direct threats to their sovereignty.

Mr. Speaker, this Member's first visit to China was, I believe, in 1988 or thereabouts. At that time I was struck by the warmth of the Chinese toward Americans and the United States. Some of the older citizens were apt to comment about America's help to the Chinese against our common enemy in World War II. It seemed that everyone wanted to learn English because of their friendship for America and their expectations that we were going to see a closer, friendlier, Sino-American relationship, which went beyond business opportunities.

In August 1995, this Member returned to China and noticed that the good will toward America among the average Chinese citizen had deteriorated markedly if in fact it had not totally disappeared. Now they ask, ''Why do Americans hate us so much?'' Some of my esteemed House colleagues believe the Congress was instrumental in blocking the PRC from having the Olympics in the year 2000 and they are proud of that fact, but at least in Beijing each man or woman on the street really felt that loss of the Olympics and they emphatically blame America for it. Undoubtedly, too the government of the PRC is manipulating the views and emotions of their citizens with anti-American media campaigns and whatever is the latest controversy in the relations between our two governments.

Yet, if you spend time among the average Chinese citizens in the coastal cities—in crowded department stores, noodle lunch shops, or other places, as did this Member, one couldn't help but be struck by the changes in the population. A huge and growing consumer class enjoying a whole range of personal freedoms has been created. The pace of physical development and change in the lifestyles of a large share of China's citizens is literally unmatched in the history of the world. Economic prosperity and a greater exposure to Western ways is inevitably liberalizing despite repressive governmental policies. Chinese leaders probably would not attempt another Tiananmen Square confrontation today and it certainly wouldn't be possible in 5 or 10 years unless America and the West turn its back on China and pushes it to become a more suspicious, aggressive, and isolated regime. Chinese leaders, this Member is convinced, know they have their hands full in pushing internal economic and physical development sufficiently fast to keep up with the impatient massive population who have had the appetites whetted by the economic benefits and personal freedom that have accompanied their amazing economic progress. America and the developed democracies, while watchfully protecting our own interests, warily observing Chinese military modernization efforts, and collectively counteracting any external Chinese aggression that might appear, must also avoid giving the kind of undue provocation to the People's Liberation Army which would further enhance modernization efforts or its influence on top Chinese policymakers.

Finally, this Member cannot help but observe that the demands for reform, the criticism of the PRC, and the overt hostility toward it by so many in this Congress and in the American public has intensified dramatically since the collapse of the Soviet Union as a superpower adversary to the United States. Unfortunately, I don't think this is coincidental. Intentionally or subconsciously, I believe that some people, some politicians, and some special interests find it convenient to have a national enemy. Shortly after the disintegration of the U.S.S.R., the Japanese economic and trade practices caused that nation to become the focus of many Americans' acute anxieties, fanned by the latest leading polling or opinion articles. Now the focus is squarely on the People's Republic of China. There is no reason this Congress, the national media, or anyone else should push or elevate China into being our next enemy. Too many million people's lives are placed at risk and too much of our public and private resources will be needlessly spent.

Mr. Speaker, I strongly urge my colleagues to reject the Rohrabacher resolution and support the continuation of normal tariff status for the People's Republic of China. It is in both the short- and long-term vital national interest of the United States that we continue our engagement with China through this and other means.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from

Pennsylvania [Mr. ENGLISH], a respected freshman on the Committee on Ways and Means.

(Mr. ENGLISH of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I rise in strong opposition to this resolution of disapproval of normal trade relations for China. In my view, we need to renew China's MFN status as part of a long-term commitment to the United States-China relationship.

China is the world's largest and fastest growing market, experiencing exponential growth as its rulers slowly reverse generations of statist economic policies.

If we fail to renew MFN for China, it will uncouple our economy from this fast growing trading partner, it will place U.S. companies at a competitive disadvantage with other international firms, and it will cost American workers jobs.

Mr. Speaker, I do not condone China's human rights abuses. I do not condone China's military adventurism and aggressive behavior in its region or its poor record on nuclear proliferation. I do not condone China's failure to enforce intellectual property rights or its unfair trading practices. But, Mr. Speaker, the advocates of this resolution have made no credible argument that ending normal trade relations with China will lead to reforms in any of these areas. Instead, trade with China by America is an essential catalyst to move China toward greater economic freedom and a liberalization of their economy and their institutions.

Mr. Speaker, I believe the best way for America to influence Chinese society is to pursue a policy of constructive and comprehensive engagement.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, every year China promises to open its market to American products. Every year Congress grants most-favored-nation status to China, yet nothing seems to change, and we are about to do it again.

MFN is a job killer for America. MFN is a job killer for America because China refuses to open its markets. MFN is a job killer for America because China uses slave labor and prison labor camps. MFN is a job killer for America because China uses child labor to make things, like this Mattel Barbie doll and this Spalding softball.

Twelve-year-old Tibetan boys and girls in Chinese slave labor camps making these softballs for 12-year-old American boys and girls to use on America's playgrounds, Chinese children making these Barbie dolls in sweatshops so American children can play with them in their bedrooms.

When will this stop? When will we in this Congress say enough is enough? Kill MFN.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Speaker, I thank my colleague from Florida for yielding me this time.

Mr. Speaker, I rise in opposition to this resolution of disapproval, in spite of the fact that I have some major concerns about our relationship with China.

The issue that concerns me and a large segment of my constituency, which we may not hear very much about today, is China's treatment of the textile and apparel industry. There are over 1.5 million Americans employed in the textile and apparel industry in the United States.

Fifty thousand of those workers are my constituents. Their struggle to compete in a highly competitive global market is being made much more difficult by China as it violates its agreements with the United States and illegally ships textiles and apparel through other countries in order to exceed their agreed-upon quotas. This is a $4 billion problem for this industry. It costs Americans thousands of jobs, and it must stop.

I do not believe, however, that treating China like that handful of rogue countries that do not now receive MFN treatment is the answer to this problem and other problems we have with China.

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China has the world's fastest growing economy and is expected to be the world's largest economy by sometime early in the next century. This a fact that cannot be overlooked. It is an important fact that both our citizens and China's citizens must realize. Economic engagement with China benefits America because a prosperous and dynamic China will be a better customer for American products generating thousands and thousands of American high-wage jobs.

Economic engagement with China also benefits China because the rise of trade and economic linkage serves as an important force for continued economic and political liberalization for expansion of human rights and encouragement of global peace. I believe revoking MFN serves only to isolate China, not to advance any other worthy goals that we have heard about today.

Mr. Speaker, I urge my colleagues to vote ''no'' on this resolution of disapproval.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. GILMAN].

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New York [Mr. GILMAN] is recognized for 3 minutes.

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

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of House Joint Resolution 182, legislation revoking MFN to China. I commend my good friend, the gentleman from California [Mr. ROHRABACHER], for offering it, along with a number of our colleagues.

Recently the PRC spokesman said that the Congress, and I quote: hurt the Chinese people's feelings, and we further quote, aggravated tensions over the Taiwan Straits, close quote, by passing a resolution stating that the United States should come to the defense of Taiwan. He also stated that what we did at that time was detestable.

It is difficult to imagine what might be detestable to a Communist Chinese Government official. Just a few weeks ago officials of a Communist Chinese Government military industry tried to sell silencers, stinger missiles and some 2000 machine guns to street gangs in Los Angeles. The government spokesman denied it in the same manner that they denied previously the sale of cruise missiles and poison gas factories to Iran, nuclear weapons technology to Pakistan and the severe repression of religion throughout China and occupied Tibet.

Beijing's military provocations off the coast of Taiwan were not the result of our Nation allowing President Li to visit Cornell. The military threats were the result of the administration's failure to take action when Beijing violated MOU's and agreement regarding weapons proliferation, human rights and trade. Beijing knows a paper tiger when it sees one.

If China violates an agreement, it should be held accountable. The administration must stop sweeping aside Beijing's violations of agreements on these matters and dispensing enforcement as an attempt to isolate or contain China. This is not any constructive approach to a serious problem. Ignoring their serious infraction is simply appeasement. Appeasement has led to our serious trade deficit with China. In 1985 it was $10 million. Today it is up to $34 billion. Appeasement has led to our business people being bullied into sharing technology with Beijing in order to receive their contracts. Appeasement has led to Iran obtaining cruise missiles that threaten our troops and Israel. And appeasement has led to the potential sale of stinger missiles to street gangs.

There are even fewer words to describe administration officials who make up one excuse after another for Beijing's behavior and try to shift the blame whenever another outrageous deed is done.

The bare minimum that the administration policy geniuses can do is to send a strong signal that they care about American businesses, about American jobs and about American security, and it is for them to stop claiming it would isolate or contain China by asking them to live up to their agreements with us. Accordingly, I

urge my colleagues to revoke MFN and vote for the resolution.

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio [Mr. PORTMAN].

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

Mr. PORTMAN. Mr. Speaker, I thank the gentleman for yielding time to me.

I have listened to the concerns expressed this afternoon and I share them. I have heard about human rights violations, heard about the inability of the Chinese to properly be concerned about Hong Kong's future and Taiwan, the access to the Chinese market. We have heard a lot about nuclear proliferation. We just heard about arms sales. So I have just a very practical question; how will revoking MFN address any of these concerns? How will it help?

I think that a disengaged China is less likely to care about basic human rights, less likely to care about Hong Kong's economic liberties, less likely to care about living within accepted international norms. I think we only have to look back to the Cultural Revolution to see that. Instead we should be engaging.

Among other things, they think we should be doing all we can, using what leverage and influence we have, to get China into the World Trade Organization, the successor organization to GATT. By that we force China to live by the international trading rules, to ensure that we have access to the Chinese market and improve the very conditions we all implore. That is the approach we ought to be taking as a Government, not revoking MFN status.

I think voting against MFN may make people feel better, but that is not a good enough reason. It is not the right tool to use. I urge Members not to follow this course of action and instead to do the other things we need to do by engaging China to advance the interests we share.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, the People's Republic of China routinely violates international trade laws, arms sales restrictions, human rights conventions. China continues to illegally export goods made by prison and child labor into the United States. China's domestic markets are effectively closed to our products, even as we open our doors wide for Chinese-made goods, many of them produced by United States companies that have moved jobs into the People's Republic. China is also one of the world's leading pirates of copyrighted software.

Our trade deficit with China swelled from $10 billion in 1990 to $33 billion last year, projected to be $41 billion this year. That is more than half a million American jobs lost in their unfair trade practices. Some people call this policy constructive engagement. I call it appeasement. The aging dictators in Beijing know that they can count on our Government's spineless response to their provocations. They understand only too well how effectively their big corporate allies can influence our elected representatives.

Our trade policy ought to work for American workers. Instead, the game has been rigged to benefit a new world order in which corporate investments and family-wage jobs flow downhill toward the world's lowest wages, worst working conditions and least restrictive environmental standards.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute 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 reluctantly to support continuation of most-favored-nation treatment for the People's Republic of China. We cannot afford to ignore China's emergence as a global power, even though clearly it has not yet learned how to act like one. I am appalled by the human rights conditions in China, Chinese willingness to export weapons of mass destruction and their flouting of international trade agreements. But somewhere, someone in this debate has to explain for me the link between achieving those goals and the revocation of MFN.

That is not a policy; engagement is not a policy. Containment is not the alternative. We need a strategy that targets specific objectives, sets priorities, imposes sanctions when those objections are not complied with and those agreements are not met and promotes human rights.

I urge continuation of MFN for China not because I believe in what China is now doing, not what they are doing is right or because China is changing in the right way but because I believe we cannot end MFN and then expect to change China. I urge a no vote on this resolution.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

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

Mr. TRAFICANT. Mr. Speaker, let us talk about a little bit today on what the Constitution says, Congress shall regulate commerce with foreign nations. The Constitution does not say that Congress shall moderate the behavior of our trading partners.

The facts are clear. China steals American technology. China dumps their products in our markets. China denies access to American products. In addition, China uses false made-in-America labels on their cheap products deceiving American consumers.

To boot, China usually opposes Uncle Sam at the United Nations. China sells nuclear technology to our enemies. Is it any wonder China enjoys a $40 billion trade surplus? All this talk about jobs, we are a net 700,000 job loser.

The American people have done all they could. They elected a Democrat President. There has been no change. They elected a Republican majority, there has been no change. I commend the Republicans who have taken this effort.

The bottom line is, the American people are apathetic, they do not see much difference between either party, and this is a defining issue. It is completely evident to me, very clear, the Congress of the United States will not do anything about trade until there are two Japanese cars in every garage and a Chinese missile pointed at every American city.

How many more welders do we retrain? How many more minimum wage jobs do we create?

I might understand this program if someone finally confessed and told me Jack Kevorkian was running our trade program. We are losers. Now, for all of the workers in Ohio that write to me and write to other Members, I want to make the following recommendation today: No. 1, I want you to invade West Virginia; No. 2, I want you to threaten Columbus and Harrisburg. And maybe then the Congress of the United States will take a look at your plight.

But let me say one last thing, what both of the Democrat and Republican Parties are doing with trade is a defining issue of our times. We have no economic program. We are a bunch of losers. I predict there will be a major third political party in our country. So help me God, I think the country needs it desperately.

I want to thank the gentleman from Kentucky [Mr. BUNNING] for the time. I want to thank the gentleman from California [Mr. ROHRABACHER] for his effort. I understand the positions of everyone on the other side of the line; but, while you are involved with all this free trade, we are getting our assets ripped off left and right.

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

(Mr. ROHRABACHER asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. ROHRABACHER. Mr. Speaker, in May 1994, President Clinton de-linked human rights considerations from our trading relationship with China. He told us then that an improving economy in China would be accompanied by an improvement in Beijing's respect for human rights and would make China a more responsible member of the family of nations.

Today, China's human rights record is worse, and its growing economy has served to underwrite an enormous military expansion and to enrich the Chinese Communist party elite.

President Clinton was wrong to de-link our China trade policy from human rights just as George Bush was wrong in not cutting off MFN after the Tianamen Square massacre. If we had stood up for our principles then, we would likely be re-extending MFN to a freer and less threatening China today.

This vote is not a litmus test on free trade. I believe in free trade among the free people of the world. This is a litmus test about American jobs and human rights. China has 6 to 8 million people in over 100,000 labor camps making products for export. I am a free trader, but slave trade isn't free trade. And how can be expect American workers to compete with Chinese slaves?

We are losing over $30 billion in our bilateral trading relationship with Beijing in spite of billions of dollars in loans to China sponsored by the World Bank and our own Export-Import Bank.

Over $4.3 billion of international loans and guarantees went to China in 1995. $800 million in loans and guarantees came from the U.S. Export-Import Bank. I would like to submit for the RECORD a list of international loans to China.

The justification for these handouts, we are told over and over again, is that China's market is so big and full of such incredible potential that we must close our eyes to the more distressing things in China.

China's American apologists claim that Beijing fears the United States is trying to contain China. That is not true. The Chinese know it isn't true. Everyone knows it isn't true. If anything, we are bending over backwards to engage China. No, the real threat here is that China may threaten Asia—all of Asia. The PRC's actions in the Spratlys, Taiwan Strait, Burma, and the South China Sea, and its accelerating military buildup indicates that China is seeking a hegemonic role for itself in Asia. The implication is that Beijing eventually intends to challenge United States naval power in Asia—that means conflict—almost certainly initiated by Chinese aggression against a democratic neighbor. Mr. Speaker, I would like to submit for the RECORD an analysis which outlines possible Chinese ambitions in Asia, and a report by the Republican Policy Committee on Communist China's invasion threat against Taiwan.

So China is building up its military and threatening its neighbors, and we are financing this threat to Asian stability through our trade relationship. China's apologists shrug off these threats, but they are real.

Just last week China initiated a door-to-door campaign in Tibet to confiscate photographs of the Dali Lama. Reports indicate that those who refuse are jailed, beaten, tortured, even murdered. This isn't some account from the Cultural Revolution or the Great Leap Forward, this is happening now. The Chinese are undertaking a campaign of ethnic cleansing which would make even the most hardened Serb Chetnik wince. Chinese officials routinely inject pregnant Tibetan women to induce birth. They then inject the newborn in the head killing it in front of the mother. The third procedure is to sterilize the women. Another popular practice of the Communist Han Chinese is to simply rape Tibetan women.

Muslims in Sinkiang Province, or East Turkistan, are also being repressed.

Where do the arguments we heard last year to justify MFN for China differ from the ones we hear today? Does it matter that China tried to undermine Taiwan's democratic elections, or broke international agreements on nuclear proliferation, or bilateral agreements on intellectual property rights? Does it matter to those of you who are voting for MFN that China kills its infants in its state-run orphanages?

Where does that enter into a moral person's calculations? Where does torture of Catholic priests or repression of Christianity enter into the picture? In voting to ignore the crimes of the Communist regime we demoralize the democratic forces in China? We are turning our backs on the very people we should be supporting, people who believe in our values, in liberty and freedom and democracy. These are the people we defeat by renewing MFN.

It's Harry Wu, the Panchen Lama, and Wei Jingshen we turn our backs on by renewing MFN. We ignore the threat to attack Los Angeles, the recent nuclear weapons test, and the seizure of 2,000 fully automatic machine guns by U.S. Customs officials which were being smuggled into the United States by People's Liberation Army-owned firms.

But even on purely economic grounds, MFN should be opposed. Giving away American jobs to bolster a rogue regime like this is not beneficial for America. We hear about U.S. sales of commercial jetliners to China—and I come from an area heavily dependent on aerospace—but most of our exports to China are unfinished goods or raw materials.

China's tariffs on United States products entering China's market—especially finished products or high technology consumer goods—are, on average, dramatically higher than our tariffs on Chinese goods—even without MFN, their tariffs on us would still be higher than ours on them. For those with eyes, it is easy to see that any industry that China wants to develop is closed off to American manufactured goods.

Meanwhile, China has launched deliberate efforts to open private front companies in America whose mission is to steal American technology our firms here. Mr. Speaker, I would like to submit for the RECORD an article that appeared in the Denver Post which discusses this issue. I would also like to submit for the RECORD an article which discusses China's other covert intelligence operations, referred to as ''political action work'' by the Chinese. Chairman FLOYD SPENCE is investigating this issue, and I commend him for that oversight effort.

This year's debate has to go beyond the notion of China's large market justifying our accommodation of China's rogue status. Why do we permit U.S. dollars to finance the military buildup of a repressive dictatorship that is likely to be our enemy? Mr. Speaker, I would like to submit for the RECORD two papers, one concerning China's arms exports and the other addresses China's military modernization. Lord, grant that our sons never go to war with this Asian Godzilla, armed to the teeth with high technology weapons bought with the currency of MFN.

Mr. Speaker, I would like to submit for the RECORD a series of articles which appeared in the January 11, 1996, edition of the Far Eastern Economic Review which discuss questions surrounding the Pentagon's effectiveness in controlling sensitive technology being transferred from America to Red China. Mr. Chairman, I would also like to submit for the RECORD a paper by Greg Mastel and Gregory Stanko which discusses China's deliberate policy of stealing America's intellectual property.

The American people should know that MFN is worth about $10—12 billion a year to China. Why should the American people reward China's bad behavior with a $10 billion benefit? Some of our military service chiefs are already talking about uncertainty in Asia as a partial justification for billions dollars in defense spending. Another cost to the American taxpayer of our current China policy.

America's domestic programs shouldn't reward bad behavior, and our international policies should be no different.

A definition of insanity is doing the same thing over and over again and expecting the results to be different. Well, by that definition, another year of MFN for an increasingly belligerent, more heavily armed, more repressive, Communist-run China is insanity times ten on our part.

We are here to do God's work and the work of the American people. Disapprove MFN for China and do both. Vote ''yes'' on my resolution of disapproval.

CHINESE STRATEGY IN ASIA AND THE WORLD

(By Prof. June Teufel Dreyer)

THE CHINESE VIEW OF CHINA'S STRATEGY

The view of its strategy that the People's Republic of China (PRC) presents to the international community was expressed metaphorically to a U.S. military attache in terms of an ant hill. Somewhat isolated, tribal, and mistrustful of others, the colony is mainly focussed on internal concerns. Members are sometimes sent outside in search of needed items, but the colony is basically self-sustaining. Only when others encroach too closely or attempt to kick the ant hill will the millions of ants of the Chinese People's Liberation Army (PLA) come charging out of the colony to bite them.[1]

Chinese commentators have been at pains to deny that their country is strategically ambitious. A deputy director of the Beijing-based Center for Chinese Foreign Policy Studies attempted to quell fears that the PRC's impressive economic growth would lead to an increase in military strength that would pose dangers to the international community. Since, he argued, economic construction remains the government's priority, ''its security strategy is to maintain a favorable environment for the economy and make utmost efforts to prevent military confrontation, whether within or outside its borders.''[2]

Another approach is to define the possibility of an aggressive strategy out of existence. For example, the commandant of the PLA's National Defense University stated that ''China's socialist character ensures that it positively will not strive for hegemony.''[3] The commandant does not address the question of why other socialist countries such as the former Soviet Union had not been inhibited from seeking hegemony. Since, he continues, China has committed itself to economic development as a priority, a peaceful and stable international environment is necessary. Having thus established that ''China's socialist system ensures that China will unswervingly pursue a defensive national defense policy and military strategy,'' the author outlines a broader and less peaceful-sounding agenda: the arms forces exist to * * * consolidate national defense, withstand aggression, protect the ancestral land, protect the peaceful work of its people, defend the country's territorial sovereignty and maritime rights and interests, and safeguard national unity and security * * * we adhere to a self-defense position of, if others do not attack us, we will not attack them; if others do attack, we will certainly attack them. We adhere to a strategy of gaining mastery by letting others strike first.[4]

In support of the contention that its strategy is peace and economic development rather than confrontation, PRC sources point to

the country's very low defense budget. According to statistics presented by former PLA deputy chief of staff Xu Xin, the PRC's defense budget has risen by only 6.2 percent over the past ten years when an average inflation rate of 7.7 percent is factored in. As a proportion of gross national product (GNP), defense expenditures have fallen over the same period: in 1985, the figure was 2.8 percent; in 1994, it was 1.3 percent. Meanwhile, the United States spent 4.3 percent of its GNP. Moreover, China's military expenditure per soldier is less than one-sixtieth of that of Japan's Self Defense Forces and a mere one-seventieth of that of the American military.

Even so, Xu continued, the majority of this modest per-soldier expenditure is used for such purposes as the basic necessities of daily life for its soldiers, plus the costs of administration, routine training, equipment maintenance, and the like. So little remains after these expenditures have been made that it would be impossible to purchase large quantities of equipment. ''It is thus obvious that the claims that China is intending to buy an aircraft carrier and is expanding its military armaments clearly are made by people who have an axe to grind.''[5]

FOREIGN VIEWS OF CHINA'S STRATEGY

Skeptics find these explanations unconvincing. The ant hill metaphor falls short because the ants' understanding of the territorial limits of their colony does not necessarily coincide with that of others, so that someone this particular group of ants may regard as encroaching on their hill or kicking it may believe that the area in which he is walking does not belong to the colony. Moreover, despite the efforts of the Chinese ant elite to moderate the breeding habit of the hill's members, the population of the colony continues to grow. This may lead the elite to extend to the maximum degree possible the space available to the colony. And, finally, there are other ant colonies in the area who are as sensitive to what they consider encroachment on their turf as the Chinese ants.

The contention that the PRC will never attack unless attacked first comes athwart the fact that China attacked Vietnam in February 1979 without having been attacked first. Presumably the author of the article cited above would point out, as China definitely did at the time, that the action was not an attack but rather a ''pre-emptive counterattack.'' A February 1996 article in the PLA's official newspaper *Jiefangjun bao* (Liberation Daily) describing the advantages of the pre-emptive strike in limited, high-technology war suggests that the Chinese leadership continues to value the concept.[6] Beijing's warning that it would attack Taiwan were the island's government to declare itself independent mentions nothing about a prior attack on the mainland by Taiwan. A 1992 law passed by China's National People's Congress gives the PRC the right to enforce by military means its claim to the territorial waters around islands whose ownership is disputed. Again, no prior attack on the PRC need take place. When Filipino president Fidel Ramos arranged a guided tour of Chinese installations on islands claimed by the Philippines, the PRC warned that if it happened again, forcible means would be employed. No one suggested that the Philippines might have to attack China first.

With regard to defense expenditures, skeptics point out that looking at the military budget as a percentage of China's GNP may show a decline, but that it is a slightly declining share of a rapidly growing pie. Moreover, the published defense budget is not the same as the actual defense budget, which is estimated to be anywhere from two to five times the budget that is officially reported. The higher figures typically include costs for the People's Armed Police (PAP), which contains many demobilized regular army members. The PAP has primarily domestic functions, but could be used transnationally if the need arose.

A comprehensive study done by the U.S. General Accounting Office in 1995 which excludes PAP costs concludes that the Chinese defense budget is three times that officially reported.[7] It notes that many expenditures that would be considered under the defense category if it were calculated according to North Atlantic Treaty Organization (NATO) standards appear under other categories in the PRC's budget. Demobilization costs, for example, are the responsibility of the Ministry of Civil Affairs. And expenditures for nuclear research and development costs, which are believed to be very large, are not included in the defense budget. The costs for recent sizable acquisitions of equipment from Russia, including 72 Su–27 fighter planes and at least four Kilo class submarines, came out the State Council's budget rather than that of the PLA.

These expenditures are not small: the first batch of 26 Su–27s alone was purchased for U.S. $1 billion, or almost $40 million per plane. While the purchase price of the submarines has not been made public, Russia has sold other Kilo-class submarines for approximately $240 million apiece, indicating that the bill for four, plus associated expenses, will add up to another $1 billion.[8] The cost of a recent acquisition of Russian radar to equip 100 Chinese-built J–8 II jet fighters was reportedly $500 million.[9] There have also been major purchases from Israel. Researchers at the Stockholm International Peace Research Institute (SIPRI) estimate the price of Israeli arms transfers to China since the early 1980s at $2 to $3 billion.[10] While the actual impact of these purchases on the Chinese economy will be somewhat softened by the fact that a portion of it is in barter rather than hard cash, they nonetheless represent huge expenditures.

These, of course, are just foreign purchases, which represent only a fraction of total spending. The military correspondent of a respected Hong Kong newspaper placed the cost of each domestically-produced M-class missile fired into the Taiwan Strait at $2 million, and estimated the total cost of the PRC's seven war games and missile testing in and near the strait between July 1995 and March 1996 at a billion dollars. The final round of missile testing, he noted, took place while the National People's Congress was in session. While the NPC was not discussing the wisdom of the tests, this topic apparently having been declared off limits, NPC deputies from central and western provinces were complaining publicly[11] about the central government's failure to route development funds to them. And, in internal meetings, deputies from the coastal provinces were complaining bitterly about the loss of revenue and foreign investment that the missile tests were having on their economy.[12] None of this lends credence to the picture of a PRC so budget-conscious and focussed on economic development that it has neither the will nor the wherewithal to pursue ambitious strategies.

Since the strategy this increasingly capable force structure is intended to support is not consonant with China's public statements, analysts must try to ascertain it from other evidence. The years from 1989 through 1991 appear to have been a watershed for the Chinese leadership. The bloody suppression of peaceful demonstrators at Tiananmen Square and elsewhere in China in the spring of 1989 tarnished the international image of Deng Xiaoping's era as one of benign communism. It increased the sense of isolation of the Chinese leadership, even as foreigners continued to visit the PRC in large numbers and more Chinese than ever were travelling abroad.

When, only a few months later, the Soviet Union began to crumble, the PRC elite's sense of dwelling in a hostile international environment deepended still further. Elation over the conservative coup against Gorbachov was short-lived, since the plotters were quickly arrested and the republics that comprised the Union of Soviet Socialist Republics (USSR) became independent, non-communist states. The repercussions that this could have for China were all too clear to the PRC's octogenarian powerholders. They interpreted publicly-expressed Western hopes that the PRC would undergo a gradual transition toward liberal democracy as harboring malicious intent. This ''sinister plot of peaceful evolution'' was believed to be aimed at overthrowing the socialist government of China and repeatedly denounced in the official press. ''International splittists'' were believed to aim at dismantling the People's Republic of China in the same manner that the USSR had disintegrated.

While certain of the above-mentioned views seem overdrawn, there was abundant evidence of foreign collusion with national splittists. Tibetans have been especially successful in mobilizing international sympathy in support of their desire to be free of Chinese rule. In 1989, the Norwegian Nobel Prize Committee announced that the Dalai Lama, Tibet's long-exile spiritual and temporal leader, had won its annual award for peace. The world-wide publicity attendant on the award and the prestige that accrues to recipients were very upsetting to Beijing. Many countries have Tibet Houses to serve as foci for Tibetan culture abroad, and a highly unusual but exceptionally motivated multinational coalition of film stars, rock bands, politicians, scholars, and individuals seeking spiritual enlightenment through Tibetan Buddhism support the cause of independence.

When the Mongolian People's Republic was replaced by the republic of Mongolia, Tibetan Buddhism, which had been suppressed under the MPR, quickly reappeared. Young Mongols were reportedly learning Tibetan in preference to Russian. They, too, appeared to favor independence for Tibet. More worrisome to the Chinese leadership with regard to Mongolia was the possibility that China's ethnic Mongols, most of whom live in Inner Mongolian Autonomous Region that borders the new republic, would want to join it. In the far northwest of the PRC, a variety of Muslim groups ranging from the fanactically religious Hamas to secular Turks were aiding local Turkic Muslims in efforts to recreate an East Turkestan Republic free of Chinese domination.

Coastal provinces, while evincing no interest in declarations of independence, were nonetheless behaving in ways that indicated that they were making decisions independently of Beijing. Foreign investment was an important factor in their ability to ignore the central government's wishes. Hong Kong money was more instrumental to the development of Guangdong province than funds from Beijing, and Taiwan investment in Guangdong and neighboring Fujian far exceeded transfer from the central government to those areas. Similarly, the cities of the northeast attracted funding from Japan and South Korea. The dollar amounts of these investments are huge. According to official statistics provided by the government of the Republic of China on Taiwan (ROC), the small island-state has invested $1.7 billion in Guangdong's Shenzhen Special Economic

Zone alone.[13] These are the figures reported to the government by its citizens, and are believed to substantially understate the actual amounts.

America's reaction to Iraqi president Saddam Hussein's invasion of Kuwait heightened China's sense of international threat. U.S. president George Bush quickly put together a multinational coalition to force Saddam Hussein to relinquish Kuwait. Bush also expressed the wish that the Iraqi people would overthrow Saddam. Already on the defensive, the Chinese leadership saw ominous portents for itself, perhaps with regard to its desire to absorb Taiwan, by force if necessary. Foreign ministry spokespersons explained that, although China opposed the use of force against another nation, the PRC had long adhered to the Five Principles of the People, one of which was non-interference in the affairs of other states. Therefore, the ''principled stand'' of the PRC was to remain aloof from Saddam Hussein's differences of opinion with Kuwait. It is possible that Bush influenced China's eventual decision to abstain from the United Nations Security Council vote through promising to renew the PRC's controversial Most Favored Nation status a few months later.

In any case, the Chinese press tended to portray U.S. behavior in the Gulf War as bullying. In its view, the world's only remaining superpower, now that it was no longer checked by the Soviet Union, was attempting to force other countries to accept American values and the American social system, regardless of how inappropriate they might be to the countries they were being forced on. The PRC was particularly sensitive to U.S. pressures with regard to human rights, which had sharpened after the events at Tiananmen in 1989. China's own interpretation of human rights, spokespersons explained, had nothing to do with a system of checks and balances or the right to criticize the socialist system. Rather it focussed on the right to earn a living and the ability to obtain needed social services.

Co-existing with this view of the United States as an arrogant bully was the impression that the United States was a declining superpower. Government-affiliated think tanks held symposia on Paul Kennedy's imperial overstretch and Samuel Huntington's clash of civilizations, with participants predicting the eventual decline and fall of the American imperium. When asked about the apparent contradiction between these two views, a researcher at the Institute of American Studies of the Chinese Academy of Social Sciences explained to the author that ''we think the United States is a declining power, but a dangerous declining power.''

CHINESE STRATEGIC ACTIONS

Confronting an international environment that it perceived as hostile and a domestic environment in which its own prestige and legitimacy seemed to be eroding, the leadership appeared to fall back on nationalism. Official spokespersons stridently reiterated ''China's principled stand'' on a variety of international issues, and declared that the Chinese people would not be bullied. Actions taken in conjunction with these declarations included:

Establishing close ties with Burma's State Law and Order Restoration Commission. This has been described as an alliance between two pariah governments. At the time that close relations began, the Chinese leadership was widely criticized internationally for killing unarmed civilians at the spring 1989 demonstrations. Similarly, many countries shunned the SLORC when it put Aung San Suu Kyi under those house arrest after she won the country's 1988 presidential election. The PRC has built several roads from its southern border which Burmese patriots feared might be used as invasion routes by the Chinese military. China also sold an estimated $1.5 billion of weapons to the SLORC, thereby enabling the Burmese military to more efficiently quash popular opposition to the SLORC's rule. Additionally, the Chinese constructed a naval base on Burma's Cocos island, facing the Indian Ocean, including radar installations, and other bases at Hainggyi Island and Mergui. This upset India, which has regarded itself as guarantor of stability in the area. These fears were magnified when, in August 1993, the Indian navy captured three Chinese trawlers in the Bay of Bengal.[14]

Passing a law in February 1992 unilaterally claiming ownership of the Spratly, Senkaku, and Paracel Islands as well as Taiwan, and asserting the right to ''adopt all necessary measures to prevent and stop the harmful passage of vessels through its territorial waters [and for] PRC warships and military aircraft to expel the invaders.''[15]

Announcing that it would not take part in sanctions against the Democratic People's Republic of Korea (DPRK) when it was discovered in 1991–92 that the DPRK either possessed or was about to possess nuclear weapons. Because China borders on North Korea and has many rail, air, and land connections with the country, it was deemed unlikely that the sanctions would be effective without the PRC's participation.

In early 1995, constructing bunkers and radar installations on islands whose ownership is contested with the Philippines, and placing boundary markers meant to demarcate the PRC's territorial waters less than fifty miles from the Philippines' Palawan Province.

In spring 1995, circulating a map showing the Natuna Islands as part of China's exclusive economic zone. The Natunas, which contain rich gas deposits, are administered by Indonesia.

Selling 5,000 ring magnets to a state-run nuclear-weapons laboratory in Pakistan in 1995, as well as continuing to secretly export nuclear, chemical, and missile technology to Iran and Pakistan.[16]

Beginning oil-exploration in the Senkaku Islands, despite Japan's continuing claim to the island.[17]

Conducting five sets of missile launches and war games in the Taiwan Strait between July 1995 and March 1996. Taiwan's president Lee Tenghui had angered China with his efforts to raise the island's international profile, and the PRC wished there to be no doubt about its dislike of Lee before Taiwan's voters went to the polls for the island's presidential election on March 23, 1996.

Announcing that Hong Kong's democratically elected legislature would be abolished after China takes over the colony in July 1997 and setting up a provisional legislature to begin governing before that date. The only member of Beijing's carefully chosen preparatory committee to vote against the provisional legislature was immediately told that he would not be part of the new group.[18]

Postponing a vote on a United Nations resolution which would extend the UN peacekeeping force in Haiti for an additional six months and threatening to use its veto in the UN Security Council if necessary to block the action. The PRC became angry with Haiti because it invited Taiwan's vice-president Li Yuan-zu to attend the inauguration of president Reńe Preval in February 1996.[19]

Continuing nuclear testing despite repeated requests to do so. With France having declared an end to its testing, the PRC is now the only state which continues to detonate fissile material.

FOREIGN REACTIONS

These actions, when combined with the substantial weapons purchases discussed above, were consonant with a strategy of China bent on playing the role of hegemon in Asia, as well as exercising substantial influence outside of Asia. Questions of whether or not this is inevitable and how advantageous a strong China would be to global stability have been hotly debated. A columnist for *The Manila Chronicle* applauded the idea of a strong China, writing:thank God that, with the Soviet Union's disintegration and Russia now an American lackey, there is one nation—and an Asian nation at that—that will not be cowed by the U.S. and will stand up to American arrogance and bullying. Thank God for other countries like Iran, Iraq, Cuba and Libya. Otherwise the Americans, who consider themselves a superior race, one of the great hoaxes of our times, would hold all of us hostage to their nuclear arsenal and grind all of us under their heels . . . But China should be able to strike at some American cities with its own intercontinental ballistic missiles, and it is this danger that may stay the bullies' hand and counsel caution and prudence.[20]

Less emotional responses tended to focus on the theme that the sum total of the PRC actions cited above was less hostile than it seemed. For example, many analysts consider the Philippines' claim to the Spratly Islands to be weak. Indeed, Corazon Aquino's administration had planned to renounce the country's claim until an upsurge of nationalism made it politically impossible to do so. It is therefore possible to view China's actions as an effort to challenge a weak adversary, and perhaps to issue a warning to other claimants. An Australian analyst goes so far as to state that since China [both PRC and ROC]'s claim to the Spratlys is well-established, the PRC's plans to take the Spratlys by force ''is probably consistent with international law and international practice.''[21]

As for Taiwan, those sympathetic to China's actions believe that, in seeking a higher international profile for the Republic of China on Taiwan, Lee Teng-hui knew he was courting disaster. Moreover, the United States should never have granted Lee a visa to visit its territory. Lee used the occasion to make a speech lauding his country's accomplishments. Hence, not the PRC but the ROC, in collusion with the United States, was responsible for the crisis in the Taiwan Strait.

With regard to nuclear testing, China has on several occasions indicated its willingness to participate in the nuclear non-proliferation treaty (NPT). It is in favor of the eventual complete destruction of all nuclear weapons.[22] However, to join in a moratorium on testing before the Comprehensive Test Ban Treaty (CTBT) goes into effect would be to freeze the People's Republic of China in a position of permanent inferiority to the advanced Western powers whose ranks it desires to join. China's goal in its current rounds of testing is the successful miniaturization of nuclear weapons. This should be completed by the time the CTBT goes into effect. At this point, the PRC will ratify the treaty and abide by its provisions.

Nor are the roads and bases in Burma necessarily as menacing as they have been portrayed. China may want an outlet to the Bay of Bengal and Indian Ocean for commercial purposes rather than because of military considerations. Given Burma's rickety infrastructure, road construction and port development are absolutely necessary before this outlet for Chinese goods is feasible. Therefore, it is in China's best interest to help the Burmese government to improve that infrastructure. Deng Xiaoping's economic development policies had the unintended effect of

advantaging the industrial growth and income levels of coastal provinces while disadvantaging those of inland provinces, thus creating ill-will between the two areas and exacerbating regional tensions. Being able to export the products of nearby Yunnan and Sichuan through Burma has the potential to mitigate some of these tensions.

A deep-water port on Hainggyi Island could provide Chinese manufacturers with an outlet to markets in the Indian Ocean and beyond. Moreover, neither the hydrography nor the topography of Hainggyi is suited to the construction of a major naval installation. The seaward approaches include several shoals, and the main shipping channel is both narrow and subject to heavy silting. Water levels vary substantially in accordance with the yearly monsoon, and there are strong tides. These factors would complicate the berthing and navigation of large vessels. If armed conflict were to break out, a naval base at Hainggyi would be vulnerable to mining and attack from the sea.[23]

Reports of intelligence surveillance activities based on the Cocos Islands are, in the opinion of some, overdrawn. If China wants to collect intelligence on India, the task could be better carried out from a facility on the Burmese mainland that is located closer to India's missile launch facilities. Such a location would encounter fewer logistical difficulties as well. Moreover, according to reports from India, China already conducts electronic and other surveillance in the Indian Ocean from trawlers.[24]

As for Korea, the same issue of state sovereignty that made China reluctant to endorse a U.N. Security Council resolution condemning Iraq's annexation of Kuwait made it refuse to participate in sanctions against the DPRK. Moreover, since North Korea's economy is believed close to collapse, sanctions might prove the death blow, and China might be invaded by millions of starving refugees and be burdened with an unstable regime on its borders. The PRC hence has sound security reasons for wanting to avoid any actions that would cause the demise of the DPRK.

While there is a certain degree of validity to these arguments, they fail to convince in many ways. If the PRC's claim to sovereignty in the Spratlys is strong, then why has China been unwilling to submit it to adjudication? It has, moreover, been unwilling to enter into multilateral discussions with the other claimants. This gives the impression that the PRC intends to use its large size to intimidate individual claimants in a way that would be more difficult in a multiple forum. The negative publicity from maintaining an intransigent stance in a bilateral context would also be less than in a larger gathering. Hence, shrewd calculations of self-interest rather than a ''principled stand'' based on respect for international law is the PRC's real motivation.

As for the argument that China's construction activities in Burma have commercial rather than military motives since the areas chosen are not the best ones for large ships and other military platforms, the same arguments could be made about commercial vessels. It seems unlikely that such extensive facilities would be being constructed for the use of small commercial ships. The products of China's southwest could more efficiently be transported to market by larger vessels. The high costs of construction would not appear to be justified by the expected commercial returns, and there are better alternative uses of the funds.

Those who plan bases in Burma may not be applying the same standards of logic and efficiency as foreign analysts. They may also have information and/or motives not available to these analysts. Were logic alone to be applied to China's relations with Burma, it would probably tell the PRC not to become so closely identified with the SLORC at all. The régime is much disliked by ordinary Burmese; should it be toppled from power, the SLORC's successor might well ask the Chinese to leave.

With regard to Taiwan, China's stand also seems unduly belligerent. Even if Lee's efforts to maintain a higher profile for the island convinced PRC leaders that he meant independence despite the fact that Lee has never publicly stated that he is in favor of independence, raining missiles off its coasts and moving troops and equipment into menacing positions near the island seems an overreaction. In the past, the PRC was able to achieve much by threatening economic boycotts of countries who sold weapons to the ROC or gave its diplomats a degree of respect that the PRC thought offensive. One imagines that the proponents of the tough line on Taiwan were feeling increasingly desperate on noticing that countries who continued to publicly endorse a one-China policy had privately come to terms with the reality that two sovereign states existed. The direct popular election of the ROC president, the capstone of the island's impressive democratization process, symbolized to the mainland leaders Taiwan's desire to determine its own future and was therefore the catalyst for the PRC's belligerent posture.

China's reasons for going ahead with nuclear testing while declaring its ''principled stand'' on the eventual complete destruction of all nuclear weapons also seem disingenuous. If the PRC does intend to sign and abide by the Comprehensive Test Ban Treaty and eventually destroy all its nuclear weapons, one must question the need for expensive, ongoing research and development of products that are slated for destruction. There is certainly no nuclear threat to the PRC in the interim period. Also, given China's stands in certain aspects of the negotiation process, there is some possibility the PRC will not actually sign the CTBT. For example, it has continued to maintain that the CTBT should allow peaceful nuclear explosions, which China claims it needs for purposes of resource extraction. There is little support for this position elsewhere. Arms control experts point out that peaceful nuclear explosions are also unsafe, and that it is more difficult to determine whether a test is for peaceful purposes or military purposes than the Chinese allege. Furthermore, using nuclear explosions to extract resources is highly uneconomical.[25]

COUNTER-STRATEGIES

Although there is a school of thought which argues that other countries can have little influence over the PRC's behavior, with the generally unspoken conclusion that therefore it is useless to try, empirical evidence indicates otherwise. While not all attempts to induce China to modify its stands have been successful, it has happened in several instances.

After the NPC passed a law in February 1992 unilaterally asserting China's sovereignty over several islands including the Senkaku/Diaoyutai group which is claimed by Japan, Tokyo quietly informed the PRC's foreign ministry that this patent affront to Japanese sovereignty would strengthen right-wing sentiment in the country as well as right-wing calls for rearmament. Moreover, the visit of the emperor and empress to China would be jeopardized. The PRC's elderly leadership, with its vivid memories of Japanese cruelty during World War II, fears the re-militarization of Japan. Chinese leaders also very much wanted the imperial visit to proceed on schedule since they were hoping it would include a long-awaited official apology for Japanese aggression against China during the war. Thus, barely a month after the law was passed, a spokesperson for the Chinese foreign ministry explained that the NPC's decision ''was part of a normal domestic legislative process, did not represent a change in Chinese policy, and would not affect the joint development of the islands with countries involved in the dispute.''[26]

Indonesia despatched its foreign minister to Bejing immediately after learning that a Chinese map showed the Natuna Islands as part of the PRC's exclusive economic zone. He was told by Chinese foreign minister Qian Quichen that the PRC considers the Natunas to be under Indonesian jurisdiction, and has never claimed them.[27]

Confronted with an unusual unity of Latin American states, including Cuba, who denounced China's playing of cold-war games on their continent, the PRC cast its security council vote in favor of extending the UN peace-keeping force in Haiti for four more months with a maximum of 1,200 troops. The resolution was introduced by China, which subsequently described its ''adherence to principles and flexibility'' as having been ''hailed by the international community.''[28]

China's belligerence in the Taiwan Strait calmed down after two U.S. carrier battle groups were despatched to the area in mid-March 1996. The PRC even declared that Lee Teng-hui's resounding victory in the March 23 election was actually a triumph for its point of view, since Lee's major opponent had been an outspoken proponent of independence.

One should not draw unduly optimistic conclusions from the instances cited above. The Chinese foreign ministry's attempt to soften the impact of the 1992 law does not mean that the law has been withdrawn; the claims made in it can be advanced again at any time. Qian Quichen's telling his Indonesian counterpart that China does not claim the Natunas does not explain how the map placing it in the PRC's exclusive economic zone came to exist. Qian's promise was apparently oral, and might be re-interpreted in the future. And the mainland could seize on any of a wide variety of happenstances to resume its menacing posture with regard to Taiwan.

There are also examples of efforts to induce the PRC to modify its behavior having no results at all, or results that might even be interpreted as worse than before. For example, the PRC continued nuclear testing despite Japan's repeated entreaties that it stop. The Japanese government responded by suspending grants-in-aid to China until the testing stopped. The PRC then began conducting research activities in the Senkakus, with a Chinese source telling a Tokyo newspaper that the action had been taken as an act of reprisal for the suspended aid.[29]

The strategy that the PRC seems to be employing is one of probing: where a rival claimant or potential adversary seems weak, apply pressure. Where expedient, back down, at least temporarily. Where public opinion in the rival claimant or potential adversary seems to waver in its support for applying retaliatory pressure, ignore the pressure from that country to back down and seek to exploit the divisions. The fact that most of these countries have freedom of the press and outspoken citizens with differing opinions facilitates the PRC's task. As a case in point, Japan's attempts to modify China's behavior are not helped when Japanese newspapers report that ''most government officials are averse to freezing the loans, saying that yen-based loans are one of the bases of our policies toward China.''[30]

Similarly, Chinese officials are well aware that both the Bush and Clinton administrations have been reluctant to apply the sanctions that U.S. law enjoins them to, fearing

adverse effects on American corporations that do business with the PRC. In 1991, when the U.S. Central Intelligence Agency (CIA) revealed that the PRC had shipped missile components to Pakistan, the Bush administration suspended U.S. missile technology sales to the two Chinese state-affiliated companies that shipped the components. The ban was lifted less than a year later, after China pledged to follow the multilateral Missile Technology Control Regime.

However, In 1993, the CIA reported that the PRC had resumed shipping the components. Washington then blocked the sale of $500 million of communications satellites and related technology to Beijing. The sanctions were lifted on February 7, 1996, the same day that administration officials announced that China had secretly sold to Pakistan ring magnets used to refine bomb-grade uranium. Intelligence sources had actually revealed the sale the year before, but the State Department, fearing that making the information public would antagonize the PRC, at first maintained that the evidence was not sufficiently clear-cut.[31] Aware that the U.S. president is reluctant to disadvantage American businesses by enforcing the penalties specified for proliferation, the PRC has little incentive to modify its behavior. Clinton will probably announce selective sanctions on selected PRC factories,[32] more because it will enable him to deflect his domestic critics' accusations that U.S. behavior encourages China to violate agreements than because he believes that the sanctions will encourage China to modify its behavior. Unfortunately, since it demonstrates that the U.S. has written laws with sanctions that it dares not put into practice, this sort of behavior reinforces Mao Zedong's long-ago characterization of the United States as a paper tiger. While able and willing to roar loudly, the American tiger is highly unlikely to use its teeth.

The PRC has shown that it will back down when confronted with determined and united resistance, as it did in the case of the UN peacekeeping force in Haiti. Neither determination nor unity have characterized either the United States' or Asian countries' policies. While Asian nations quietly supported the U.S. decision to send carrier battle groups to the Taiwan area,[33] their public stance was so low-key as to become the focus of criticism in their own countries. For example, an editorial in Bangkok's The Nation described the Thai government's response as ''flaccid diplomacy'' and warned that ''Thailand gains little by appearing so unimaginatively obsequious to Beijing.''[34] Similarly, the Tokyo daily Sankei Shimbun accused Japan's Ministry of Foreign Affairs of being ''weak-kneed'' and ''showing consideration only for relations with China, as usual.''[35]

Although this kind of response was common, it was not universal. Fears about the implications of China's actions against Taiwan for its own territory and concerned with the fate of the thousands of Filipino guest-workers on Taiwan notwithstanding, the major concern of the Filipino press was whether their country could be dragged into a conflict between China and Taiwan if it allowed United States ships to dock at ports in the Philippines.[36]

There are signs that this attitude of fatalistic passivity may be changing. The Asian Regional Forum (ARF) was established in July 1994 to provide a high-level consultative group on security matters within the area, though it has yet to show any concrete results. ARF has created no dispute resolution mechanisms, and other members have so far been disinclined to put pressure on China to discuss the issues causing the most tension. Conversely, the PRC has successfully pressured ARF members not to allow the ROC to participate, even as an observer, and has also blocked the island from membership in the Asia Pacific Parliamentary Forum (APPF.[37] The Asia-Pacific Security Dialogue, held in March 1996 against a backdrop of missile tests in the Taiwan Strait that, as one Bangkok newspaper phrased it ''unnerved the region, but this issue did not make the agenda . . . the three-member Chinese delegation at the seminar said they had no intention of allowing what Beijing considers to be an internal affairs be brought up for discussion at the forum.''[38]

Individual and bilateral responses the China's behavior have also occurred. For example, the Japanese cabinet has submitted a bill to the Diet that would establish a 200-nautical mile economic zone around the country's coastline which will include the Senkakus,[39] and the Liberal Democratic Party (LDP)'s Policy Research Council began ''in-depth study on measures to cope with a possible situation seriously affecting Japan's security, including introduction of emergency legislation.''[40] The LDP's instructions to its research council made it clear that this threat was expected to emanate from the PRC.

Also to China's annoyance, Vietnam and the Philippines concluded a Code of Conduct in the South China Sea governing the two countries' conduct with regard to the disputed Spratly Islands. The PRC's position is that, since it alone holds indisputable sovereignty over the Spratly, such declarations by other countries amount to infringing on China's rights.[41] The Philippines embarked on a force modernization program immediately after the confrontation with China in the Spratlys.[42] And the Five Power Defense Arrangement (FPDA), involving Australia, Malaysia, New Zealand, Singapore, and the United Kingdom, was reactivated. In late March 1996, the FPDA members held an eight-day exercise designed to repel an air attack against Singapore and Malaysia.[43] Taiwan has also made large arms purchases, though it has frequently been prevented from buying the kinds and models of equipment it desires because supplier countries fear risking their business interests with the PRC if they sell weapons to the ROC.

These are small steps, and it remains to be seen whether more substantive consensus on settling outstanding disputes with the PRC can be achieved. If the parties to the dispute over the Spratlys agree to China's demands that they negotiate bilaterally, then the position of all is weakened. One is reminded of Benjamin Franklin's advice to the fractious colonies that were attempting to resist Great Britain: we must all hang together, or most assuredly we will hang separately.

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[37] Saranyu Samakratkit, ''China Opposes U.S. Proposal to Grant Taiwan APPF Membership,'' *Thailand Times* (Bangkok), January 18, 1996, p. A2, in FBIS–EAS, January 25, 1996, p. 7.

[38] Micool Brooke, ''Security Dialogue: A Step Forward,'' *The Sunday Post* (Bangkok), March 31, 1996, p. 24, in FBIS–EAS, April 2, 1996, pp. 88–90.

[39] ''Cabinet Considering Adopting 200-Mile Economic Zone Package,'' *Kyodo*, March 25, 1996, in FBIS–EAS, March 26, 1996, pp. 6–7.

[40] Ota, *op. cit.*, p. 8.

[41] Jean Magdaraog, ''PRC 'Very Concerned' About Manila-Hanoi Pact,'' *Malaya* (Quezon City), November 16, 1995, pp. 1;6 in FBIS–EAS, November 21, 1995, pp. 61–62.

[42] Dario B. Agnote, ''Reports on Planned Military Purchases,'' *Kyodo*, August 31, 1995, in FBIS–EAS, August 14, 1995, pp. 79–80.

[43] (no author), ''FDPA 8–Day Air Defense Exercise Under Way,'' *The Straits Times* (Singapore), March 23, 1996, p.3, in FBIS–EAS, March 25, 1996, p.3.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Speaker, I rise today in opposition to House Joint Resolution 182.

MFN status is not a concession and does not mean that China is getting preferable trade treatment—there really is no most favored in MFN. MFN means China and the United States grant each other the same tariff treatment that they provide to other countries with MFN status—which is everyone except a few rogue states such as North Korea.

Revocation of MFN would be a lose-lose situation for the American people. It would cause substantial harm to the U.S. economy. Trade with China has provided American businesses with a tremendous economic growth opportunity.

And as we have seen in other areas of the world, trade restrictions are successful in changing behavior only when they are universally observed. Unilateral action won't work. China will have little reason to change since Beijing can simply take its business elsewhere.

I ask you to vote against House Joint Resolution 182. Only by fostering economic prosperity can we hope to see the changes in China that we all want. Vote ''no'' on House Joint Resolution 182.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

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Ms. DELAURO. Mr. Speaker, China has enjoyed most-favored-nation trading status for many years. I have supported MFN for China for the past 3 years with the hope that the United States and China would both benefit from a cooperative relationship. In fact, the opposite has happened. China has engaged in unfair trade, pirated intellectual property, proliferated nuclear weapons, acted with belligerence toward Taiwan, smuggled arms into the United States, and engaged in human rights violations. Because of China's actions, I will regrettably oppose MFN status.

China's trade status with the United States gives us leverage. We must use it to further American interests, interests affecting trade, foreign policy, American exports, and American workers.

Mr. Speaker, I am voting against MFN for China because it is time to send a message to the Chinese and to our trade leaders, and I emphasize our own trade leaders, that more of the same from China is not acceptable. If our Government wants support for free trade, then it must insist on fair and equal standards and compliance with our trade laws. When that happens, there will be broader support for MFN.

Mr. Speaker, China has enjoyed most-favored-nation trading status for many years. I have supported MFN for China for the past 3 years with the hope that the United States and China would both benefit from a cooperative relationship. In fact, the opposite has happened. China has engaged in unfair trade practices, pirated intellectual property, proliferated nuclear weapons, suppressed democracy, acted with belligerence toward Taiwan, smuggled arms into the United States, and engaged in human rights violations. Because of China's actions—I will regrettably oppose MFN status.

China has gladly profited from MFN while continually flaunting international agreements and standards of conduct. China sends more than one-third of its exports to the United States while only 2 percent of American exports can crack the Chinese market. The result: we now have a $34 billion trade deficit with China.

China's trade with the United States gives us leverage. We must use it—to further American interests—interests affecting trade, foreign policy, American exports, and American workers.

I applaud recent efforts to win an intellectual property agreement to protect American products from state-sponsored piracy in China. I hope it will yield results. But more than that, the IPR agreement demonstrates how the United States can and should use its enormous leverage to protect American interests and further a genuine global trading community.

The United States must not give China a pass on the tough issues. We need to use our trade laws to pressure China for greater access for American companies and goods. We need to take action when China knowingly aids in the proliferation of weapons and weapons technology. And we need to take steps to shield American workers from unfair and inhumane prison labor.

I am voting against MFN for China because it is time to send a message to the Chinese and to our trade leaders, and I emphasize our own trade leaders, that more of the same from China is not acceptable. If our Government wants support for free trade, then it must insist on fair and equal standards and compliance with our trade laws. When that happens—there will be broader support for MFN.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, I rise in opposition to House Joint Resolution 182.

Perhaps no international relationship is more complicated than that of the United States with China. Our vastly different cultures and histories, and particularly China's appalling record on human rights and democratization make reaching out and understanding each other profoundly difficult.

Yet difficult as it is, it must be done. Profound economic change is sweeping China. This means not only jobs for Americans here at home. In 1995 alone more than $68 million in goods produced in Connecticut went to China. It also means improved living conditions, improved wages, and employee benefits for some Chinese, because of the practices introduced by American companies.

Like many of my colleagues, I believe that our policy toward China must go beyond MFN. Trade is only part of a larger dialogue. It is time to stop treating the annual debate on MFN as the lens through which we examine all facets of our relationship with China. Extension of MFN, in my view and in that of many of my colleagues, in no way condones China's policies. Instead, it is a way of keeping the window open and keeping the dialogue going.

Revoking MFN would significantly weaken our political and economic position. It would weaken our ability to improve human rights. It would weaken our efforts to promote fair world trade. And it would weaken our position in the world arena.

Revocation is simply the wrong message and the wrong action. I urge my colleagues to vote ''no'' on the resolution of disapproval.

Mr. BUNNING of Kentucky. Mr. Speaker, could you please give us the time remaining?

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Texas [Mr. ARCHER] has 15½ minutes, the gentleman from Florida [Mr. GIBBONS] has 17½ minutes, the gentleman from Kentucky [Mr. BUNNING] has 2½ minutes, the gentleman from California [Mr. ROHRABACHER] has 10 minutes, and the gentleman from California [Mr. STARK] has 13 minutes.

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

Mr. ROHRABACHER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we have heard time and time again today several arguments in favor of keeping the current trade policy toward China. One is that if we change the trade policy that we currently have, that it is tantamount to walking away or tantamount to no trade at all, or tantamount to an embargo against China. I hope those who are listening, I hope those who are reading the CONGRESSIONAL RECORD, will note no one on our side of the aisle or our side of the debate, I guess I should say, especially myself, who is the author of the resolution, is advocating any of that. That is not what this debate is about. As far as I am concerned, that is not a legitimate part of the debate, although we hear it time and time again expressed. The fact is we are talking about the current trade status.

Now, those who are opposed to my resolution accurately say that we are not talking about most-favored-nation status because it sounds like it is something more than our current trade status, but what I am suggesting is our current trade status is immoral, it is

wrong both economically and strategically for the United States; in other words, that it does not benefit the United States to have the current trade status.

Also let us note that during this debate, over and over again we have heard the other argument presented by the other side, which the main argument is that if we continue with our current trade status, it will mean a more prosperous China and a more prosperous china will be a freer and less threatening China. That is a theory. That theory has been proven, in reality for the last 9 years, to be absolutely 180 degrees opposite from what reality is. That theory is wrong, and I hope those people who are reading the CONGRESSIONAL RECORD will note that those making that argument are making it in the face of overwhelming evidence that it is wrong.

China is becoming more repressive and has become more repressive, has become more belligerent and more threatening to its neighbors even though we have the current trade policy and we have renewed it since the massacre at Tiananmen Square in 1989.

So the opposition to my suggestion that we change current trade policy is based on an incorrect analysis of reality, a theory that is not working and a straw-man argument that just does not hold water because that is not what we are advocating in terms of an embargo or walking away from China.

What we are suggesting is that the current trade relationship with China hurts the American people, first. It hurts the American people. It costs us jobs. The argument that there are 170,000 jobs created by our trade relationship with China, that holds some water until we realize that our trade relationship with China costs the American people hundreds of thousands of more jobs, that our trade relationship with China is an attack on the well-being of the American working people.

Now, certainly some major corporations benefit from our current trading relationship. There are some people making a profit, and there are some jobs being created. But clearly, but clearly when we talk about representing the interests of our people, the overall effect of our trading policy with China is to attack the well-being. We are putting our own people out of work by the hundreds of thousands so that a few corporate interests can make a big profit and a few other jobs will be created. So it is wrong, wrong, wrong economically.

We are supposed to represent the interests of our people. If we are not here to represent the interests of our people, who is? Who is going to argue their case?

Now, what does it represent as well economically? It means a $35 billion drain on capital from the United States which would be here for our people to build factories and such that now goes to China because they have a net benefit of $35 billion every year from their trade relationship with us. What do they do with that money? They spend that $35 billion producing a modern weapons arsenal that some day may be used to kill Americans. That makes absolutely no sense.

They are stealing our technology, they are belligerent against their neighbors, they are in fact the worst human rights abusers on the planet today, and we are giving them a trade relationship that nets them a $35 billion benefit every year. This makes no sense; it is insane.

And my last argument is it is morally wrong. As we celebrate our Fourth of July and as we celebrate those words of Thomas Jefferson and our Founding Fathers that put our country on a higher plane than just those people who would be making policy based on the self-interests of the economic elite of their country, we stand for freedom, we stand for liberty, and as long as we do, the people in China who will try to build a better China and try to build a more peaceful and prosperous China, they are being demoralized by our lack of respect for our own principles.

Let us change the trade policy with China. To vote for most-favored-nation status is a morally bankrupt position.

Mr. CRANE. Mr. Speaker, I include the following letter from 881 American companies and associations for the RECORD.

BUSINESS COALITION
FOR UNITED STATES-CHINA TRADE,
June 20, 1996.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Unconditional renewal of China's MFN trading status is in our nation's interest. We urge the Executive Branch and the Congress to work together on a bipartisan basis to ensure unconditional renewal of MFN and to defeat any legislation that would restrict or condition future expansion of U.S-China trade. We welcome recent statements by you and by former Senate Majority Leader Dole expressing support for unconditional renewal of MFN.

America's prosperity rests on our continued leadership in the global economy. In the last five years, China has become the fastest-growing market in the world for American exports.

In 1995, exports of U.S. goods and services to China rose by 26 percent, reaching nearly $14 billion annually. These exports support over 200,000 high-wage American jobs. Our exports were led by rising demand for U.S. aerospace products, computers, grains, chemicals, telecommunications technology, power generation equipment, electronics, and financial services.

Last year, China imported $2.6 billion of U.S. farm products, making it the sixth-largest market in the world for American agriculture. While many of our other leading farm customers are mature Asian and European markets, China has vast potential. To reap the historic promise of the ''freedom to farm'' bill, America's farmers need continued access to export markets.

U.S.-China trade also supports hundreds of thousands of jobs in U.S. consumer goods companies, ports, transportation firms, and retail establishments.

These exports and jobs would be put at risk if MFN is not renewed or if restrictions and conditions are imposed on future expansion of U.S.-China trade. America's reputation as a reliable supplier would be called into question again by our customers around the world if we revert to a failed policy of using U.S. trade as a foreign policy weapon.

In the last decade, China's market-oriented reforms, which U.S. trade and investment help to support, have contributed to vast improvements in the lives of hundreds of millions of Chinese by raising incomes, expanding economic freedom, improving access to information, and fostering increased support for the rule of law. Cutting off U.S. trade would end the positive influence of American companies in the Chinese workplace and set back the entrepreneurial forces that offer the best hope for freedom and democracy in China.

We have urged the Chinese Government to fully adhere to its negotiated agreements. We have also urged China to undertake the far-reaching commitments required to join the WTO on a commercially acceptable basis.

The ultimate goal of U.S. policy should be to move beyond the divisive annual struggles over China's MFN trading status to a stable and mature relationship that advances American jobs, prosperity, and security. We believe such steps are in our nation's interest. We look forward to working closely with you and the Congressional leadership in the coming weeks to achieve the goal of stabilizing and improving this vital bilateral relationship.

Sincerely,

3M Company; A & C Trade Consultants, Inc.; AAI Corporation; Aaron Ferer & Sons Co.; AATA International, Inc.; Abacus Group of America, Inc.; ABB, Inc.; Abbott Laboratories; ACCEL Technologies; AccSys Technology Inc.; Acme Foundry Inc.; ACTS Testing Labs, Inc.; adidas, AMERICA; Advanced Controls; Aero Machine Co. Inc.; Aerospace Industries Association of America, Inc.; Aerospace Products Inc.; Aerospace Services and Products; AES China Generating Co., The; AES Corporation, The; Agribusiness Assn. of Iowa; Agri-Chemicals Corp.; Agricultural Retailers Association; Agrifos L.L.C.; Air Products & Chemicals Inc.;.

Airguage Company; Airport Systems International, Inc.; Albany International Corporation; Allen-Edmonds; Allied Signal Inc.; Alta Technologies Incorporated; Alto Findley Inc.; AM General Corporation; Amber, Inc.; Amer-China Partners Ltd.; American Accessories International, L.L.C.; American Applied Research; American Association of Exporters & Importers; American Automobile Manufacturers Association; American Bangladesh Economic Forum, The; American Chamber of Commerce—Korea, The; American Chamber of Commerce in Australia, The; American Chamber of Commerce in Guangdong, The; American Chamber of Commerce in Hong Kong, The; American Chamber of Commerce in Indonesia, The; American Chamber of Commerce in Japan, The; American Chamber of Commerce in Okinawa, The; American Chamber of Commerce in Taipei, The; American Chamber of Commerce in the Philippines, The; American Chamber of Commerce in Vietnam—Ho Chi Minh City Chapter, The; American Chamber of Commerce People's Republic of China—Shanghai, The; American Chamber of Commerce People's Republic of China—Beijing, The; American Crop Protection Association; American Electronics Association; American Express Company; American Farm Bureau Federation; American Financial Services Association; American Forest & Paper Association; American Home Products Corporation; American International Group, Inc.; American Malaysian Chamber of Commerce, The; American Pacific Enterprises Inc.; American

President Lines, Ltd.; American Seed Trade Association; American Shorthorn Association; American Soybean Association; American Standard Inc.; American White Wheat Producers Assoc.; Ameritech International; Amiran Zaloom;

Amoco Corporation; AMP Incorporated; Amway Corporation; Andersen Worldwide; Anderson Roethle, Inc.; Andersons, Inc., The; Andros, Inc.; Angel-Etts of California, Inc.; Ann Taylor, Inc.; APEX Broaching Systems; Apoly Industrial Limited; Aptek, Industries; Arbiter Systems, Inc.; ARCO International; Argo Oil & Gas Corporation; Arizona Chamber of Commerce; Armstrong World Industries; ARR/MAZ PRODUCTS, L.P.; ASICS TIGER CORPORATION; Asmara Inc.; Associated Company Inc.; Association for Manufacturing Technology, The; Association of Business & Industry (Oklahoma State Chamber of Commerce); AT&T; ATC International, Inc.; ATSCO Footwear Inc.; Audre, Inc.; AXTOM Training Inc.; Axis Corporation, The; B & B Machine & Tooling Inc.; B&S Steel of Kansas, Inc.; B.H. Aircraft Co. Inc.; Baker & Daniels; Baker, Maxham, Jester & Meador; Bakery Crafts; Bandai America Incorporated; Barbara Franklin Enterprises; Barclays Bank PLC/New York; Baron-Abramson Inc.; Bartow Steel, Inc.; BBC International Ltd.; BCI; Bechtel Group, Inc.; Belk Brothers; Bell South Corporation;

Bennett Importing; Berelson & Company; Best Products Co., Inc.; Beta First Inc.; Beta/Unitex, Inc.; Black & Veatch International; Blue Box Toys, Inc.; BNL Corp.; Boatmans/Bank IV; Boeing Company, The; Bomamza Enterprises, Bombay Company, Inc., The; Bradbury Co., Inc.; Brahm & Krenz International Ltd.; Breslow, Morrison, Terzian & Associates; Bridgecreek Development Co.; Bridgecreek Realty Company; Bristol-Myers Squibb Company; Brite Voice Systems; Brittain Machine, Inc.; Brookstone, Inc.; Brown & Root, Inc.; Brown Shoe Company; Broyhill Inc.; Brunswick River Terminal, Inc.; Budd Company, The; Buffalo Technologies Corporation; Bunge Corporation; Burnett Contracting & Drilling Co., Inc.; Business Roundtable, The; BUTLER GROUP, THE; C&J CLARK AMERICA; C.J. Bridges Railroad Contractor, Inc.; Cadaco, Inc.; Caldor Corporation, The; California Chamber of Commerce; California Microwave, Inc.; California R & D Center; California Sunshine Inc.; Caltex Petroleum Association; Cape Cod Chamber of Commerce; Capital-Mercury Shirt Corp.; Caplan's; Cargill Detroit Corporation; Cargill Fertilizer, Inc.;

Cargill Flour Milling; Cargill, Inc.; Carroll, Burdick, McDonough LLP; Carson Pirie Scott & Co.; Caterpillar Inc.; The Cato Corporation; Celestair, Inc.; Cels Enterprises; Center Industries Corp.; Central Maintenance & Welding, Inc.; Central Purchasing of China, Inc.; Centurion International Inc.; Cessna Aircraft Company; CF Industries, Inc.; CHA Industries; Chadwick Marketing, Ltd.; The Chamber of Commerce of Hawaii; Chance Industries; Chapin, Fleming & Winet; Charles Engineering Inc.; The Chase Manhattan Corporation; Chemical Manufacturers Association; Chevron Corporation; Chief Industries, Inc.; China Products North America, Inc.; China Trade Development Corp.; China-American Trade Society; Chrysler Corporation; The Chubb Corporation; CIGNA Corporation; Citicorp/Citibank; Clark Manufacturing Inc.; Claude Mann & Associates Inc.; Clubhouse Marketing; Coalition of Service Industries; Coastcom; The Coca-Cola Company; Coffeyville Sektam Inc.; Coleman Company, Inc.; Colorworks; Commonwealth Toy & Novelty Co., Inc.; Compaq Computer Corporation; Compressed Air Products, Inc.; Computalog, USA; Computer & Communication Industry Association;

Computing Devices International; ConAgra, Inc.; Conoco; Continental Grain Company; Coopers & Lybrand L.L.P.; Corn Refiners Association; Cornhusker Bank; Corning Incorporated; Coudert Brothers; Countrymark Cooperative Inc.; CPC International, Inc.; Craft Corporation; Crate & Barrel; Creative Computer Solutions; CSX Corp.; CSX Transportation; CTL Distribution, Inc.; Cumberland Packing Corp.; Cybercom; Daggar Group Ltd.; Daisy Manufacturing Co., Inc.; Dale C. Rossman, Inc.; Daniel Valve Co.; DAN-LOC Corporation; Darling International Inc.; Dawahare's, Inc.; Dayton Hudson Corporation; Deere & Company; Dekalb Chamber of Commerce; Diamond V. Mills, Inc.; Digital Equipment Corp.; Direct Selling Association; D-J Engineering Inc.; Dodge City Chamber of Commerce; Donnelley & Sons Company; Dothan Area Chamber of Commerce; The Dow Chemical Company; Dow Corning; DPCS International; Dresser Industries, Inc.; DuPont Company; Duracell International Inc.; Dynasty Footwear; E.S. Originals; Eagle Eyewear Inc.;

Eaglebrook, Inc.; Easter Unlimited/Fun World; Eastman Chemical Company; Eastman Kodak Company; Eaton Corporation; Ebisons Harounian Imports; Eckerd Corporation; Ed Wheeler & Associates; Eden L.L.C.; Edison Brothers Stores, Inc.; Edison Mission Company; Edison Mission Energy; EDS; EG&G, Inc.; Elan-Polo, Inc.; Electronic Industries Association; Eli Lilly and Company; Elicon Endicott Johnson; Emergency Committee for American Trade; Emeritus, Holland & Knight; Emerson Electric Co.; Empire of Carolina, Inc.; Endicott Johnson Corporation; Enercon Industries Corporation; Epperson & Company; Erie Chamber of Commerce; Ernst & Young L.L.P.; The Ertl Company, Inc.; Essex Group, Inc.; Everbrite Inc.; Excel Manufacturing Inc.; Excelled Sheepskin and Leather Coat Corp.; Export Specialists, Inc.; Exxon Corporation; Family Dollar Stores; Farmland Hydro, L.P.; Farmland Industries, Inc.; Federated Department Stores, Inc.; Feizy Import and Export Company; The Fertilizer Institute; Fife Florida Electric Supply, Inc.; FILA USA; Fingerhut Companies, Inc., First Chicago NBD Corporation; Firstar Bank;

Fischer Imaging Corporation; Fisher-Price, Inc.; Flight Safety International; Florida Phosphate Council; Flour Daniel, Inc.; FMC Corporation; FMC-Crosby Valve Inc.; FMH, Inc.; FOOTACTION USA; Footwear Distributors and Retailers of America, Inc.; Ford Motor Company; Forec Trading Inc.; Forte Cashmere Company, Inc.; Forte Lighting, Inc.; Foster Wheeler International; Foxboro Company; Frank L. Wells Company; Freeman International Inc.; Freeport-McMoRan Inc.; Frio Machine Inc.; GT Sales & Manufacturing Inc.; G.A. Germenian & Sons; Galamba Metals Inc.; Galt Sand Co.; Galveston-Houston Company; Gap, Inc., The; GEC Precision; Genencor International, Inc.; General Dynamics Corporation; General Electric Co.; General Motors Corporation; GENESCO, Inc.; George Giocher, Inc.; Gingles Department Stores; Global Construction; Global Group; Global Rug Corp.; Goodyear Tire and Rubber Company; Gordy International; Gottschalks, Inc.; Graham & James LLP; GRAND IMPORTS, INC.; Great American Fun Corp.; Great Eastern Mountain Investment Corp.; Great Plains Industries;

Great Plains Manufacturing; Great Plains Ventures, Inc.; Greater Hartford Chamber of Commerce; Greater North Fulton Chamber of Commerce; Greater Omaha Chamber of Commerce; Greater Pittsburgh Chamber of Commerce; Guardian Industries Corporation; Gulfstream Aerospace Corporation; Gund Inc.; Halliburton Company; Hallmark Cards, Inc.; Hallum Tooling Inc.; Harlow Aircraft Manufacturing; Harris Company, The; Harris Corporation; Harris Laboratories Inc.; Harry Sello & Associates; Harsco Corporation; Harvest States Cooperatives; Hasbro, Inc.; Hays Area Chamber of Commerce; Heart Care Corporation of America; HEICO Corporation; Henry Company; Hercules Incorporated; Hewlett-Packard Company; Hill and Knowlton Public Affairs Worldwide Co.; Hills & Company; Hills Pet Nutrition; Hoechst Celanese; Holland Pump & Equipment; Holland Pump MFG, Inc.; Holt Company The,; Homecrest, Inc.; Honeywell; HSQ Technology; Hub Tool & Supply Inc.; Hufcor, Inc.; Hughes Electronics Corporation; Hurd Millwork Company, Inc.; Hydril Company; IBM; IBM Greater China Group; IBP, Inc.; IES Industries Inc.;

IMC Global Inc.; IMC-Agrico Company; Imperial Toy Corporation; Indiana Agribusiness Assoc.'s; Infra-Metals Co.; Ingelbert S. Corp.; Ingersoll-Rand Co.; Interconnect Devices, Inc.; Interex Computer Products; International Development Planners; International Mass Retail Association; International Sea Star, Inc.; International Seaway Trading Corp.; International Trade Services; INTER-PACIFIC CORP.; Intertrade Ltd.; Iowa Beef Packers; Irving Shoes; Irwin Toy; ISCO, INC.; ITOCHU International Inc.; ITT Corporation; ITT Industries; J. Baker, Inc.; J.C. Penney Company, Inc.; J.H. Ham Engineering, Inc.; Jacobs Engineering Group Inc.; Janco Corporation; Janex Corporation; Japan & Orient Tours, Inc.; JBL International; Jerry Elsner Company, Inc.; JIMLAR CORPORATION; Johnson & Johnson; Johnson Worldwide Associates; Jolly U.S.A. Inc.; Jonathan Stone, Ltd.; J-TECH ASSOCIATES; Juice Tree Inc.; JuNo Ind Inc.; K Mart Corporation; K X Metal Inc.; Kalaty Rug Corporation; Kamen Wiping Materials Inc.; Kansas Association for Small Business;

Kansas City, KS Area Chamber of Commerce; Kansas Farm Bureau; Kansas Livestock Association; Kansas State Chamber of Commerce & Industry; Kansas State University; Kansas World Trade Center; Karman, Inc.; Kasper Machine Company; Kids International Corp.; Knitastiks; Koch Materials; Kohler Company; Koll Asia Pacific; KSK INTERNATIONAL; K-SWISS, INC.; L & M Enterprise; L & S Machine Co., Inc.; L D Supply Inc.; L.A. GEAR; LAIRD, LIMITED; Lampton Welding Supply Co., Inc.; Lane Piping & Equipment Company; Lear Corporation; Learjet; Learning Curve Toys; Leather Apparel Association; LeFebure; Leo A. Daly Company; Lewis Galoob Toys, Inc.; Liberty Classic, Inc.; Lillian Vernon Corp.; Limited, Inc., The; Lindsey Manufacturing Co.; Liquidynamics, Inc.; Litton Engineering Laboratories; Litton Systems & Guidance Control; Livernois Engineering; Liz Claiborne, Inc.; LJO, INC.; Local Knowledge; Lockheed Martin Corporation; Loctite Corporation; Lone Star Steel Company; Lorenzo, Inc.; Louis Dreyfus Corporation;

Lubbock Chamber of Commerce; Lucas-Milhaupt, Inc.; Lucent Technologies; Lyons Manufacturing Company; M.W. International, Inc.; Magnatek National Electric Coil; Mandarin Pacific Bridge; Manitowoc Equipment Works; Manley Toys USA Ltd.; Marcella Fine Rugs; Marjan International Corp.; Marriott Lodging, International; Mars, Incorporated; Martin-Decker/Totco Instrumentation, Incorporated; Masco Corporation; Matlack Systems, Inc.; Mattel, Inc.; May Company Stores, The; McClurkans; McDermott/Babcock & Wilcox; McDonald & Pelz; McDonald Construction Corporation; McDonnell Douglas Corporation; McGraw-Hill Companies, The; Mead Corporation; Melder International Trade Inc.; Meldisco; Memcon Corporation; MEPHISTO, INC.; MERCURY INTERNATIONAL; Meritus Industries Inc.; Mesa Laboratories, Inc.; Metal Forming Inc.; Metalcost Inc. of Florida; M-I Drilling Fluids L.L.C.; Michaelian & Kohlberg; Micro Motion, Inc.; MIDAMAR

CORPORATION, Mid-Central Manufacturing Inc.; Middle East Rug Corporation, Midland Chamber of Commerce; Midland Furnigant Company, Inc.; Midwest of Cannon Falls; Mighty Star, Inc.; Millers' National Federation.

Milling Precision Tool Inc.; Mine & Mill Supply Company; Mini-Mac Inc.; Mires Machine Company, Inc.; Mize & Company; Mizuno Corporation of America; Mobil Corporation; Momeni Inc.; Monsanto Company; Montgomery Ward & Co., Inc.; Morgan Stanley Group; Motorola; Mount Sopris Instruments; Moussa Etessami & Sons Corp.; Mulberry Motor Parts, Inc. (NAPA); Mulberry Phosphates, Inc.; Mulberry Railcar Repair Co.; Mustang International Groups Inc.; MWI Corporation; NAK, Corp.; National Association of Chain Drug Stores; National Association of Manufacturers; National Association of Purchasing Managers; National Barley Growers Association; National Broiler Council; National Corn Growers Association; National Cottonseed Products Association; National Council of Farmer Cooperatives; National Foreign Trade Council, Inc.; National Grain and Feed Association; National Grain Sorghum Producers; National Grain Trade Council; National Nuclear Corporation; National Oilseed Processors Association; National Plastics Color; National Retail Federation; National Sporting Goods Association; National Sunflower Association; National Turkey Federation; Natur's Way, Inc.; Natural Science Industries, Ltd.; Nazdar; Nebraska Corn Growers Association; Nebraska Farm Bureau Federation; Nebraska Soybean Association.

Nebraska Wheat Board; New Basics, Inc.; New England Securities; Nexus Corp.; NIKE, Inc.; Nikko America Inc.; Norand Corporation; Nordstrom Valves, Inc.; Norman Broadbent International, Inc.; Normart Enterprises, Inc.; NORTEL (Northern Telecom); North American Export Grain Association Incorporated; North Shore Chamber of Commerce; Northridge Travel Service; Northrop Grumman Corporation; Northwest Horticultural Council; Norton McNaughton; Notations, Inc.; NOURISON; Nylint Corp.; NYNEX Corporation; Ohio Art Company, The; Ohsman & Sons Company; Oil Capital Limited, Inc.; Oil States Industries Inc.; Oklahoma Fertilizer & Chemical Association; Oklahoma Grain & Feed Association; Oklahoma State Chamber of Commerce; OLEM SHOE CORP.; Orchid Holdings, L.P.; Orient Express Rug Co.; Oriental Rug Importers Association, Inc.; Overland Park Chamber of Commerce; Owens Corning; Pac Am International; Pacific Bridge, Inc.; Pacific Northwest Advisors; Pacific Rim Resources, Inc.; Pacific Tradelink Inc.; PAN PACIFIC DESIGNS; Panamax; Parisian, Inc.; Parker Majestic Inc.; Paul Harris Stores; Payless ShoeSource, Inc.

PC LTD.; PCS Phosphate—White Springs; PE/Koogler & Associates; Peebles, Inc.; Peninsular Group, The Pennfield Oil Company; Pepsico Food & Beverage Int'l.; Perigee Technical Services, Inc.; Petroleum Equipment Suppliers Association; Pfizer, Inc.; PhF Specialists Inc.; Philip Morris International; Phillips Petroleum Company; Phoenix Products Company, Inc.; Phoschem Supply Company; PIC'N PAY STORES, INC.; Pick Machinery; Pico Design, Inc.; Pioneer Balloon Company; Piscataway/Middlesex Area Chamber of Commerce; Pizza Hut; Plastic Fabricating Co., Inc.; Play-Tech, Inc.; Polaroid Corporation; Polk Equipment Company, Inc.; Polk Pump & Irrigation Co. Inc.; Porta-Kamp Manufacturing Co. Inc.; Portman Holdings; Power Link Inc.; PPG Industries, Inc.; Praxair, Inc.; Precision Manufacturing Inc.; Pressman Toys; PREUSSAG Int'l Steel Corp.; Price Waterhouse LLP; Processed Plastic Co.; Procter & Gamble; PROFESSIONAL Machine & Tool; PTX-Pentronix Inc.; Puritan-Bennett Aerospace Systems; Quality Petroleum Corporation; Quality Tech Metals; Quantum International; Racine Federated Inc.; RACKESdirect

Rail Safety Engineering; Rainbow Technologies; Rainfair, Inc.; Ralston Purina International; Rays Apparel, Inc.; Raytheon Aircraft Company; Raytheon Appliances, Inc. (Amana); Raytheon Company; Reebok International, Ltd.; Regal Plastics Company; Regent Intl. Corp; Reid & Priest LLP; Reliance Steel & Aluminum Co.; Renaissance Carpet; Revell-Monogram, Inc.; Reynold's Bros., Inc.; Richfield Hospitality Services, Inc.; Riggs Tool Company Inc.; RIGHT STUFF, THE; Robin International; Robinson Fans; Rockwell; Rohm and Haas Co.; Ross Engineering Corp.; ROTO-MIX; Rubbermaid Speciality Products, Inc.; Russ Berrie and Company, Inc.; RXL Pulitzer; Ryan International Airlines; S. Rothchild & Co., Inc.; S.R.M. Company, Inc.; Safari Ltd.; Salant Corporation; Salina Area Chamber of Commerce; SALLAND INDUSTRIES LTD; Samad Brothers, Inc.; Samsonite Corporation; Sand Livestock System, Inc.; Sansei Hawaii, Inc.; Santa Barbara International Film Fest; Sauder Custom Fabrication Inc.; SBC Communications Inc.; Scarbroughs; Scarlett/Dalil Fashions; Schering-Plough Corporation

Scienfic Design Company, Inc.; Scranton Corp.; Sea-Land Service, Inc.; Sears, Roebuck and Co.; Security DBS; SEEMA International, Ltd.; Semiconductor Industry Association; Shanghai Centre; Shanghai Industrial Consultants; SHONAC CORP.; Smith Bros. Oil Company; SmithKline Beecham; SMS Group Inc.; Snap-on Tools; Soilmoisture Equipment Corp.; Soleimani Rug Company; Southwest Paper Co., Inc.; Southwestern Bell; Sperry Sun Drilling Services; Spiegel, Inc.; SPM Flow Control; Standard Parts & Equipment; STRIDE RITE CORP., THE; Strombecker Corporation; Suman Technology International; Sundstrand Aerospace; Superior Coatings, Inc.; Sweeney; Sweepster Inc.; Symbios Logic; Tacoma-Pierce Co. Chamber of Commerce; Tai-Pan International, Inc.; Takenaka & Company; Tampa Armature Wks; Tampa Electric; Tampa Port Authority; Teck Soon Hong Trading Inc.; Tekra Corporation; Telecommunications Industry Association; Teledyne, Inc.; Tennessee Association of Business; Terra Industries Inc.; Texaco Inc.; Texas Instruments; Texas Pup, Inc.;

Textron Inc.; Thom McAn Shoe Company; Thomas H. Miner & Associates; Time Warner Inc.; Tomy America Inc.; TOPLINE CORPORATION, THE.; Toy Biz, Inc.; Toy Manufacturers of America. Inc.; Toys 'R' Us; TRADE WINDS.; Tradehome Shoe Stores. Inc.; Trans-Ocean Import Co., Inc.; Trans-Phos, Inc.; TRI-STAR APPAREL, INC.; Triumph Controls, Inc.; TRW Inc.; Tube Sales Inc.; Tuboscope Vetco International Inc.; Tucker Manufacturing Co., Inc.; Turner Electric Works; Tyco Preschool; Tyco Toys, Inc.; Tystar Corp.; U.S. Agri-Chemicals Corp.; U.S. Association of Importers of Textiles and Apparel; U.S. Canola Association; U.S. Chamber of Commerce; U.S. Council for International Business; U.S. Feed Grains Council; U.S. Sprint; U.S. Trading & Investment Company; Uneeda Doll Co. Ltd.; Union Camp Corporation; Union Carbide Corporation; Union Pacific Railroad; Unirex Inc.; Unison International; United Fresh Fruit & Vegetable Association; United Machine Co. Inc.; United Parcel Service; United Retail Group, Inc.; United States-China Business Council, The; United Technologies Corp.; USA Rice Federation; US-China Industrial Exchange, Inc.;

USX Engineers & Consultants, Inc.; Varian Associates; Vector Corporation; Venture Stores; VICPOINT (USA) LIMITED; Virginia Crop Production Association; VTech L.L.C.; Vulcan Chemicals; W.H. Smith Group (USA), Inc.; Waldor Products, Inc.; WAL-MART; Walnutron Industries, Inc.; Waltham West Suburban Chamber of Commerce; Warnaco; Warner-Lambert Company; Weatherford Enterra; Weaver Manufacturing Inc.; Weaver's Inc.; Web Systems. Inc.; Wellex Corporation; Western Atlas Inc.; Western Digital; Western Resources; Westinghouse Electric Corp.; WESTVACO CORPORATION; Weyerhaeuser Company; Whirlpool Corporation; Whittaker Corporation; Wichita Area Chamber of Commerce; Wichita Machine Products Inc.; Wichita State University; Wichita Tool; Wichita Wranglers; WiCON International Ltd.; Wilson The Leather Experts; Windmere Corporation; Wippette International Inc.; Wisconsin Agri-Service Assn, Inc.; Wisconsin Fertilizer & Chemical Association; WJS Inc.; Wm F. Hurst Co., Inc.; Wm Wrigley Jr. Company; Woodward-Clyde International; Woolworth; World Trade Center Denver; World Trade Center of New Orleans; World Trade Center, Sacramento; Worldports, Inc.; Xerox Corporation; Yuan & Associates; Zero Zone, Inc.; Zond Corporation;

Mr. CRANE. Mr. Speaker, I yield 1 minute to my distinguished colleague the gentleman from Illinois [Mr. EWING].

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

Mr. EWING. Mr. Speaker, I come here as a Representative of thousands of small people that the last speaker missed. Those people are the farmers of America to whom trade with China is extremely important. It is indeed the fastest growing market.

My colleagues may think that just serves American farmers. It does not. I firmly believe that when we are involved in China, we can improve conditions in China.

I also know when we are growing corn here in America to send to China, they are not pawing up sensitive, environmentally sensitive, land and putting it to production.

My colleagues, there are many good reasons why we need trade with China, and we must defeat this resolution. But it is good for jobs in America, it creates thousands of jobs in the heartland, it is good for our agricultural economy, it is good for our trade balance, it is good for the environment.

Vote ''no'' on this resolution.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, I really appreciate my colleagues on the other side of this issue starting off by kind of putting on the table that China is a country that massacres its own people, that tortures its own people, that puts them in slave labor camps, that proliferates nuclear, chemical, and biological weapons. Put that all aside; this is a good deal for America.

Let us go to the good deal for American part.

We lose 700,000 jobs in our trade with China. It is a net loss of 700,000, a minimum.

Now let us take a look at specifics. I come from the State of Connecticut.

We used to have a city outside my district called the hardware capital of the country. They still call it Hardware City. Guess what? They do not make those products in New Britain any more. Why? Because somebody in New Britain wants a dollar for what a Chinese worker will do for 2 cents or gladly make in jail.

Remember the film with Harry Wu, when Harry asked the Chinese official, ''How do you maintain quality when you got workers in prison?''

The Chinese officials said, ''We beat them, we beat them.''

That is who my colleagues want to give MFN to, not a normal country with normal practices, a tyrannical power that oppresses its own people.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL].

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I stand her today to voice my opposition to the disapproval resolution for MFN. Once again, the House is going through it annual summer ritual of debating MFN for China. Each year this is a difficult decision for me. I decided last Congress that we should renew MFN and continue to pursue other course of action to improve human rights in China. I continue to believe at this time it would not be the right approach for the United States to revoke MFN for China.

The relationship between United States and China is complex and involves many issues: human rights and democracy, nonnproliferation, Taiwan, Tibet, trade and intellectual property rights. This relationship is very fragile and a balance needs to be struck. This relationship is like walking a tightrope. One missed step could throw the entire relationship off balance permanently.

A sound relationship with China is in our national interest. China is the world's largest country. Years ago, we tried to isolate China and that policy failed. We should not repeat mistakes of the past. Engagement with China is the best solution. We cannot isolate China. We need to continue engaging China in a dialog to promote our interests, especially human rights.

The behavior of China in the past few months has been far from exemplary. Human rights abuses continue. Commitments to intellectual property enforcement were broken. Aggressive military actions toward Taiwan occurred. Communist military, Chinese military industries attempted to sell AK–47 rifles to United States law enforcement officers conducting a sting operation. These are important issues that should be addressed in another manner than revoking MFN.

Revoking MFN would punish the United States more than it punishes China. Revoking MFN would harm our security, political and economic interests. American exports and jobs depend on decent relations with China. In 1995, $12 billion in exports to China supported 170,000 high-wage United States jobs. Many of China's most prominent dissidents including leaders of the pro-democracy movement at Tiananmen Square do no support revoking MFN for China.

Recent actions by China made many of us angry, but revoking MFN is a knee-jerk reaction which might provide instant gratification, but over the long run we would regret our actions. The repercussions of revoking MFN are great.

President Clinton stated:

> We have to see our relations with China within the broader context of our policies in the Asian Pacific region. I am determined to see that we maintain an active role in this region . . . I believe this is in the strategic interest, economic, and political interests of both the United States and China . . . I am persuaded that the best path for advancing freedom in China is for the United States to intensify and broaden its engagement with that nation.

I completely agree with the President's statement, United States interests are best served by a secure, stable, open and prosperous China. We need to encourage China to embrace international trade and proliferation rules. We need to pursue improving human rights through diplomatic contacts and with the assistance of the United Nations Human Rights Commission. The Clinton administration issued voluntary principles for the conduct of American business globally, including those conducting business in China. The Clinton administration has pressed for the release of political dissidents and religious prisoners. These are the type of actions we need to be taking.

We need to improve our relationship with China. Complex areas of the United States-China relationship can and should be addressed. House Joint Resolution 461 offered by Mr. COX provides an opportunity for these issues to be addressed by the House. Revoking MFN would make this impossible. Engagements is our best approach.

Mr. Speaker, these are issues that cannot be swept under the rug, but the question is how best to resolve them, how best to speak to them, and that is to engage the Chinese.

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Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. BURTON], a champion of liberty.

Mr. BURTON of Indiana. I thank the gentleman for yielding time to me.

Mr. Speaker, I would just like say to my colleague who just spoke, he made my case. He made my case. They thumb their nose at the rest of the world. They sell chemical biological weapons to the rest of the world, they sell military equipment to street gangs in the United States of America. They violate the security of Taiwan by trying to interfere in their elective process, by starting war games.

There are 10 million people, count them, 10 million people in Communist gulags that are slave laborers, that are making products they are selling to the rest of the world, and we are concerned about the almighty dollar to such a degree that we say, oh, we are not going to pay any attention, we are going to grant them MFN.

Mr. Speaker, we need to send Communist China a message and let the rest of the world know very clearly that those kinds of actions will not be tolerated by this country. If they want to do business with the free world, they have to act like a democratic society.

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to my colleague and neighbor, the gentleman from Illinois [Mr. MANZULLO].

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

Mr. MANZULLO. Mr. Speaker, every day millions of Americans get up, pack their lunch, send their kids off to school, and go to work. Denying normal trade relations with China hurts these families. These Americans have no idea the products they make end up in China. Denying normal trade status for China jeopardizes the long-term survivability of these high-paying jobs.

For example, in addition to 600 Neons shipped directly from Belvidere, IL, to China, Chrysler Corp. purchased $1.3 million in parts from six automotive parts makers spread throughout the 16th District of Illinois to supply their Jeep plant in Beijing.

Sunstrand Corp. and Woodward Governor sell industrial and aerospace products to China. Ingersoll Milling Machine of Rockford sells electrical generating machines to China worth $3.5 million. Honeywell in Freeport expects to sell 5 percent of their total production to China by the year 2004. Motorola of Schaumburg sold roughly 1.2 billion dollars' worth of goods to China in 1994. They are building a factory in the district I represent that will employ 5,000 new people making cellular phones to ship to China.

It is not just large companies. RD Systems of Roscoe landed a $1.7 million contract to build four machines for a Chinese manufacturer of cell phone batteries. That is 30 percent of the business for a company with only 30 employees. The list goes on. T.C. Industries of Crystal Lake supplies blade tips to Caterpillar.

Mr. Speaker, MFN for China means jobs for America.

Mr. Speaker, every day millions of Americans get up, pack their lunch, send their kids off to school, and go to work. Denying normal trade relations with China hurts these families. These Americans are forgotten in this debate. They have no idea that the products they make end up in China. Denying normal trade status for China jeopardizes the long-term survivability of their high-paying jobs.

For example, in addition to 600 Neons shipped directly from Belvidere, IL, to China, Chrysler Corp. purchased over $1.3 million in parts from six automotive parts makers spread throughout the 16th District of Illinois to supply their Jeep plant in Beijing.

Sundstrand Corp. of Rockford and Woodward Governor sell industrial and aerospace products to China.

Ingersoll Milling Machine of Rockford sell electrical generating machines to powerplants in China worth $3.5 million each.

Honeywell in Freeport expects to sell 5 percent of their total production to China by 2004.

Motorola of Schaumburg sold roughly 1.2 billion dollars' worth of goods to China in 1995. Their rapid expansion in Asia is one reason why Motorola is building a 5,000 employee factory in Harvard, IL, to manufacture cellular telephones for the iridium system.

And, it's not just large businesses. RD Systems of Roscoe landed a $1.7 million contract to build four machines for a Chinese manufacturer of cell phone batteries, representing one-third of the total annual sales for their 30 employee company.

T.C. Industries of Crystal Lake supplies blade tips to Caterpillar tractor, which has a vast interest in China. Clarcor of Rockford has a joint venture in China to manufacture heavy duty engine filters for heavy equipment. Reed-Chatwood sells textile machinery directly from Rockford to China.

And Illinois farmers are jumping at the opportunity to sell agriculture products to China. In 1995, United States agricultural sales to China doubled from the previous year to $2.6 billion.

It is expected that China will account for 37 percent of the future growth in United States exports. Thus, trade with China is a cornerstone for resolving the most pressing problem in the minds of the forgotten American—stagnant wages and job growth.

Mr. STARK. Mr. Speaker, I am happy to yield 1 minute to the gentleman from South Carolina [Mr. SPRATT].

Mr. BUNNING of Kentucky. Mr. Speaker, I also yield 1 minute to the gentleman from South Carolina [Mr. SPRATT].

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from South Carolina [Mr. SPRATT] is recognized for 2 minutes.

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

Mr. SPRATT. Mr. Speaker, I oppose most-favored-nation status for China. It is not in the best interests of China, not its people nor its despotic rulers, not in the best interests of the United States.

I oppose MFN for China for three reasons. First, China has no sense of trade reciprocity. It accounts for the second largest share of the U.S. trade deficit, the largest export of textiles and apparel to the United States. But what did China do with its $34 billion surplus last year? They used our $34 billion of hard currency to buy capital and consumer goods from Europe and Japan and the rest of Asia, not from the United States.

No country enjoys more open access to our textile and clothing markets than Japan, than China, and last year they sold us $9 billion in clothing and fabrics. Despite this liberal access to our markets, they egregiously cheated. They mislabeled and transshipped up to $44 billion in goods through other countries in order to avoid our quotas. By voting against MFN, we are telling China that we do not favor countries that flout the rules of fair trade with us.

Second, China denies its people the human rights which we regard as fundamental to a civilized society. We have a moral role here, to say to China: You have to pay a price for treating your people so oppressively.

Third, China brazenly sells nuclear and missile technology to non-nuclear nations. They know they are in violation of the law. There is ample evidence that the PRC has helped nations such as Pakistan and Iran develop weapons of mass destruction.

I know that many countries enjoy MFN status, so many that it means a lot less than the name implies, but I take the name literally. I bristle at the notion of calling a country like China, guilty of abuses we all acknowledge, a most favored nation.

Mr. Speaker, I realize this resolution is likely not to pass, but by voting for it we can send a stern message to China and we can stiffen the resolve of our administration to resist China's accession to the World Trade Organization without major reforms in the way China deals with its own people, its neighbors like Taiwan, and its trading partners.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. DOOLEY].

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

Mr. DOOLEY. Mr. Speaker, I rise today to express my support for continued normal trade relationships with China. I have been amazed by some of the comments by some of the opponents of China MFN. One speaker earlier said that granting China MFN poses a threat to the industrialized world. What nonsense. The truest threat to the industrialized world is in fact to adopt the trade policies of the opponents of China MFN. The truest threat to the industrialized country of the United States, the truest threat to the jobs which are so dependent on international trade in the United States, is once again to adopt a trade policy that builds walls around this country.

History has taught us that improving the human condition of people, enhancing the human freedoms of people, is best achieved by improving the economic condition of people. That is what we are doing by maintaining normal trade relations with China. China represents a great potential market for United States exports. China has 1.2 billion consumers who are living in a country that has experienced a GDP growth rate of 10 percent over the last 4 years. It is the United States who is accessing a lot of that increased market share. We have seen a rise of over 200 percent in the United States exports of telecommunications equipment to China. As a representative of one of the major agricultural regions in the country, I can state that we are benefiting greatly in the agriculture sector. We have seen it increase 175 percent of United States agriculture sales to China. China MFN is good economic policy for this country, and is in the best interests of the Chinese people.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. COX].

Mr. ROHRABACHER. Mr. Speaker, I yield an additional 2 minutes to my colleague, the gentleman from California [Mr. COX], who is on the short list for Vice President.

The SPEAKER pro tempore. The gentleman from California [Mr. COX] is recognized for 3½ minutes.

Mr. COX of California. Mr. Speaker, I thank both of my colleagues for yielding time to me.

Mr. Speaker, much of the debate has centered around whether most-favored-nation trade status is capable of addressing issues beyond trade. The implicit notion is that once we stop talking about things like theft of intellectual property, once we stop talking about facts, such as that the average tariff levels on United States goods maintained by Communist China are more than 15 times higher than United States tariffs on Communist Chinese imports to our country, that we have gone beyond trade qua trade, that we therefore have extended into the realm of something else; perhaps national security, perhaps international relations, but surely not MFN.

Mr. Speaker, it is true that we do have a great deal of concern with China's policies that apparently deal not with trade but other things, like the torture of religious figures. Chen Zhuman was hung upside down in a window frame as his personal torture. The brutal occupation of Tibet is not apparently about trade. The fact that Communist China is a one-party state which is capable of imprisoning for 28 years now a democracy activist like Wei Jing Sheng is not, I suppose, technically about trade.

Maybe even the Laogai forced labor camp system, the Chinese gulag that comprises over 3,000 such camps, maybe that is not technically about trade. Maybe the live shelling of Taiwan's shipping lanes earlier this year when Communist China sought to intimidate the nascent democracy on Taiwan, which was then holding the first Presidential election, democratic Presidential election, not only in Taiwan's history but in 4,000 years of Chinese history, maybe that was not exactly about trade.

Maybe even the sale of M–11 missiles illicitly, capable of delivering unclear warheads, to Pakistan, or the sale to the same country of ring magents for the purposes of enriching uranium, or of selling the ingredients for chemical weapons to Iran, maybe that is not trade, although clearly it is trade in illicit arms.

But in fact, Mr. Speaker, we are not talking about trade in the usual sense. We think of trade as independent commercial entities acting with a profit motive and responding to market forces. The People's Liberation Army is not such an independent entity, but the People's Liberation Army is engaged in trade. How much? The People's Liberation Army controls, according to not just the China Business Review, which printed this, but the Defense Intelligence Agency of our country, over 50,000 companies, commercial fronts generating moneys for the largest armed forces on Earth. They are into pharmaceuticals, real estate, bicycles, cleaning supplies. When we trade with these entities, we are in fact benefiting the very Peoples Liberation Army that is responsible for the internal oppression and the external proliferation of nuclear and chemical weapons.

This is not trade, it is not commercial activity. It is off-budget financing for the Peoples Liberation Army. So MFN is not just about trade, either. It is about financing communism. Let us stop pretending otherwise.

Mr. ROHRABACHER. Mr. Speaker, I yield 2 minutes and 30 seconds to the gentleman from Arizona, Mr. MATT SALMON, the only colleague in this body who is fluent in Mandarin Chinese and who did 2 years of missionary work in China before coming here.

Mr. SALMON. Mr. Speaker, I do not think this phrase was ever more appropriate than it is now: So much to say, so little time. This is probably the most gut-wrenching issue that I have faced since I have been in Congress just a short tenure of almost 2 years.

When I served a mission in Taiwan from 1977 to 1979, I got to know and to love the Chinese people deeply. I got to know several people who had escaped from China and escaped the persecution there several decades ago. When the Chinese started launching missiles in the Taiwan Strait earlier this year, there was nobody in this Congress that was more angry than me, that wanted to stand by Taiwan's side more than me, because I have loved ones and friends there that I was deeply concerned about and fearful for their lives.

Clearly, the impassioned messages against human suffering and misery are heartfelt and sincere, and the leaders in the opposition to MFN, the gentleman from California, DANA ROHRABACHER, the gentlewoman from California, NANCY PELOSI, the gentleman from New York, JERRY SOLOMON, and on and on, they really care deeply about the issues they talk about. Nobody will question that. We all want the evil to stop.

But let us not confuse our tactics with our objectives. It is for precisely the same reasons that they care about these issues that we have to preserve MFN. Let us think about it. If we cut off MFN, what is the next likely thing that will happen? Trade relations will deteriorate. We will have trade wars. Diplomatic ties are severed. What is the end result? A cold war. Then what kind of influence do we have? Do we think those countries like France, Germany, Japan, that will jump in and fill that niche, do we think they will be raising those objectives, those issues? They never have before.

If we really care about the human suffering and misery, we will continue engagement. But we are not silent about the things we care so deeply about. Let us continue to use every other sanction we possibly can. Let us continue to look for other opportunities, but let us not completely take ourselves away from the table. Let us be smart about this.

That is why the people that really understand this, people like Martin Li, are saying we have to keep it. Talk to the people who have much more of an axe to grind than we do. We are righteously indignant about what is happening there, rightly so, but how about the people who stand to lose a lot more, their lives and freedom and everything they hold dearly? What about people like Martin Li, who have led the opposition to the violation of human rights in Hong Kong, and who was the father of the Bill of Rights for Hong Kong? He wrote us a letter yesterday and said the absolute worst thing we could do would be to revoke MFN.

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Listen to what the dissidents said, listen to what people like Teng-hui Li, the President of Taiwan said; he has more of a stake in this than anybody. It would be foolish to revoke MFN. It will hurt the things that we care about.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Speaker, we are going to hear a lot of speeches about why we should not have trade relations, MFN with China because of the poor relations on trade where we would lose $34 billion a year in terms of trade revenues.

On proliferation, on the idea that the Chinese are out selling weapons of nuclear destruction, of mass destruction to enemies of this country such as Iran where we see them selling nuclear technology to the Pakistanis. We are going to hear arguments about human rights in China and about the denial of the ability of individuals to stand up for freedom in that country.

However, I do not think that this is an issue about just China. I think that this is an issue about the United States of America. It is an issue that allows the people of this Chamber to stand up and talk freely about the issues that we are concerned about, and it is about the fact that this country has been the leader of the free world. Yes, other countries will move in and try to take advantage of this country's stand for those principles of freedom.

The truth of the matter is that, if the Germans and the Japanese or other countries want to move in and take advantage, I say that the people of the world will recognize the leadership, the fundamental moral leadership that this country stands for. As a result of that, as a result of what this country means to people throughout the rest of the world, this country will continue to be able to thrive economically and socially.

We should not abandon the principles that let blood of our brothers and sisters and our parents bleed on the face of this planet because the principles of democracy go by the wayside for the principles of the almighty dollar and Chinese trade.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

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

Mr. ROEMER. Mr. Speaker, I rise in strong support of MFN for China. Changing China's human rights policy is going to be like turning a blimp around in an alley. It is going to be very difficult, very slow, very painful. The process is going to take idealism and commitment to human rights. It is not going to be done by the Japanese; it is not going to be done by the South Koreans or the Europeans. It is going to be done by the United States of America. We have that commitment. We have those beliefs. We can help in small ways change the policy in China.

Now, what is the cost if we do not do this? What is the cost if we do not do this in the best economic interests of the United States? The cost is probably, one, China starts to build on their already biggest standing army in the world; there is more volatility in this region of the world; the United States spends more and more on our defense. We lose jobs in this country, the deficit continues to go up. There is a real cost for the United States not to do this.

What do some people say about the answer? Pat Buchanan says, let us build walls. Not a Great Wall in China, let us build walls across the United States so that Indiana can trade with Arizona.

I say to the people of this body, that is not the answer. If we believe in the American dream, if we believe we have the best workers, if we believe we make the best products, if we believe we stand up for human rights, do what is right, not for the Chinese, do what is right for America and support MFN.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. LIGHTFOOT].

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

Mr. LIGHTFOOT. I thank the gentleman for yielding me this time.

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

Mr. Speaker, all of us share the same fundamental goals with respect to China. We all want to see China develop not only as an economic force,

but also evolve in its views on human rights and the value of free and open democratic government. We just need to pursue these goals in the ways most likely to produce success.

And although I agree that China has pursued policies which are not in the best interests of the United States and other Pacific Rim nations, we must ask ourselves: does the proposed policy, to revoke China's trade status, the correct policy prescription?

While it may feel good in the short term to try to force China to change; ultimately it is counterproductive. Revoking normal trade relations, or MFN, would merely kick the legs out from under those in China we seek to support, the hard reality is that revoking China's trade status is unlikely to mitigate China's behavior and will harm American businesses as they are replaced in China by other companies.

The best way for us to encourage democratization, free enterprise, and respect for human rights, is by maintaining as close contact with the Chinese as possible. A policy of engagement helps maintain a constructive environment within which to influence Chinese policy.

It would also be damaging here at home. The State of Iowa—as with many others—exports billions of dollars worth of products to China each year. Even more is sent to China through Hong Kong. China is also projected as one of the most important growth markets for U.S. agriculture.

Mr. Speaker, I urge all Members to take the responsible, constructive approach today for the United States and China, for the advancement of democracy and human rights, and for our constituents.

Please vote down this resolution.

Mr. STARK. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, when the House considered most-favored-nation status for China last year, supporters of cutting off MFN privileges were told over and over again, be patient, that things in China would get better if we were just patient. Basically we were urged to adopt a wait-until-next-year philosophy, familiar to fans of losing sports teams everywhere.

Wait until next year, we were told, and China will stop selling nuclear weapon-related equipment to the world's troublemakers. Wait until next year and China will stop choking off America's imports and running up a massive trade deficit. Wait until next year and China will stop prosecuting and persecuting its own people.

Well, Mr. Speaker, next year has arrived, and China has not only failed to improve its nonproliferation trade and human rights record, but the Chinese behavior in each one of these areas has deteriorated since last year.

First is nuclear weapons proliferation. Earlier this year the CIA confirmed that China sold to Pakistan nuclear-capable M–11 missiles and equipment which is important in the production of nuclear weapons. Over the last decade it has been demonstrated that China has a nuclear rap sheet as long as our arms. Let us not kid ourselves about their attitude about selling nuclear weapons-related materials into the global economy. China has sold cruise missiles to Iran and is cooperating with the Iranians on their civilian nuclear programs which our arms control and disarmament agency believes is just a cover for Iran's efforts to develop nuclear weapons.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

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

Mr. LEVIN. Mr. speaker, there are deeply felt reasons to vote for this disapproval resolution. Issues of human rights, issues, for example, and important ones of trade. China presents vital questions on how America competes with a low-wage economy. But I have asked myself, where would a vote for disapproval lead?

First of all, it would be vetoed. Second, even more importantly, even if it were to become law, what would we do next? What issues would we negotiate with the Chinese? What would our demands on each of these issues be? What would we settle for?

In a word, I have concluded we need a policy, not a protest. We need to go beyond an annual skirmish over an action we are unlikely to take. We need to do the difficult work of hammering out a year-round policy, and Congress needs to participate. We have to engage ourselves, which we have not done, year round. We have to engage our legislative counterparts in Asia and in Europe. We need to have an active role in the question of China's accession to the World Trade Organization, and we in this country need to develop allies in Europe and Asia so we simply do not go it alone on all of these issues.

The administration deserves credit for its recent success in the issue of intellectual property piracy, and I favor the use of sanctions against China. But it is time for all of us in both the Government and the private sector to put these endeavors in the context of a larger long-range blueprint. I want not a message but a program. I am going to vote against disapproval.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. OXLEY].

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

Mr. OXLEY. Mr. Speaker, I rise in support of the engagement with China and against the resolution of disapproval.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague the gentleman from Texas [Mr. FIELDS].

(Mr. FIELDS of Texas asked and was given permission to revise and extend his remarks.)

Mr. FIELDS of Texas. Mr. Speaker, as the chairman of the Subcommittee on Telecommunications and Finance of the Committee on Commerce in this Congress, the person charged with developing and promoting telecommunication policy in this country, I rise in strong support of most-favored-nation trading status for China.

I have been to China on four occasions. Each time I have seen significant and positive change. I believe that our positive engagement in the business sector is enhancing this positive change. This change is occurring because we have been a friend and not just strictly a critic.

When I was there in April, Vice Premier Li-teh Hsu said American telecommunications companies are late, and he paraphrased a Chinese proverb saying sometimes those who are late actually do better.

Mr. Speaker, we will do better with telecommunication trade and, with that, we will have a more positive engagement with the Chinese. Trade is positive, information technology is liberating. I urge my colleagues to support most favored trading status for the Chinese.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, my colleagues who support extending most-favored-nation status to China claim that the importance of trade should be the only issue considered.

While I would also look at the murder of 1 million Tibetans, the selling of missile technology to rogue nations, the human rights atrocities committed against Chinese citizens, and the military intimidation of Taiwan, I will only discuss trade-related reasons why we should not extend MFN.

First and foremost, MFN for China isn't working. In 1995 our worldwide trade deficit was $111 billion. Almost one-third of this amount was our growing deficit with China. In addition, they are notorious for printing American intellectual property. Last year United States companies lost $2.4 billion because China refused to enforce its intellectual property laws.

Mr. Speaker, China's crimes against humanity and against America's business interests can no longer be tolerated.

China does not deserve, and has not earned most-favored-nation status.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentleman from Oregon [Mr. BLUMENAUER].

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

Mr. BLUMENAUER. Mr. Speaker, I find myself in significant agreement with the distinguished gentleman from Michigan [Mr. LEVIN]. This is a confused and misleading concept, MFN. It certainly implies no approval; otherwise, we would not have extended it to

184 nations, including such paragons of virtue as Syria and Burma.

It is true that this is an important economic relationship to my State of Oregon. It means thousands of jobs in areas like technology and agriculture. But I do view China as being a threat to the world, primarily in a war on our environment, a war on the environment that frankly we in Oregon and in this country are poised to help the Chinese wage to protect it by the sale of products and services.

□ 1500

Mr. Speaker, 33,652 Americans lost their lives in the Korean war in no small measure because we misjudged the Chinese and their intentions.

I cannot agree more strongly with the gentleman from Michigan's hope that this is the last year we go through this exercise, and instead we work to manage our relationship with the world's most populous nation in a thoughtful and constructive fashion. The disapproval of this resolution and the continuation of MFN is an important step in that direction.

The SPEAKER pro tempore. The Chair would advise Members that the gentleman from Illinois [Mr. CRANE] has 8½ minutes remaining; the gentleman from Florida [Mr. GIBBONS] has 8½ minutes remaining; the gentleman from Kentucky [Mr. BUNNING] has no time remaining; the gentleman from California [Mr. ROHRABACHER] has 2 minutes remaining; and the gentleman from California [Mr. STARK] has 6½ minutes remaining.

To close, so Members will know, the gentleman from California [Mr. ROHRABACHER] will begin, followed by the gentleman from Florida [Mr. GIBBONS], followed by the gentleman from California [Mr. STARK], and the chairman of the committee or his designee will have the final close.

Mr. ROHRABACHER. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Mr. Speaker, after a great deal of thought I have come to the conclusion that today I will oppose the extension of China's current most-favored-nation trading status.

Fundamentally, I do believe that trade with China helps encourage private enterprise there, providing the citizens of China with a level of financial independence that lessens the power of their government. Ultimately, there is an effective argument to be made that it is trade and other contact with the outside world, rather than seclusion, that will propel China toward the freedoms and observance of international law that we all support.

In that light, I would frankly have preferred to support strong but targeted sanctions against China, as opposed to denying most-favored-nation status. For example, H.R. 3684, a bill introduced by Representative GILMAN to disallow the importation of products made by the People's Liberation Army, makes a great deal of sense to me. The PLA operates much of China's industrial capacity, and H.R. 3684, which I have cosponsored, represents strong and appropriate punishment.

Unfortunately, we will not have the opportunity to vote on H.R. 3684 or similar legislation today. This is very troubling to me, because I have become so concerned about many of the Chinese Government's practices that I can no longer look the other way when they pursue unacceptable behavior.

This behavior includes China's weapons sales, including the sale of nuclear technologies, to rogue regimes in clear violation of China's international commitments; its gross violations of human rights, including the brutal practices it has pursued in Tibet, the detention or pro-democracy activists and imposition of forced labor upon them in its prison system, and coercive abortion policies; its repeated violations of intellectual property agreements; its belligerent and indefensible actions toward Taiwan; and most recently, the illicit sale of Chinese weapons in our country.

Last year I supported passage of H.R. 2058, which put China on notice that the Congress could not countenance continued misbehavior on China's part. In so doing, we gave China the opportunity to correct its unacceptable practices. Nothing, however, has changed, and in fact, an argument can be made that China's misdeeds have gotten more severe.

Under the circumstances, I think a strong message must be sent today. The targeted sanctions that I would most prefer are not an option available to the Congress today. Accordingly, I will oppose MFN this afternoon.

Mr. STARK. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. MENENDEZ].

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

Mr. MENENDEZ. Mr. Speaker, this debate is not just about human rights in China, it is also about jobs in America and the conditions under which the United States does business with the undemocratic nations of the world. After a decade of engagement with China, what do we have to show for it?—forced abortions, human rights violations, flouting of our intellectual property rights, violation of nuclear nonproliferation accords * * * the list goes on and on.

MFN is about trade and jobs. Whose jobs? Over one-third of China's exports are sold in the United States, but only 2 percent of United States exports are sold in China. Our trade deficit is now at $34 billion. Why? Because China does not reciprocate the trade benefits we grant to them with MFN. It continues to issue high tariffs and nontariff barriers, and insists on production and technology transfer—all of which hurt American jobs.

There are only four tools of peaceful diplomacy available to us: providing U.S. aid, opening U.S. trade, international opinion, and denying U.S. aid and trade. We have tried the first three, and yet, China is resilient to change. The time has come to do the right thing. The only thing this regime understands is power. We have great power—the power of the American purse.

I urge my colleagues to disapprove MFN for China. Let's send a clear and unmistakable message to the Chinese leadership—the United States will not stand for discriminatory and predatory trading practices. We will not stand for violations of international agreements. Most important, we will not stand idly by while people are exploited. We will stand up for human rights, freedom, and democracy.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I take second to no one in this Chamber in my concern for human rights and the feeling that many of the abuses in China are as abysmal, as threatening to the human condition as events happening anywhere in the world at any time.

I also will take second to no one in my concern about what the Chinese are doing to the island of Taiwan in terms of their missile launches over the straits of China prior to the election, a clear violation of international law. I was supportive, along with most Members of this body, in terms of trying to prevent that activity.

Even with those statements, we as this Congress have a choice of how to try to change those policies. It really is a choice of one or two things. We have a choice of engagement, of normal trading relations. As has been pointed out on this floor, trading relations, that we trade with rogue nations, nations whose human rights conditions are on par with China, whether it is Syria or Burma or Indonesia. We can find abuses in many locations around the world that we, in fact, grant what is inappropriately described as most-favored-nation status.

We have that choice before us today, whether we want to engage China or whether we want to isolate China. Unfortunately, I think history tells us that by isolation the results of the change in human rights and other things will not occur. I urge the defeat of the resolution.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Kansas [Mr. BROWNBACK].

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

Mr. BROWNBACK. Mr. Speaker, there are people with pure motives and different ideas on both sides of this issue. However, I rise in opposition to the resolution of disapproval.

I have worked in the trade field before, and I can tell my colleagues that this is not the way to improve our

trade imbalance and it is not the way for use to try to change China. MFN, as we have heard time and again, is the basis for trade. It allows our companies, our farmers, our businesses, our people to be able to engage and build long-term relationships with China. That is what MFN is allowing us to be able to do.

If we are worried about the trade imbalance, we should force them to lower their tariffs and open their borders through other trade negotiations or as they seek to join the World Trade Organization, and force them to abide by international trade rules. If we are worried about human rights, as all of us are, we should keep engaged and encourage them through that engagement to do the right thing as they grow as a country, and not go in an isolationist mode.

For those reasons I urge disapproval of the resolution.

Mr. STARK. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, supporters or MFN for China are trying to portray this debate in very simple terms: Are you for or are you against free trade?

That, I might say, is a false choice. This debate is not about free trade. It is about fair trade. It is about whether or not we are going to use the leverage we have as a nation to open up markets in a way that is fair to American workers and fair to American jobs.

Supporters of MFN for China are asking American workers to compete not on the quality of the products we trade with China but in many ways on the misery and suffering of the people who make them.

Henry Ford was right. If you want to sell products, you have to pay people enough so that they can buy the products that they make. Seventeen cents an hour is no way to build a trade relationship. If we continue to turn our backs on the abuses in China today, the China market will never live up to its potential as a American trading partner.

Free trade does not exist in this kind of world, and protectionism offers us no solution either. We have got to be able to find a middle ground that promotes our values at the same time that it promotes our products.

Today we are running a $34 billion trade deficit with China. China accepts just 2 percent of United States exports and routinely puts tariffs of 30 to 40 percent on our products.

Let us not kid ourselves. China needs America's markets. We always seem to underrate our potential as a market in our trading relationships. Not only are we one-third of China's export market, we buy more products from China than anyone else.

We must let China know that MFN is not a gift to be awarded. It is a privilege that must be earned. China has not earned the right to receive special treatment from the United States.

Let us work together to find a middle ground but let us not pretend that countries like China, who control their own markets, who ravage their environment, who abuse their workers and who ignore international calls for human rights practice free trade. Because we all know, there is nothing free about it.

I urge my colleagues, insist on freedom, insist on democracy, insist on human rights, insist on fair trade, and support my colleagues, the gentlewoman from California [Ms. PELOSI], the gentleman from Virginia [Mr. WOLF], the gentleman from California [Mr. ROHRABACHER], and others, who have stood up on this floor and urged us as country to engage in free trade and fair trade.

Mr. GIBBONS. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I have very, very respected colleagues on both sides of this issue. I am certain that there might be questions about why I would stand here firmly in support of MFN. I ask my colleagues to oppose the resolution before us.

Many Members of the House are concerned about the human rights record of the People's Republic of China, and rightfully so. Clearly I have many concerns about human rights. The questions for those of us with these concerns is how can we improve the situation in China?

Mr. Speaker, I believe that a policy of engagement in China gives us the best opportunity to influence the Chinese Government and the Chinese people in a positive manner. Ideals of freedom will be experienced by the common man in China. Free trade encourages interaction between the Americans doing business in China and their Chinese counterparts. Additionally free trade with China will allow the average Chinese citizen to develop more of his or her own wealth, and the accumulation of personal wealth is the only way people can be independent. An improved standard of living in China will encourage free market principles in that nation and will assist the citizens of China in their effort to gain more freedom.

JUNE 24, 1996.

Representative EDDIE BERNICE JOHNSON,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE JOHNSON: I write to thank you for your support of President Clinton's decision to renew MFN for China this year. On my recent trip to Washington, I met with a number of your congressional colleagues to explain the threats to democratic institutions, human rights and the rule of law in Hong Kong and to urge them not to unintentionally compound the difficulties for Hong Kong in their efforts to punish China for failure to adhere to international norms in a wide range of areas, particularly human rights.

I am grateful to Congress for its continued interest in Hong Kong and for the deep concern members have expressed about human rights violations in China. I too have serious concerns about the human rights situation in China and the prospects for safeguarding human rights in Hong Kong after 1997. However, as an elected representative of Hong Kong people, I cannot ignore the damage to Hong Kong that will occur if China's MFN status is not renewed. Because the United States and China are our two largest trading partners, disruptions in trade have a direct impact on Hong Kong's own economy. In the best of times it would be difficult to ride out the storm of a trade dispute between our two largest trading partners, but with the transfer of sovereignty barely a year away, the revocation of China's MFN status would deal an even more serious blow to our economy.

Many of Hong Kong's friends in the international community are gravely concerned about China's recent decisions to abolish Hong Kong's elected legislature and replace it with an appointed one, to effectively repeal Hong Kong's Bill of Rights and to erode the independence of our judiciary and civil service. Indeed, many who wish to help Hong Kong by promising China through MFN, were unaware of the devastating effect non-renewal of MFN would have on Hong Kong's economy—at a time when confidence in Hong Kong is already badly shaken.

When explaining the effect of non-renewal of China's MFN status on Hong Kong, I often give the example of a father beating a child. Your first instinct may be to stop such brutality by punching the father in the nose. But when you approach, the child stands in the way, defending father. Do you knock over the child to teach the father a lesson? Hong Kong is like that child. Revoking MFN would hit Hong Kong first—and badly. At a time when Hong Kong people could least recover from such a blow.

As you and your congressional colleagues debate China's MFN status in Congress, I hope you will take Hong Kong into account. I thank you once again for your consideration and continuing support for Hong Kong.

Sincerely yours,

MARTIN LEE,
Chairman, The Democratic Party.

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

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

Mr. GIBBONS. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, I have sat here patiently and attentively and listened to this discussion today and I frankly have heard nothing new.

I went to China in the 1970's. I was shocked at what I saw, appalled, and knew it would be extremely difficult to ever integrate China into the world community of nations. I do not condone anything that is going on in China today that has been pointed out here as being shocking to my sensibilities and to my sense of fair trade. But I do say we have made progress and we will continue to make progress unless we make the mistakes we have made in the past again.

China came out of 100 years of degradation at the hand of the Europeans or the Japanese. About 50 years ago here in this body, we began to isolate ourselves from the Chinese who wanted to be friends of ours and wanted to work with us. What has been the result of all of that? China turned inward. China became a very mean nation. China doubled its population in that period of time.

□ 1515

China, frankly, educated all its people in what I would think are hostile environments of the USSR and of Eastern Europe. They escaped all of the better things that we think they would have gotten from our civilization had we stayed engaged with them.

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

Mr. ROHRABACHER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the Chinese dictatorship knows that it is getting a $35 billion net surplus from their current trade relationship with the United States. That is $35 billion worth of jobs that they have got here that we do not have because they have got it over there. They know that they have got that $35 billion surplus because they flood our markets with all kinds of goods, putting our people out of work because we charge them a 2-percent tariff under the current rules of trade and they charge our products a 30 and 35-percent tariff as we send our goods over there. Thus, our people lose their jobs and they gain $35 billion to build their military to repress their people.

This current trading relationship is a sham. It is not to the benefit of the United States of America. Do not expect those bloody-fisted tyrants in Beijing to listen to us about human rights or listen to us about not threatening their neighbors if we do not have the guts to change that relationship that puts $35 billion of hard currency in their pockets.

Mr. STARK. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, we are going to lose the vote, but to those Members who are going to give MFN to China, do what our colleagues say: Be engaged. Be engaged. When the Christians are arrested next week and all this next year, be engaged. When they come into town, meet with them. When the human rights groups come here, be engaged, meet with them. When the business community does nothing, speak out, send Dear Colleague letters. All I see is a handful of Dear Colleague letters. Be engaged all year. Do not just be engaged for 2 weeks up to the vote. Be engaged all year. If we vote to give the evil group of people MFN and our colleagues are going to win, then do what the Members said all during this debate. Be engaged. Meet with the Catholic church. Meet with the Tibetans. Meet with the human rights people. Meet with Asia Watch, meet with Amnesty International. Prod the business community. Do not be afraid to criticize a business group in your area. Speak out.

Our colleagues are going to win. I just want to know that they are going to be engaged, they are going to do everything they said. Be engaged all year, not just for 2 weeks before the vote.

Mr. CRANE. Mr. Speaker, I yield 3 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, Thomas Jefferson said, two thinking individuals can be given the exact same set of facts and draw different conclusions.

I would like to say that I have very high regard, of course, for my full committee chairman, the gentleman from New York, Mr. SOLOMON, and for the gentlewoman from California, Mrs. PELOSI, and the gentleman from California, Mr. STARK, and others and, of course, the gentleman from California, DANA ROHRABACHER, and the gentleman from California, CHRIS COX, and those who have opposed this. I have to say that it has been great to work in a bipartisan way with my very good friend, the gentleman from California, BOB MATSUI, and the gentlewoman from Texas, EDDIE BERNICE JOHNSON, and the gentleman from Indiana, TIM ROEMER, and others and, of course, with the gentleman from Illinois, Chairman CRANE, who has done a great job on this. And the gentleman from Arizona, MATT SALMON, and so many who are committed to this.

The fact of the matter is, it seems to me we need to do everything possible to ensure that we proceed with recognition and strong support for China. We have come to the point where we as a nation are in fact the beacon of hope and opportunity.

Last Monday we had a very difficult weather day here, and I was stuck in Pittsburgh and got on an airplane to fly into Washington. I happened to sit next to a man who was a civil engineer, a professor from Iowa, and he lived through the terror, the terror of the Cultural Revolution in China.

He looked to me as I was reading some information about China, and he said, my family is still there and I am regularly talking with them about how things are improving in China. Things are improving. They are not perfect.

Everything that has been discussed here is very important for us to address. Human rights violations are horrible. Weapons transfers, horrible. We must, as my friend the gentleman from Virginia, FRANK WOLF, said, maintain engagement. I and many others here are regularly and consistently engaged in this issue throughout the year.

But we cannot simply do what makes us feel good. We must do good. We must do the right thing. There are jobs that are being lost to China, but guess where they are coming from. Not the United States of America. We know they are coming from Taiwan, from South Korea, from Singapore, from Malaysia, from Hong Kong, other nations in the Pacific ripple. That shift is taking place. So we are not losing jobs here, as the people who are supporting this disapproval motion have been claiming.

We, in fact, as a Nation, stand for freedom and opportunity, and I am convinced that the free market is the strongest possible force for change in this century. It has been in China. Trade promotes private enterprise which creates wealth, which improves living standards, which undermines political repression. The Cultural Revolution was a horrible time. The great leap forward was a horrible time. A million people were killed during the Cultural Revolution—60 million people starved under Mao Tse-Tung. The Tiananmen Square massacre was a horrible, horrible day for the entire world.

I take a back seat to no one on the issue of human rights. I marched up to the embassy to demonstrate my outrage obvious that issue. But I came to the conclusion that disengaging will, in fact, hurt the people we want to help most. That is why it is very important for us to do everything that we possible can to maintain that association. Vote ''no'' on this resolution of disapproval.

Mr. GIBBONS. Mr. Speaker, I yield the balance of my time to the gentleman from California [Mr. MATSUI].

Mr. Speaker, may I say that no one in this Chamber has been more diligent and more constructively helpful in this engagement that we have here than the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I would like to thank the gentleman from Florida, really, truly one of the outstanding leaders in America on the issue of international trade, and one who we will miss when he leaves the Congress at the end of this year, and I thank him for all the expertise he has imparted to me and other Members of this body over the years.

Of course, to all my colleagues who oppose the continuation of MFN, I know how sincere they are and how strongly they feel about this issue, but I think as the gentleman from California [DAVID DREIER] has said, we who favor the continuation of MFN are just continuing the bipartisan support we have had to engage the Chinese since Richard Nixon opened up China in 1978.

In fact, all the Presidents since Richard Nixon favor the continuation of MFN. Every Secretary of State, every Secretary of Commerce, every United States Trade Representative favors the continuation of most-favored-nation status with China.

We have heard a lot of horrible things that the Chinese and the Chinese Government have done, and many of it and much of it is true. But the fact of the matter is, China, China is 22 percent of the world population. Almost one out of every five persons on this Earth lives in China and can claim Chinese citizenship; one out of every five.

Do our colleagues think for a minute that we can isolate the Chinese? Do we think for a minute that cutting off MFN status, which is tantamount to a declaration of war, will further the cause of human rights, intellectual property, trade? Of course not.

In fact, the great fear that all of us have with respect to China is the fact that the Chinese may decide to become

the most powerful military country that this world has ever known. Should they do that, the Japanese, the South Koreans, the Indonesians with 180 million people, they will begin to rearm, and then Asia will become a tinder box in 5 or 6 or 10 years from now.

We have to do this for our children and our grandchildren. This is not an issue of trade. This is an issue of international security and peace in our country and our world.

I would like, however, to talk a little bit about the trade issue because that has been brought up and up and up by many of my colleagues, the $33 billion trade deficit with the Chinese. First of all, in the last 24 months, the last 2 years, much of the deficit has been because of transshipment to Hong Kong. In fact, the Commerce Department has said that about 40 percent of the $33 billion is due to transshipment, and therefore the trade deficit is somewhat inflated.

In addition, the four tigers, Hong Kong, Singapore, South Korea, and Taiwan, they are moving much of their production offshore back into China, and as a result of that, the trade deficit with those four countries has gone down while the trade deficit with China has gone up. So we have not lost all those jobs that the opponents of MFN have stated.

But, most importantly, and in conclusion, Mr. Speaker, what is really important here is for the United States to stabilize our relationship with the Chinese. We are attempting to do that now. We made progress on the issue of the ring magnet sale to Pakistan. We made progress on the piracy of the Chinese of our intellectual property. But it is going to take time. China is 3,000 years old and it is going to take time.

But for the sake of the world, for the sake of our people, for the sake of this great Nation, we have an obligation to deal and to engage the Chinese.

Mr. STARK. Mr. Speaker, I yield the balance of my time to the gentlewoman from California [Ms. PELOSI] who has worked so hard for human rights and open trade throughout the world.

Ms. KAPTUR. Mr. Speaker, pursuant to rule XXX, I object to the Member's use of the exhibit.

The SPEAKER pro tempore. The question is: Shall the gentlewoman from California [Ms. PELOSI] be permitted to use the exhibit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Ms. KAPTUR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 419, nays 0, answered ''present'' 1, not voting 13, as follows:

[Roll No 283]

YEAS—419

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
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Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
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Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED ''PRESENT''—1

LaHood

NOT VOTING—13

Collins (IL)
Davis
Diaz-Balart
Flake
Gephardt
Hall (OH)
Lewis (GA)
Lincoln
McDade
Moran
Peterson (FL)
Stockman
Wilson

☐ 1547

Mr. LIPINSKI and Mrs. CUBIN changed their vote from ''nay'' to ''yea.''

Mr. EVANS changed his vote from ''present'' to ''yea.''

So the gentlewoman was permitted to use the exhibit in question.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. COLLINS of Illinois. Mr. Speaker, during rollcall vote No. 283 on House Joint Resolution 182 I was unavoidably detained. Had I been present, I would have voted "Yes."

The SPEAKER pro tempore. The Chair would advise Members that the gentlewoman from California [Ms. PELOSI] has 1½ minutes remaining, and the gentleman from Illinois [Mr. CRANE] will close the debate with 4½ minutes remaining.

Ms. PELOSI. Mr. Speaker, we have a very important choice to make here today. But that choice is not between engagement or isolation. Certainly we will continue engagement with China. But that engagement must be constructive.

The current engagement called constructive engagement is neither constructive nor true engagement. It has produced a situation where each of us is being asked today to put our good

name, our seal of approval on the status quo with China. That status quo includes very serious repression, which continues in China. In fact, it has worsened in recent years, the status quo includes very dangerous proliferation of nuclear missile, biological, and chemical weapons to Pakistan and rogue states like Iran and, on the issue of trade, includes a situation where we have very little market access, a huge trade deficit and theft of our intellectual property.

Some Members say we should not mix trade and proliferation and human rights. On the basis of economics and trade alone, the lack of reciprocity on the part of the Chinese says that we should not grant most-favored-nation status to China. Of course, they will get it.

But the vote today for Members of Congress is to say to the President, use the tools at your disposal. Bring down the great wall of China's high tariffs to products made in America, reduce this huge trade deficit. Give us opportunity for our products to go there. Stop the theft of our intellectual property and really stop it and, most importantly, stop the technological transfer which is undermining our economy.

China, it has been said, is a huge country. It is, indeed, very populous. China is a big country. It will be a great power. All the more reason for us to want it to be free. But in terms of the trade issue alone, there is no reciprocity of the Chinese to the United States.

What we have to decide and what we will have to answer to our constituents for is how we address this trade deficit, which is a job loser for the American people. China is a big country, as we have said. Because of the trade barriers, the theft of intellectual property, the transfer of technology, which is a couple hundred billion dollar problem, the use of prison labor and the fact that China refuses to play by the rules. We will have to answer for this vote China is going down a path that is a threat to the economies of the industrialized nations of the world.

This debate is about nothing less than our national security, our democratic principles and our economic future.

Mr. Speaker, I urge my colleagues to vote ''yes'' on the Rohrabacher resolution and thank them for their attention.

Mr. CRANE. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON].

(Mrs. JOHNSON of Connecticut asked and was given permission to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in support of MFN for China.

MFN simply provides China the same trade status possessed by other nations. There is nothing most-favored or preferential about MFN status. MFN is the normal trading status.

The United States must maintain a policy of engagement with China—lest one day we find ourselves forced into a policy of containment. Whether and how we engage China today will have enormous consequences for United States national interests in the future.

Denying normal trade relations would undermine U.S. economic interests for trade is crucial to the growth of our economy, good jobs for our people, and international prosperity. United States exports to China, growing at a rate of 20 percent a year, support 170,000 American jobs. Chinese retaliation would seriously threaten these jobs and United States companies expanding in China.

Market economies naturally evolve into democracies. Entrepreneurship and invention, breed personal confidence, individualism, and the values that underlie democracy in the evolutionary process in Taiwan.

China is one of the fastest growing economies in the world—with a population of 1.2 billion—and past growth rates in the double digits. Since establishing relations in 1979—trade between the United States and China has risen from $2 billion in 1978 to nearly $60 billion last year making China our 6th largest trading partner.

Normal trade relations promote human rights. Should MFN be denied, the influx of democratic political and economic ideals would cease.

Normal trade relations promote environmental reforms. Working with China on sustainable development in areas of pollution prevention, agriculture, and energy will greatly benefit the global environment.

Normal trade relations better the lives of the Chinese people. By providing higher wages, opportunities for travel and study abroad, and other basic benefits, American companies in China open Chinese society from within.

Mr. CRANE. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I rise in very strong opposition to House Joint Resolution 182. Because of the tragic human rights situation in China, it is very easy to stray from the central question of what is the most effective policy to achieve what we all want for the Chinese people—a better, more humane life. This resolution, however, would set up a policy of unilateral confrontation with the Chinese Government in which our Government would disengage from a leadership role in the region. That is not the answer to China's problems, and it will serve only to worsen the condition of the Chinese people. One has only to recall the cultural revolution and the widespread famine of the 1970's in China to understand that an isolated Chinese Government is the most dangerous.

It is a proven fact that business plays a positive role in exposing the Chinese people to ideas and skills necessary to succeed in a free market, to the opportunities of economic liberalization, and to the promise of expanded political freedom. Simply put, prosperity and expanded contact with American citizens is the best way to nurture the growth of democracy in China.

Motorola, one of my constituents, is a prime example of the importance of improving the conditions in China by setting a good example in several ways. Motorola has generously volunteered to develop grammar schools throughout China, giving children opportunities that they would not have otherwise had. In addition, Motorola has established a program permitting its Chinese employees to own their own apartments after a period of time.

The performance of this one company is ample proof that the presence of American business in China has had a positive influence on the Chinese people it touches by fostering and encouraging the values we embrace so strongly. I challenge proponents of this resolution to show me a United States-owned firm in China that is not far out in front of its competitors in promoting health and safety standards, workers' compensation, and nondiscrimination in the workplace.

We also cannot ignore the fundamental fact that under the repressive Chinese regime flourishes one of the world's largest and most rapidly growing economies. If my colleagues would ask their constituent firms about the future of U.S. trade policy, and what our priorities should be, as I did at a hearing I held in my Illinois district earlier this year, they will emphasize the strategic importance of developing the Chinese market, over any other trade issue.

Illinois exports to China grew 25 percent last year. What is striking is the fact that these exports came predominately from small and medium-sized firms employing 500 people or less. These firms realize that competing successfully in China and Pacific Rim countries makes them strong. We know that job security in terms of tenure and job turnover is much higher in exporting firms. Levels of job creation in plants that produce for export is 17 to 18 percent higher than in plants that do not. According to new research, pay in companies competing in the world market place is 15 percent higher, and benefit levels, a remarkable 37 percent higher.

Rest assured, I would agree that China is one of the most protectionist countries with which we trade. For example, securing access to China's services market, adherence to fair phytosanitary rules for the agriculture products, and elimination of a wide range of restrictive import quotas are key United States objectives. But this positive agenda, I am afraid, is disabled by the annual exercise of condemning the Chinese Government and society on a wholesale basis through the MFN process. Instead, developing solid, negotiated solutions to targeted market access problems is the best way to deal with these issues.

The disapproval resolution we are considering today would set back all the progress that the United States and our businesses are making in China. Such a policy of unilateral confrontation must be rejected in favor of a strategy that preserves United States leadership in Asia and maintains our commitment to the people of China,

Hong Kong, and Taiwan. I urge my colleagues to vote a strong ''no'' on this resolution.

Mr. POSHARD. Mr. Speaker, I approach the podium today ready to support the continued extension of most-favored-nation [MFN] status to the People's Republic of China. However, I want to be clear from the outset that my vote should not be construed as an endorsement of the current Chinese regime. I doubt if there is a Member of this body that is not appalled by some aspect of China's record on human rights. It is not acceptable. There is no doubt that the Chinese are overly protectionist in their trading practices, have been lax in enforcing agreements on the protection of intellectual property, and have exported nuclear technology. These situations also are not acceptable. The question before us is, how do we best change these unacceptable scenarios? How does the greatest country in the world help educate the Chinese on internationally accepted norm of behavior? By not sharing the traditions and institutions that have made the United States the beacon of hope for oppressed peoples everywhere? I do not think so. By keeping an American presence in this equation we can continue to make a difference. I believe we must embrace this Nation—embrace the people that have gained a greater sense of prosperity, decency, and Western values with every passing day since their leadership began to implement economic reforms in 1978.

And let there be no mistake that the United States has played a vital role in this transformation. We speak of human rights, but we must not ignore the inescapable fact that the life of the average Chinese citizen is better due to economic reform, and that there is a commitment from the Chinese to pursue this path further. The continuance of this relationship is critical to segments of the American economy, such as agriculture. Earlier this year Congress passed a farm bill that promised America's farmers the ability to compete on a global scale. How can we then, barely 3 months later, deny them access to the world market with the largest potential? My home State of Illinois ranks second in the Nation in commodities exports to China, first in feed grains and soybeans. MFN for China is a necessity for these hard-working farm families that represent the backbone of our country. Likewise, the estimated $750 billion in needed infrastructure improvements in China will enable American manufacturers to create high-paying jobs here in the United States for our workers, in fields such as nuclear energy, and electrical machinery.

However, the benefits to America of MFN for China must not overshadow the essential improvements that must be made in our existing trade relationship. We must continue to insist on the dismantling of trade barriers and that the use of prison labor ceases. I have taken a strong stand on Chinese dumping practices, pressuring their bicycle industry to disavow this behavior while endorsing retaliatory United States responses. I urge my colleagues to do the same. We must stand firm in this endeavor, and that means tailoring different means to meet this challenge other than the blunt instrument of MFN. For this reason, I endorse the Cox resolution that will seek more efficacious ways to achieve our goals in regard to the Chinese. We must do all we can to make sure this relationship is working for the best interests of the United States, while not crippling important domestic interests in the process. For all of these reasons I will vote for the continued extension of MFN to China, but at the same time we must remain vigilant in pressuring the Chinese to meet their commitments.

Mr. HOYER. Mr. Speaker, I rise today in support of House Joint Resolution 182. I want to commend the efforts of my good friends, Ms. PELOSI and Mr. WOLF, who have worked tirelessly since the Tiananmen Square massacre in 1989 to focus this body on the human rights atrocities in China, which continue today.

While it is true that most-favored nation status is nothing more than the normal trading scheme that we have with most nations throughout the world, let me suggest that China is not typical of America's normal trading partners. In fact, despite the arguments of my colleagues who insist that engagement with the Chinese is the best policy to achieve improvements in human rights, nuclear nonproliferation, and intellectual property rights, China has been unrelenting in its defiance of international law and bi-lateral trade agreements with the United States.

Mr. Speaker, it is extremely troubling to me that each year since 1989, China MFN supporters have come to the floor and insisted that the status quo and continued normalized trade with China will address our many areas of concern.

Despite the continued and very admirable efforts of the Clinton administration to address many of these issues on an individual basis, the Chinese have continued to send the United States and the world a very clear message: Despite the rhetoric, the Chinese Government doesn't want to be a part of the global community, nor does it intend to abide by the very international agreements which set the standards that link hundreds of nations worldwide.

Each and every year, I take to the floor to discuss the conditions under which millions of children are forced to work in slave labor camps, the continued proliferation of nuclear-capable technology, and the violations of intellectual property rights. Many of my colleagues insist that there are alternative approaches to MFN revocation that would address these issues, yet another year has gone by and China continues to deny basic human rights to all of its citizens. Moreover, they continue to sell and transfer missile technology to Iran and Pakistan, and tighten their grip on freedom of speech, press, and thought in China and Tibet.

Over the past 3 years this Congress has been, in my opinion, lenient toward China and clearly, the time has come to send a clear and strong message to President Zemin and the National People's Congress that the United States will no longer participate in business as usual with a nation whose actions are contrary to internationally accepted norms.

The bill before us is very simple. It sends a very clear, strong message to the Chinese that it is time to back up the words that fill their statements and promises with action.

As we have learned in country after country in Europe, the United States develops its strongest alliances and ensures its lasting security when we stand firmly and unequivocally for the principles upon which our own Nation was founded.

Mr. Speaker, let me be clear. I agree that we must engage the Chinese. I recognize the billions of dollars of American exports to China and the thousands of American jobs associated with those products and services. However, our vision of a world focused on and committed to democracy must not be impaired by economic bottom lines.

We all recognize that the best China policy is one which advocates a prosperous, strong, and democratic China. However, despite over $4 billion in multilateral loans, $800 million in Export-Import Bank loans and guarantees, and relaxed controls on sensitive exports in the past year alone, there has been little, if any, progress in the many areas that we continue to press the NPC on.

Recognizing this fact, we must change our course of engagement with China. Mr. Speaker, I will also support House Resolution 461 today and I hope that the House will act quickly and decisively in implementing additional policies which seek to address the very serious and critical issues that we are discussing today.

Mr. Speaker, if China desires to be a true world power enmeshed in the global marketplace then they must lead responsibly and seek democratic reforms. Only then should we embrace China as a true global partner worthy of total and unrestricted United States engagement. I urge my colleagues to support House Joint Resolution 182.

Mr. BARCIA. Mr. Speaker, I believe that the best hope of encouraging democracy in the world's most populated country is by maintaining normal trade relations and exposing the Chinese people to American people and culture. Therefore, I have reluctantly voted in support of renewing most-favored nation status for the People's Republic of China.

Removing MFN from China will not address our trade deficit while we allow other countries in this world to undercut our companies by ignoring labor, health and safety and environmental standards, and offering starvation wages. Precipitating the expulsion of our companies from China will only open a vacuum hole into which our competitors from Europe and Asia will gladly step. This will hurt, not help, American workers.

That said, Mr. Speaker, I am very disappointed that the continued good faith and patience of the American people are rewarded by China's unequal and nonreciprocal treatment of our products, China's pirating of intellectual property, the proliferation of dangerous weapons of mass destruction and, of course, the Chinese dictatorship's abysmal human rights record. I am growing weary of this annual exercise in which we are forced to gain further assurances from the Chinese Government that their behavior will warrant its being recognized as a member of the civilized world, and worthy of a normal trade relationship with this country. MFN is a courtesy offered by the United States to all but a handful of the nations of the world. To remove it would represent the recognition that we have no hope of a productive relationship with the Chinese. This year, I am still unable to abandon hope that we can help the Chinese people. However, without significant improvements in the behavior of the Chinese Government on human rights, bilateral trade, weapons proliferation, and peace and stability in the Asia Pacific, I fear that I will be unable to support renewal next year.

I offer this, not as a threat to the Chinese, but as a plea for their Government's recognition of the rights of her people and the value

of the relationship between our nations. Mr. Speaker, Americans are a giving and patient people. Our good will, however, is not open-ended and should not be taken for granted.

Mr. CAMP. Mr. Speaker, today, Congress is faced with an important question: How should the United States utilize its economic power and trade relations to influence other nations' policies. The question before us today is whether to extend most-favored-nation trading status to China or to withhold most-favored-nation status in hopes that China will change its ways. Opponents of MFN claim the United States should not place human rights second to economic benefit. Advocates of MFN claim that continued exposure to Western traditions and ideals will help promote democracy.

First, let's get the facts. Most-favored-nation treatment is far from most favored. In fact, only seven nations do not receive MFN. By extending MFN to China, we merely provide the same trading status enjoyed by nearly every other U.S. trading partner. The United States continues to enter into, and negotiate, bilateral and multilateral trade agreements, such as NAFTA and GATT, which provide signatory nations with preferential trade treatment. By extending MFN, the United States does not give up the right to impose sanctions on a nation or pursue other trade penalties. The United States would still have at its disposal a variety of options to punish rogue nations.

China's human rights record is poor. It has historically suppressed freedom of speech and expression and pursued policies of abortion and extermination. Today, they continue to implement policies that we as Americans loathe. But extending MFN is not an expression of approval of these policies, it is merely a vote to continue trade relations in hopes of strengthening ties between our nations so that we may improve China's human rights record. The economic power of the United States should be used as a light to expose China's violations. By turning our back on China, however, we turn off the light of exposure and allow China to continue its violations free of examination.

U.S. companies continue to export and invest in China. The Chrysler Corp. which has manufacturing plants in China, pays their employees nearly five times the average worker's wage, provides employees with housing, day care for their children, and training in Western management practices. By exposing Chinese citizens to Western ways, we provide the education and enlightenment for them to help change China's ways from within. We must use the powerful tool of public scrutiny to highlight China's transgressions and utilize our existing relationships to educate the Chinese people. Only through a policy of engagement, not isolation, can we help highlight China's human rights violations, educate its citizens about human rights and correct the egregious government policies.

Ms. HARMAN. Mr. Speaker, I rise in strong support of continuing most-favored-nation trading status for China.

Each year, the President of the United States must renew China's MFN status. And each year, some Members of Congress, motivated by a desire to punish China for bad behavior, attempt to block this renewal.

Mr. Speaker, I too believe China must change. China must respect the human rights of its citizens, respect intellectual property rights, and respect the sovereignty of its neighbors. As a member of the National Security Committee, I am particularly concerned about China's role in contributing to nuclear and missile proliferation.

But the sledgehammer approach of denying MFN to China is not the answer. In the first place, most favored nation is a misnomer: MFN simply indicates normal trade relations. Every country in the world except Afghanistan, North Korea, Cuba, Laos, and Vietnam enjoys MFN status. We even grant MFN to Iraq, Myanmar, and Libya. Putting the world's largest nation in the same category as a few rogue states is folly.

Second, revoking MFN won't work, and is likely to backfire. Terminating MFN will be perceived by the Chinese as an entirely confrontational policy, negating the economic and diplomatic ties which allow us to influence their behavior. Removing MFN will devastate the American commercial presence in China, ending the exposure of the Chinese people to American values of democracy and freedom.

Third, American jobs, including thousands in my district, depend on trade with China. California exported over $1.5 billion worth of goods to China last year. And jobs related to trade with China don't just come from exports. Imports provide jobs at airports and seaports; in my district, trade to and from China already represents over 13.7 percent of the Port of Los Angeles's business, and trade with China is growing rapidly. Denying MFN would sacrifice these jobs for the sake of a largely symbolic and ineffective policy. I have often remarked that the next century will be the Asian century as China, the world's largest underdeveloped economy, takes off. American companies need to gain footholds in this market early. Our foreign competitors are poised to take advantage if we retreat.

Mr. Speaker, I firmly believe that MFN for China should be made permanent, so that we can end this annual ritual, and instead focus on more effective and positive ways to influence China's behavior. I urge my colleagues to look to the long term and reject this resolution.

Mr. RICHARDSON. Mr. Speaker, I rise in support of the renewal of China's most-favored-nation [MFN] status. I am deeply concerned about China's human rights record, but I feel the only way to work toward improving human rights in China is to have an open dialogue between our two countries. Ending most-favored-nation status is an empty gesture that would sever political and economic relations between Washington and Beijing and ensure no improvement in human rights.

Now is a crucial time in Chinese history. We must support China's emerging market. We can help China to continue to make progress toward an open market and adoption of international norms and laws, or we can isolate China and watch as they become an increasingly destructive force in the world community. In truth, trade teaches the skills which are crucial to an open market and a free society. How can we expect the Chinese to adopt our democratic ideals if we dissolve our political relationship?

Ending most-favored-nation status means a loss of U.S. jobs and increased expenses for American families who rely on inexpensive Chinese products. Over 170,000 Americans jobs are dependent on trade with China and hundreds of thousands more and indirectly supported by our trade relationship. Chinese retaliation would endanger these jobs and would exclude American companies and workers from one of world's most dynamic markets.

In the past few months, China has shown initiative by closing 15 plants which were violating international property rights and turning them over to the police force to make sure they stay closed. Furthermore, China has created a special task force to deal with intellectual property rights violations. Both of these are steps in the right direction. We must not forget that our Government would never have been able to sit down with Beijing to discuss the issue of intellectual property if we had dissolved our political ties by ending MFN.

In short, revoking MFN would lead to a political standoff between Washington and Beijing which would hurt the American people and do nothing to help the Chinese victims of human rights violations. Instead of making an empty gesture by revoking MFN, lets sit down with the Chinese and use MFN as leverage to improve their human rights record.

I agree with President Clinton's rationale which is contained in the attached letter.

THE WHITE HOUSE,
Washington, DC, June 27, 1996.

DEAR MEMBER OF CONGRESS: I am writing to express my strong support for unconditional renewal of Most-Favored-Nation (MFN) trade status for China. I favor renewal because—like every other President who has faced this issue—I believe that it advances vital U.S. interests. When it comes time to cast your vote, I hope you will support renewal of MFN.

Far from giving China a special deal, renewal of MFN confers on it a trading status equal to that enjoyed by most other nations. Simply put, it gives China normal trade status.

I favor renewal because it is in the best interests of the United States. China is at a critical turning point. How the United States and the world engage China in the months and years ahead will help shape whether it becomes a destabilizing or constructive force in Asia and in the world. Revoking MFN would raise tariffs on Chinese imports drastically, effectively severing our economic relationship and seriously undermining our capacity to engage China on matters of vital concern, such as non-proliferation, human rights, trade and Taiwan relations. MFN renewal is critical to our ability to engage China to promote vital U.S. interests. Revocation of MFN would reverse three decades of bipartisan China policy and would seriously weaken our influence not only in China, but throughout Asia.

Revoking MFN would also undermine America's economic interests. U.S. exports to China support over 170,000 American jobs and have been growing at a rate of 20% a year. Chinese retaliation would imperil or eliminate these jobs, exclude American companies and workers from one of the world's most dynamic markets and give an open field to our competitors.

Revoking MFN would not advance human rights in China. Continued engagement with China, including through renewal of MFN, is a major engine of change, exposing the country to democratic values and free market principles. Revoking MFN would cut those links and set back a process that is feeding China's evolution for the next century.

Revoking MFN would have a serious adverse impact on Hong Kong, as Governor Patten and Martin Lee have explained during their recent visits. It would also harm Taiwan's economy.

Engagement does not mean acquiescence in Chinese policies and practices we oppose. We must remain prepared to use sanctions and other means at our disposal to promote America's interests, whether it is protecting U.S. intellectual property rights, combatting the proliferation of weapons of mass destruction or promoting human rights. These are the right tools to use in advancing U.S. interests. Revocation of MFN is not.

This vote is about what approach best promotes U.S. interests. It is not a referendum on China's policies. We disagree with many Chinese policies. The issue is whether revoking MFN is the best way to serve U.S. interests. I believe it is not. When you cast your vote, I ask you to vote for America's interests by voting against the resolution of disapproval.

Sincerely,

BILL CLINTON.

Mr. UNDERWOOD. Mr. Speaker, I rise today in reluctant opposition to House Joint Resolution 182, a resolution to deny most-favored-nation [MFN] status to the People's Republic of China.

I am mindful of and sympathetic to the concerns raised by proponents of the resolution. There is no disputing that China has an abysmal record on the protection of human rights, the sale of nuclear and missile technology and the protection of intellectual property rights. Furthermore, China's aggressive military spending and posture against Taiwan and in the Spratly Islands is disturbing. China's record on any one of these issues is reason to be concerned and outraged. These are serious issues that merit careful consideration by this Congress.

We all want greater democracy and political freedom in China, but it is not clear that revoking MFN is an effective tool in this process. Many will argue that it is exactly opposite.

As Congress begins debate on this issue once again, it has become clear that using MFN to affect China's behavior is ineffective. Since 1980, China's MFN status has been continuously maintained through waivers to the Jackson-Vanik amendment. For every year since the Tiananmen Square incident in 1989, Congress has threatened to withdraw, substantially limit or make conditional China's MFN status. When Congress first threatened to revoke China's MFN status, the threat was credible and China responded with limited concessions and released some political prisoners.

I believe Congress needs to consider the consequences of such an action and ask ourselves what our goals are in a China policy and how we want to achieve those goals. It is not altogether clear what the specific consequences of revoking China's MFN status would be. One concern is that it could strengthen hard-liners who are opposed to economic and political reforms and those in favor of taking a stronger military posture toward the United States. This could in fact result in greater restrictions on personal, political and economic freedoms. With such considerations, the potential consequences of revoking China's MFN are too serious to ignore.

What then is the alternative to revoking MFN? What other tools does the United States have to achieve our desired goals?

It has been reported that one of the biggest fears of the Chinese leadership is that a ''peaceful evolution'' will take place in China. This phrase refers back to an expression developed a few decades ago. In the 1950's, Chinese officials were convinced that the United States was plotting to undermine the regime through exposure to American culture and democratic ideas. Reportedly, such an evolution is still of serious concern to PRC leaders.

Some have said that Taiwan is an example of the results of a ''peaceful evolution.'' Over a decade ago, Taiwan was experiencing an economic miracle with phenomenal economic growth and investment. Some of the concerns about Taiwan at the time mirror today's debate on China. We must only look to the most recent election in Taiwan, the first fully democratic Presidential election in its history, to see how far Taiwan has come on its reforms.

China is slowly following a similar path that moves from economic freedom to political openness. President Lee Teng-hui of Taiwan could not have put it more succinctly than he did in an interview earlier this year. President Lee argued:

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 fruits of the Taiwan experience will certainly take root on the Chinese mainland. In fact, the mainland is already learning from Taiwan's economic miracle. The model of [Taiwan's] quiet revolution will eventually take hold on the Chinese mainland.

A more constructive approach than simply revoking china's MFN status would be to target sanctions at some of the specific problems. The Clinton administration proved the merits of this approach with the recent agreement on intellectual property rights [IPR]. A similar approach could be tailored toward other problems such as China's sale of nuclear and missile technology and sanctions against products produced by the People's Liberation Army. Each of these sanctions would be targeted toward the specific problems and, as the recent agreement on IPR demonstrates, be much more effective.

Addressing China's human rights violations through sanctions is a little more problematic. While political freedom in China has improved at the margins, gross violations continue to occur. I am not so convinced that engagement without other forms of pressure will improve China's record on human rights. Engagement by itself has not produced the degree of improvement that we have sought. Perhaps engagement combined with diplomatic pressure could result in a more effective outcome.

However, the solution proposed through House Joint Resolution 182 could have an adverse impact on our goals. Revoking MFN for China will not necessarily improve human rights and may perhaps worsen the situation. The unforeseen consequences of revoking China's MFN status is too great a concern to me to support this resolution today.

Mr. MCDERMOTT. Mr. Speaker, I rise today in opposition to House Joint Resolution 182. Businesses succeed in China when they first develop a good relationship with their Chinese counterpart before discussing the details of the transaction. It is time for the United States to do the same. In what is becoming an annual ritual, every summer the House of Representatives has this debate over renewal of China's most-favored-nation trading status. I think everyone's time would be better spent developing a China policy that establishes a constructive framework for dialog and includes permanent extension of MFN. Annual grandstanding and political bickering over this issue does nothing to improve our relations with China. Threatening withdrawal hurts our credibility with the Chinese on other issues, and if carried out, would hurt our economy and turn China into an enemy.

Today, MFN trading status is a pillar in the United States trading relationship with China. Without continued MFN, United States firms will be denied opportunities to sell and invest in China and in turn prevented from bringing United States values and United States ways of doing business to China. The involvement of United States businesses in China not only provides numerous benefits for the United States economy, but it has also brought improved health, safety and training standards to the Chinese firms and people with whom American companies do business.

My State, Washington, has benefitted enormously from trade with China. Washington State ranks first among the 50 States in exports to China. In 1994, Washington State exports accounted for almost a quarter of total United States exports to China. China is the single most important and exciting market for the Pacific Northwest for the foreseeable future. Trade with China is beneficial not only to large companies located in my State, but also to hundreds of small companies in the State whose China trade accounts for an ever-growing portion of their business.

Cutting off China's most-favored-nation status, which will immediately result in Chinese retaliation on American exports, is neither sound nor effective policy. The strategic implications of removing MFN from China and isolating it from the United States are serious and against our interests. Our relationship with China in not perfect. I would like to see improved human rights in China. But isolating China is not the way to achieve our goals. The United States need to take the step which is in the best interests of our country and renew MFN for China.

Mr. KIM. Mr. Speaker, I rise today in opposition to House Joint Resolution 182, legislation that would disapprove the President's decision to renew most-favored-nation [MFN] status for the People's Republic of China [PRC].

My reason for doing so is simple: While I share my colleagues' concerns about the Chinese Government's actions regarding human rights, missile proliferation, and other bilateral matters, I do not believe that these issues should be linked to the basic foundation of trade between the United States and the PRC. I believe that there are more appropriate and effective means to address these important non-economic concerns.

The People's Republic of China [PRC] has been denied permanent MFN trading status since 1951, when Congress revoked MFN status for all Communist countries. However, under the provisions of the Trade Act of 1974, the United States can grant temporary MFN status to China if the President issues a so-called Jackson-Vanik waiver.

In June of this year, President Clinton exercised this option—as he has in each of the previous years of his administration—and extended the Jackson-Vanik waiver for China for an additional year. In considering House Joint Resolution 182, we must now decide whether to exercise our Congressional prerogative to disapprove this waiver—and deny MFN status for China. Following this debate, I hope Congress can move forward on the consideration

of granting permanent MFN status for China and putting an end to this annual source of Sino-American tension.

In making this important decision, there are two questions that we must answer: First, is it in our national economic interest to continue MFN for China? Second, how does extending MFN for China influence our efforts to effectively address human rights and other bilateral problems between the United States and China?

The answer to the first question is unequivocally yes. Extending MFN to China would clearly yield substantial economic benefits to the United States.

China is our Nation's fastest growing major export market. America exported $9.8 billion worth of goods to China in 1994, an increase of 5.9 percent over 1993. These exports supported approximately 187,000 American jobs, many of which are in high-wage, high-technology fields.

But these benefits are only the tip of the iceberg. With a population of more than a billion people—and a GNP that has grown at an average rate of 9 percent since 1978—the future export potential of the Chinese market is enormous. In industries such as power generation equipment, commercial jets, telecommunications, oil field machinery, and computers, China represents a virtual gold mine of economic opportunity for American businesses.

The importance of such a market is hard to understate: In a world where most existing major markets are saturated or are quickly maturing, it is critical that we find new and expanding markets for American products. China is just such a market. In fact, it represents one of the last reservoirs of raw economic potential left for American businesses to tap.

In short, if cultivated properly, a vigorous trading relationship with China could be a badly-needed cornerstone of American export growth—and overall economic growth—over the next few decades.

Denying MFN for China, however, would put that relationship at risk. To understand why this is true, it is important to realize that MFN is a misnomer. MFN is not preferential treatment—it is equal treatment. By denying MFN for China, we would be denying China the same trading status that all but six of our trading partners have been granted.

How would China be expected to respond to such a punitive action? There's no way to know for sure * * * but I suspect that the Chinese would retaliate by quickly closing their market to American goods and would take their business elsewhere—an event that our international competitors, especially the Japanese and the EC, would note with glee.

And, even if a full-fledged trade war with China is avoided, there is still the risk of destroying all of the progress made so far on other United States-China trade issues.

For example, the United States has recently reached an historic accord with the PRC on protection of intellectual property rights and market access. The accord contains a commitment on the part of the Chinese to ''crack down'' on piracy and to enforce intellectual property laws. It also would require China to finally open its markets to United States audio-visual products. And, if China fails to live up to this agreement, there are more effective IPR-related trade actions that could be taken instead of revoking MFN.

In short, rescinding MFN for China would undermine the progress we have made so far, and would eliminate any possibility of future progress on other trade related issues—such as full enforcement of the 1992 bilateral agreement prohibiting prison-made goods.

The fact is, MFN provides that basic foundation to negotiate with China on trade issues. Without MFN, there is no trading relationship-and no reason for China to work with us to guarantee fair market access for American products.

In other words, denying MFN for China can only have negative consequences for the United States. At a minimum, rescinding MFN would destroy the progress we have already made and would jeopardize future progress towards establishing an equitable trading relationship with the PRC. At maximum, denying MFN would cause a full fledged trade war in which the Chinese market would be closed to American products.

Either way, the end result would be that American companies would effectively be shut out of one of the most rapidly expanding export markets in the world—sending hundreds of billions of dollars of future American exports down the drain.

This scenario is easily avoidable. By continuing MFN status for China, we can take the next step towards promoting a strong economic relationship with this important trading partner—and put ourselves in position to reap the economic benefits that the Chinese market offers.

So it is clear, that renewing MFN for China is in the best interests of the United States economy. Opponents of MFN for China argue, however, that our economic interests should not be our sole concern in deciding whether to extend China's MFN status. They argue that we should use MFN status as leverage to punish China for its abysmal record on human rights and regional security issues—and to force China to change its ways.

Let me say that, in part, I agree with those who would make this argument. Almost no one would argue that China's record on human rights and other issues is unacceptable—and that inducing change in these areas should be a priority of United States foreign policy. I believe that the United States has a responsibility to do whatever it can to promote human rights and democracy in the PRC.

In short, I don't disagree with the goals of MFN opponents. I just disagree with their methods.

The premise of the MFN opponents' argument is simple: That full access to the United States market can somehow be used as a tool to force China to act responsibly. Unfortunately, this view simply does not reflect reality.

The fact is, China simply cannot be bludgeoned into submitting to the will of the United States. As I am sure my colleagues are aware, China is a powerful, proud and independent nation. The idea that such a nation would undertake massive internal reforms because of economic threats from the United States is ludicrous. It is more likely that, in response to the hostile act of denying MFN, China would simply write off the United States market, close off its own markets to United States products and turn its attentions elsewhere in the world—like our competitors in the EC and Japan.

If that happens, what would we have accomplished? We will not have made any progress on human rights or regional security issues. In fact, we might make things worse by reducing the flow of Western values and ideas into China and undercutting those in the Chinese Government who support closer ties to the West.

In short, we would have accomplished nothing—and thrown billions of dollars in U.S. exports—and thousands of U.S. jobs—down the drain in the process. To me, this makes no sense.

Fortunately, there is an alternative approach to bringing about change in China: Positive engagement. I believe that a strengthening—not undermining—our economic relationship with China is the best way to make progress on the many issues of bilateral concern between the United States and the PRC. In the end, it will be economic interdependence—not hostile threats—that creates the incentive for China to work with us on human rights, regional security and other issues.

In fact, this approach has already borne fruit: Chinese cooperation has already yielded significant progress in key areas, such as stopping aid to the Khmer Rouge, helping curtail the activities of North Korea, and securing a commitment from China not to export certain ground-to-ground missiles. These accomplishments are in addition to the progress we have made on important trade issues, such as intellectual property rights. And, while I agree that more progress is needed, they are certainly a good start.

In sum, Mr. Chairman, we are deciding today between two very different policy approaches in dealing with China. The choice is clear: We can deny MFN and adopt a policy of saber rattling and hostile threats. Or, we can engage China and attempt to use the leverage provided by mutual economic interest to bring about real—albeit slow—change.

I believe that we should choose the latter and renew MFN for China. The fact is, engaging China through international trade is the only chance we have to make a difference in how China treats its people and how China interacts with the world community. Conversely, denying MFN might make us feel good about ourselves in the short run—but in the long run we will have failed to make any difference in how China treats its people or how it behaves in the world community. And, we will have cost American jobs in the process.

For these reasons, I urge my colleagues to vote ''no'' on the resolution of disapproval.

Mr. DINGELL. Mr. Speaker, it is with concern that I cast my vote in favor of most favored nation status for China. Without MFN, I believe much would be lost, not only in the area of trade, but in our ability to continue to coerce China to address its labor and human rights violations. For this reason, I will be following China's progress in the coming year. If advancements are not made by China in these areas, I will be considerably less likely to vote as I did today.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in opposition to this resolution of disapproval revoking normal trading relations with China. The extension of most-favored-nation trading status with China simply provides China the same trade status possessed by other nations. There is nothing most-favored or preferential about MFN status.

The discontinuation of normal trade relations will only subvert our capacity to influence Chinese policy, including trade, weapons proliferation, and other security matters. Our actions today will be a key factor in Chinese calculations about their future. Asia is one of the most dynamic regions of the world and the one with the greatest potential to threaten world peace. Stability in this region is most likely if China and the United States participate constructively together. The United States cannot send mixed signals regarding its commitment to regional and global stability. Rather, this is precisely the time when a clear, consistent American policy is needed. The United States must maintain a policy of engagement with China lest one day we find ourselves forced into a policy of containment. Whether and how we engage China today will have enormous consequences for United States interests in the future.

Moreover, denying normal trade relations with China will undermine United States economic interests. With a population of 1.2 billion, and past growth rates in the double digits, United States exports to China support 170,000 American jobs. Since establishing relations in 1979, trade between the United States and China has risen from $2 billion in 1978 to nearly $60 billion last year making China our sixth largest trading partner.

Market economies promote a better standard of living by evolving into democracies. Through normal trade and diplomatic relations, the United States can continue moderating and influencing Chinese actions. Normal trade relations promote human rights. Should MFN be denied, the influx of democratic political and economic ideals would cease. Normal trade relations promote environmental reforms. By working with China on sustainable development in areas of pollution prevention, agriculture, and energy, United States companies operating in China influence Chinese environmental policy. Normal trade relations significantly better the lives of the Chinese people. By providing higher wages, opportunities for travel and study abroad, and other basic benefits, American companies open Chinese society and influence it from within.

I urge my colleagues to oppose this resolution of disapproval. Only through continued normal trading relations will the United States be capable of influencing future Chinese actions.

Mr. CUNNINGHAM. Mr. Speaker, I rise in opposition to extending most-favored-nation [MFN] status for China. In the past, I have been supportive of extending MFN for China. Many companies in my district do business with China, and have urged me to support continuing normalized trade relations with them.

This has been a very difficult decision for me to make. But, in making my decision, I simply asked myself this question: What will best serve the interests of the American people?

The answer: Protecting this country's national security will best serve Americans. China's actions have threatened our national security, and this must stop. All Americans should be concerned over China's sales of nuclear ring magnets to Pakistan, sales of cruise missiles to Iran, nuclear processing technology transfers to Iran and Pakistan, chemical weapons technology transfers to Iran, and the testing of missiles in the seas off Taiwan just before Taipei's historic election. These are not minor matters. Most of them directly violate several international arms control agreements. Terrorist countries are acquiring weapons of mass destruction through their deals with China.

Nor must we ignore China's record of violations of the human rights of China's people. The Clinton administration's policy against china is not advancing human rights in China. Chinese children die in orphanages because they are not fed or given proper medical care. China's one-child policy results in forced abortions and sterilizations. Forced labor thrives. Christians are persecuted.

Nor has China honored its commitments under intellectual property rights agreements, a grave concern for many employers in California. It is crucial that copyright-based industries, such as software and entertainment, are treated fairly by all participants in the global marketplace. This cannot be accomplished when China continues piracy.

The Clinton administration has failed to lead with a realistic China policy. Its weakness and vacillation turns a blind eye to communist Beijing's disregard for freedom, for peace, and for fair trade. The burgeoning American trade deficit with China can and should be laid at President Clinton's feet, which have never even once touched the soil of the world's most populous country.

What we can do is revoke MFN for China. I encourage my colleagues to join me in sending a strong message, and change United States policy toward China for the better, for America, and for the Chinese people.

Mr. PORTER. Mr. Speaker, the human rights and other abuses perpetrated by the Government of the People's Republic of China comprise a series of ongoing and outrageous assaults on international comity and basic human decency. China's unacceptable behavior has been, and continues to be, egregious as measured by any reasonable standard of international conduct. Perhaps of greatest concern, China shows no sign of abating in its misdeeds but, rather, seems compelled to follow a course of worsening behavior. China's actions are so egregious that they cry out for a response.

Day after day we hear reports regarding Chinese human rights abuses. Last December, after being under arrest for 21 months without charge, prodemocracy activist Wei Jingsheng was sentenced to 14 years in prison despite repeated international pleas for his release. The imprisonment of those who attempt to freely express themselves is common practice in China. In January and February, worldwide outrage turned on China when it became public knowledge that innocent children in Chinese orphanages were routinely starved to death as part of a program to rid society of its unwanted, and most fragile citizens.

China's aggressive and harsh policies have extended beyond the mainland. This past fall, when Hong Kong voters demonstrated their commitment to democracy by repudiating most legislative candidates allied with Beijing and handing an overwhelming victory to advocates of democracy, China responded by vowing to dismantle the Hong Kong Legislature upon Hong Kong's return to Chinese control on July 1, 1997. When Taiwan's voters went to the polls to freely and fairly elect their leaders, China once again tried to thwart democratic advancement and fired missiles across the Straits of Taiwan in an act of blatant intimidation and raised tensions to an unprecedentedly dangerous level. And if we ever thought of looking to China to help promote peace and cooperation in Asia, we should look again. China, by engaging in the illegal sale of nuclear weapons to the Government of Pakistan and fostering nuclear proliferation elsewhere, shows no commitment to reducing the number of nuclear weapons worldwide. China's blatant interference with the selection of Tibet's Pachen Lama, and its ongoing efforts to repress the reasonable aspirations of the Tibetan people, represent one of the most egregious examples of religious repression on the globe.

In addition, China continues to dump products at below cost on the United States marketplace, in violation of United States and international trade law. This dumping undermines other developing nations that are playing by the rules and endorsing free market and free government principles. Countries such as the Philippines and India suffer greatly when they lose United States market share to Chinese manufacturers who do not play by the rules.

To all of this, our President has said to this Congress and the American people only what he will not do—he will not rescind most-favored-nation treatment for China. I am basically in agreement with the President in this assessment. MFN is an extremely blunt instrument by which to attempt to influence Chinese policy. Its greatest weakness is that it harms those within and without the People's Republic whom we are most desirous of helping, especially Hong Kong and the emerging markets of Guangdong Province. For that reason, I essentially do not favor retracting MFN status for the People's Republic of China.

The great and troubling difficulty with this is that, to the immense frustration of the American people and many Members of Congress, the President has utterly failed to articulate what he will do about China's outrageous conduct. There is an extremely disturbing failure on the part of this administration to provide any leadership in speaking out against, and acting against, fundamental violations of human rights, international comity and democratic principles by China. We know only what this administration will not do. In this regard, I find it extremely disappointing that the administration provides little support for Radio Free Asia.

And, it is distressing to note, that this seems to be a pattern with this administration that goes well beyond our bilateral relations with China. In other areas of the world, this administration's response to human rights abuses and disregard for norms of civilized conduct is simply lacking. The Turkish Government wages a military campaign against its Kurdish minority. This war has taken the lives of more than 20,000 people including women and children, displaced more than 3 million civilians, and destroyed more than 2,650 Kurdish villages. And what is the United States Government's response—to provide the Government of Turkey with United States military equipment so that they may continue waging this 12-year conflict. Too often, our administration talks a big game but fails to follow through on its rhetoric with action. In Cyprus, former Ambassador Holbrooke promised to make 1996 the year of the ''big push on Cyprus.'' Yet, half

way through 1996 there has been no effort. I fear we will never see a resolution to the Cyprus situation. In Bosnia our administration admits that conditions do not exist for the holding of free and fair elections, but tells us that elections will nevertheless be held this September. What type of results can we expect from elections that we know will be corrupt?

The absence of United States leadership in the face of ongoing human rights abuses in the People's Republic of China undermines the values and democratic principles that we as American hold dear. The difficulty that this nonpolicy presents is that it gives those of us in the Congress who object vociferously to Chinese behavior but are uncomfortable with denying MFN no choice. All options become unacceptable in the absence of Presidential leadership and the failure of this administration to articulate a China policy that amounts to anything more than acquiescence. We can only either support MFN for China or attempt to vent our outrage through support of the resolution of the Gentleman from California [Mr. ROHRABACHER].

I will therefore support the resolution to disapprove MFN for China. But it is a poor substitute for an articulate, proportionate, and aggressive administration policy toward China that Members of Congress can support. And In doing so, I recognize and understand that the final outcome of this process is that China will without question continue its MFN status. And Beijing will interpret this result as tacit United States approval of its current course. To me however, China must understand that its behavior must change and, in the absence of an administration willing to forcefully drive that message home, I feel compelled to express this in the only way I can.

Mr. BARRETT of Nebraska. Mr. Speaker, as agricultural subsidies decline, we must allow and encourage expansion of markets for U.S. agricultural commodities. MFN to China leaves important trade avenues open, benefiting family farms, ranches, and businesses.

China has the potential to becomes the largest importer of American agricultural products. Currently, China is the largest importer of American wheat. During 1995, agricultural sales to China totalled $2.6 billion, more than double the 1994 sales.

Mr. Speaker, we all detest China's notorious human rights record. But, if we don't extend MFN to China, we may lose all positive leverage we now have. As well, United States companies in China set a high standard of management practices—benefiting their employees as well as changing the management strategies of other companies competing in the labor market.

If we don's extend MFN to China nobody wins. United States farmers, ranchers, and businesses lose, and the people of China lose as well.

Mr. VENTO. Mr. Speaker, free and fair trade is an important element in the global economy and in U.S. trade relations with other countries. Benefits flow from most-favored-nation status [MFN], and we must acknowledge that the Chinese market represents a tremendous trade opportunity. But our trade relations also reflect American policy, values, and principles, both nationally and internationally. On many fronts, we have followed the policy of engagement with China but have seen few changes in return. Whether due to human rights abuses, unfair trade practices, the proliferation of technology for non-nuclear and nuclear weapons or theft of intellectual property, the United States should not grant MFN status for China. China does not merit such status as China has repeatedly misrepresented and violated both the spirit and letter of almost all accords related to these fundamental issues. I oppose efforts to grant MFN status to China.

Regarding human rights, the Chinese people are repeatedly denied the opportunity to voice their views on labor abuses or exercise political rights. Documented cases of child and prison labor indicate that conditions are not improving in China. The abuse of Tibet and war games around Taiwan raise serious questions. The U.S. State Department in its 1995 report on human rights indicates the absence of elemental rights and the unwillingness of the Chinese leaders to abide by international norms.

Even when negotiations lead to agreement, China hesitates to implement such measures. China has failed to live up to its obligations under the 1995 intellectual property rights agreement with the United States. Pirate factories continue to produce illegal copies of software, CD's, and video recordings—costing the United States billions of dollars annually in lost sales. How can we extend MFN status to a country that fails to honor its obligations?

Destabilizing international actions by the Chinese Government indicate their unwillingness to cooperate in the global community. Whether sabre-rattling to influence democratic elections in Taiwan, selling nuclear and missile technology to Pakistan and Iran, or illegally smuggling assault weapons into the United States, Chinese actions illustrate the gulf between their words and their deeds.

As if the lack of performance wasn't enough, the predictable result in dollars and cents is negative. In 1995, the United States trade deficit with China topped $33 billion. I have serious concerns about this growing deficit and where our current trade policy may lead. China maintains high tariffs and numerous nontariff barriers. The situation in Japan has shown how difficult overcoming protectionist policies and reducing trade deficits can be. It is in our interest to avoid similar problems with China, which potentially will represent a far larger market than Japan or the European Union. It needs to be corrected now.

I support actions which send a strong message to China that current Chinese policies are not acceptable and will not be tolerated by the United States. During the Bush years these problems were left to flourish, now the task to resolve them is more difficult but imperative to address. The best way to send this message is to vote ''yes'' on this resolution denying MFN status for China.

Ms. PRYCE. Mr. Speaker, I thank the distinguished chairman of the Rules Committee for yielding me this time, and I congratulate him for his leadership in crafting a fair and balanced rule that carefully addresses both sides of the MFN issue.

First, let me say that I am a strong proponent of extending MFN trade status for China, and that I intend to oppose the disapproval resolution. But having said that, I think even the strongest proponents of renewing MFN recognize that there are problems in China.

During this debate, we will hear accounts of egregious human rights abuses, proliferation of nuclear technology, intimidation of Taiwan, and piracy of intellectual property. That is why the companion measure to be offered by our colleague from California is so important.

Under this fair rule, Members can vote to renew MFN and at the same time send a strong signal to Beijing that Congress will not turn a blind eye to China's trade practice, human rights record, and other very legitimate concerns.

But while the Cox resolution is sure to put pressure on China, I continue to believe that an even stronger, more effective tool to induce change in China can be found in a trade policy that engages China. Why? Because market forces promise the kind of economic freedom that gives birth to lasting democratic reforms.

Our own economic and national security interests also require us to maintain a productive relationship with China. We cannot ignore that country's potential as the world's most populous nation, as a member of the U.N. Security Council, and as a regional power with nuclear technology. And, let's not forget our friends in Taiwan and Hong Kong who would most certainly be hurt by the revocation of China's MFN status.

The bottom line is that we cannot write off a market with 1.2 billion people. We have to stay engaged and we have to work to see that our policy concerns are addressed productively—and that means leaving MFN in place.

So again, I congratulate our chairman for his efforts in writing a balanced rule that allows us to achieve both objectives—a clear vote on renewing MFN and a clear vote that sends a strong message to the Chinese Government. I urge a ''yes'' vote on the rule and support for the extension of MFN for China.

I yield back the balance of my time.

Mr. FRANKS of Connecticut. Mr. Speaker, I rise in opposition to House Joint Resolution 182, the resolution disapproving the continuation of most-favored-nation trading status for the People's Republic of China.

Mr. Speaker, I believe to cancel MFN for China would be a penny-wise, pound-foolish measure to take.

First, as a Representative from Connecticut, one of our Nation's leading exporting States, I know of the high rate of employment that our trade with China creates. Mr. Speaker, the $12 billion of goods and services we sell in our trading relationship with China provides for over 200,000 high-paying jobs, nationwide, while thousands of other jobs and also supported by our business with China indirectly.

Yet, Mr. Speaker, opponent of our present trading status with China would have us dissolve MFN, thus throwing these good, high-paying, quality jobs out the window. Mr. Speaker, are we so naive to think that if we dissolve MFN, the Europeans and the Japanese will not try to move in and take this business. I do not think so, but the opponents of MFN for China need to realize that by abandoning MFN trading status with China, we will, in effect, be abandoning our workers who depend on these exports for their livelihood and we would be surrendering this large, fertile market to our global competitors.

Mr. Speaker, there are those Members of the House who claim that we must dissolve MFN because of various incidents of misconduct perpetuated by China. But I ask you, Mr. Speaker, if we now cut off MFN from China, what likelihood will there be that we can promote a better way of life to the Chinese? If we nip our trading relationship with

China in the bud, thus stunting the growing Chinese private sector, what leverage will we have in creating social change? The answer to both questions is none.

Mr. Speaker, the simple fact is, if we are going to change China for the better, we need to economically engage her. Economic engagement means we can help nurture China into a freer, more market-oriented society which depends less on her centralized government and more on her burgeoning private sector.

Mr. Speaker, the bottom line is that there are great advantages to maintaining our MFN status for the People's Republic of China. We need to defeat this resolution and continue the endeavor of discourse and interaction with China for the benefit of the peoples of both nations.

Mr. ABERCROMBIE. Mr. Speaker, today I rise to speak out against granting most-favored-nation status to China. Many of my colleagues have discussed the various aspects of China's MFN status; I am going to concentrate on the issue of exporting forced labor manufactured products to the United States. The Chinese Government has not complied with the memorandum of understanding on prison labor between the United States and China also known as the MOU.

In the MOU, the Chinese acknowledged that exporting forced labor products to the United States is illegal. Key provisions of the MOU state that China will promptly investigate companies or enterprises suspected of violating relevant regulations; they will furnish available evidence and information regarding suspected violations; and they will allow United States officials to visit the respective enterprises or companies.

This violation should be important to any working American. Importing products made by convicted, forced or indentured labor in Chinese prison camps takes jobs away from Americans. The United States should not continue granting MFN status to China while it is exporting prison labor products. There are many examples of Chinese and United States companies deliberately violating the law.

For example, the Customs Bulletin and Decisions published in the Federal Register on April 23, 1996, reports that certain iron pipe fittings are made using prison labor at the Tianjin Malleable Iron Factory also known as the Tianjin Tongbao Fittings Co., also known as the Tianjin No. 2 Malleable Iron Plant, also known as the Tianjin Secondary Mugging Factory, also known as the Tainajin No. 2 Prison. I'm sure you noticed that the prison goes by many names and is only one example of how the Chinese Government tries to mislead companies and countries on where exported manufactured products are being made.

The March 1996 State Department report entitled ''China Human Rights Practices,'' states that cooperation with United States officials has stalled since mid-1995. ''As of the end of 1995, the authorities had not granted access to a prison labor facility since April 30th. * * * As in many Chinese workplaces, safety is a low priority. There are no available figures for casualties in prison industry.''

Another example of exported prison labor can be found by examining the Chinese expandable graphite exports. The only mine in China which produces expandable graphite for export is a forced labor camp called the Beishu Laogai Detachment, also known as the Shandong Province Beishu Prison, the Shandong Province Beishu Shengjian Graphite Mine, the Beishu Graphite Mine, and recently the Qingdao Graphite Mine. Producing expandable graphite is dangerous because it involves the extensive use of sulfuric and chromic acid. Shipping records from 1992 to 1995 show that two major customers of the expandable graphite in the United States were the Asbury Graphite Company and China Enterprises.

Let me refresh some of my colleagues' memories in the case they don't remember watching the June 1995 Tom Brokaw interview with Steven Riddle, CEO of the Asbury Graphite Co. in New Jersey. During the interview, Mr. Riddle admitted that his company was purchasing expandable graphite from Qingdao Mines, a forced labor camp. In addition, Mr. Riddle admitted that he sometimes worried that his company, Asbury Graphite was violating the law, but ''everybody tends to look the other way.'' We need to stop looking the other way. United States companies should not feel comfortable purchasing forced labor products from China. The U.S. Customs Agency needs to put its foot down and enforce the law.

An interesting side note: The Beishu Laogai Detachment was unexpectedly visited on Christmas Day, 1994, by a reporter from the London Sunday Times, named Nick Rufford. He reported that ''Evidence of the use of forced labor was abundant. Inmates marched in double file. Trucks with 'Beishu prison' stenciled on the sides in Chinese characters were parked inside the factory gates. Behind the plant stood a walled compound with watchtowers and guards.'' Mr. Rufford reported 3,500 tons of graphite from the mine was shipped to Britain last year.

As many of my colleagues know, Amnesty International and other sources have provided ample documentation of the cruel and abusive practices common in Chinese prisons. That abuse, the restricted journals clearly show, is translated directly into hard currency earned in the export trade.

For example, in a journal whose readership is restricted to prison officials, a writer laid out the brutal logic of using prison labor for export production: ''Prisoners have become commodity producers. they are cheap and concentrated. They produce labor intensive products.'' It is precisely the goods which fall into the labor intensive category that form the bulk of Chinese exports to the United States.

The article also shows that it is common practice in China to forcibly retain so-called labor reform prisoners for indefinite periods beyond the expiration of their terms. the industrial advantages are explained clearly to prison administrators: ''Prisoners retained for in-camp employment * * * can not join labor unions, do not enjoy retirement benefits when they become old, and their wages and living standards are low.''

These abuses seal the case against granting China MFN status. China does not play by the rules. China does not reciprocate the trade benefits we grant to them. Despite the fact that over one-third of China's exports are sold into the United States market, China's high tariffs and non tariff barriers limit access to the Chinese market for United States goods and services. Only 2 percent of United States exports are allowed into China. The result is a $34 billion United States trade deficit with China in 1995. This doesn't include any of the stolen intellectual property of the illegally smuggled guns. I strongly urge my colleagues that we no longer reward China's constant violations of agreements. Vote against granting MFN status to China.

Mr. SMITH of New Jersey. Mr. Speaker, when the People's Liberation Army massacred, maimed, and incarcerated thousands of peaceful pro-democracy activists in June 1989, the well intentioned but wishful thinking that, somehow, the People's Republic of China was turning the page on repression was shattered.

The brutal crackdown on the reformers was not the end, however, it was the beginning of a new, systematic campaign of terror and cruelty that continues still today.

Each year since Tiananmen Square the savagery has gotten worse and the roster of victims grows by the millions.

It is my deeply held conviction that in 1989 and by the early 1990's, the hardliners in Beijing had seen enough of where indigenous popular appeals for democracy, freedom, and human rights can lead. The Communist dictatorships in control in 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 Wojeiech Jeruzelski of Poland were ousted.

Everything Beijing has done since Tiananmen Square points to a new bottom line that we ignore and trivialize at own peril and that is democracy, freedom, and respect for human rights won't happen in the PRC any time soon. The dictatorship's not going to cede power to the masses especially when we fail to employ the leverage at our disposal. We are empowering the hardliners.

Accordingly, stepped up use of torture, beatings, show trials of well known dissidents, increased reliance on the hideous, and pervasive practice of forced abortion and coercive sterilization and new, draconian policies to eradicate religious belief, especially Christianity, have been imposed. Genocide is the order of the day in Tibet. Repression on a massive scale is on the march in the People's Republic of China.

Some have argued on this floor that conditions have improved, citing the excesses of the Cultural Revolution as the backdrop to measure improvement. But that's a false test. The depths of depravity during that period has few parallels in history and the Chinese leaders knew themselves that such extreme treatment of its people could not be sustained.

But the real test is the post-Tiananmen Square reality—and the jury is in—China has failed miserably in every category of human rights performance since 1989.

Mr. Speaker, I chair the International Operations and Human Rights Subcommittee. Since the 104th Congress began my subcommittee has held nine hearings on human rights in China and an additional half dozen hearings, like a hearing on worldwide persecution of Christians, where China's deplorable record has received significant attention. I have led or co-led three human rights delegations to the People's Republic of China. On one trip, Representative FRANK WOLF of Virginia and I actually got inside the Laogai Prison Camp and witnessed products being manufactured for export by persecuted human rights activists.

Mr. WOLF and I met with Le Peng, who responded to our concerns with disbelieving contempt and arrogance.

Mr. Speaker, each representative of the most prominent human right organizations made it quite clear—things have gotten worse in China and current United States policy has not made a difference for the better and has sent the wrong message to the Chinese Government and other nations in the region and around the world.

Last week at my subcommittee's hearing Dr. William Schulz, the executive director of Amnesty International testified that ''the human rights condition in China has worsened since the delinking of human rights and MFN. Despite rapid economic changes in recent years in China, which has led to increased freedom and some relaxation of social controls, there has been no fundamental change in the Government's human rights practices. Dissent in any form continues to be repressed.''

While Amnesty International takes no position on MFN, it is significant to note, Mr. Speaker, that Dr. Schulz reported that ''the delinking has given a clear signal to the Chinese Government that trade is more important than human rights considerations'' and that ''the message is clear, good trade relations in midst of human rights violations is acceptable to the U.S.''

Nina Shea, the director of the Puebla Program on Religious Freedom at Freedom House testified that ''China ranks at the bottom of the 1996 Freedom House Freedom in the World survey among the '18 Worst Rated Countries' for political and civil liberties.''

And if I might be allowed one more example of what my subcommittee heard, Mr. Speaker, Mike Jendrzejczyk, the Washington Director of Human Rights Watch/Asia testified that ''in recent months, Chinese authorities have ordered increased surveillance of so-called 'counter-revolutionaries' and 'splittists' (Tibetans, Uighurs and other national groups) and given even harsher penalties for those judged guilty of violating its draconian security laws. China has silenced most, if not all, of the important dissent communities including political and religious dissent, labor activists, and national minority populations. Their members have been exiled, put under house arrest, 'disappeared,' assigned to administrative detention, or subjected to economic sanctions and systematic discrimination in schooling and employment. Dissidents also continue to suffer criminal charges, long prison sentences, beatings and torture.''

Mr. Speaker, I've met with Wei Jingsheng in Beijing—before he was thrown back into jail—and was deeply impressed with his goodness, candor, and lack of malice toward his oppressors. it is unconscionable that this good and decent democracy leader is treated like an unwanted animal by the dictatorship in Beijing.

Mr. Speaker, the Clinton administration's celebrated delinking of most-favored-nation status from human rights in 1994 was a betrayal of an oppressed people of breathtaking proportions. Unfortunately, it was only the worst example of a broader policy, in which the U.S. Government has brought about an almost total delinking of human rights from other foreign policy concerns around the globe. As a candidate, Bill Clinton justly criticized some officials of previous administrations for subordinating human rights to other concerns in China and elsewhere. He called it ''coddling dictators.'' But the Clinton administration has coddled as few have coddled before.

Each year, as the time approaches for Congress and the President to review the question of most-favored-nation status for the Government of the People's Republic of China, members of Congress are approached by representatives of business interests to support MFN. Their argument is that constructive engagement is the best long-term strategy for promoting human rights in China.

The biggest problem with this strategy is that it has not yet succeeded in the 20 years our Government has been trying it. Our Government has been embroiled in a 25-year one-way love affair with the Communist regime in Beijing. There is no question that increased contact with the West has changed China's economic system, but there is little or no evidence that it has increased the regime's respect for fundamental human rights.

I have made an honest effort to try to understand why this is, if, as we Americans believe, human rights are universal and indivisible, then perhaps the extension of economic rights should lead to inexorable pressure for free speech, democracy, freedom of religion, and even the right to bring children into the world. And yet it has not worked. One possible reason is that although there has been economic progress in China, this has not resulted in true economic freedom. In order to stay in business, foreign firms and individual Chinese merchants alike must have government officials as their protectors and silent or not-so-silent partners. Yes, there is money to be made in China, and every year at MFN time, we in Congress get the distinct impression that some of the people who lobby us are making money hand over fist, but this is not at all the same as having a free economic system. Large corporations made untold millions of dollars in Nazi Germany. Dr. Armand Hammer made hundreds of millions dealing with the Soviet government under Stalin. Yet no one seriously argues that these economic opportunities led to freedom or democracy. Why should China be different?

For 20 years we coddled the Communist Chinese dictators, hoping they would trade communism for freedom and democracy. Instead, it appears that they have traded communism for fascism. And so there is no freedom, no democracy, and for millions of human beings trapped in China, no hope.

Another reason increased business contacts have not led to political and religious freedom is that most of our business people—the very people on whom the strategy of ''comprehensive engagement'' relies to be the shock troops of freedom—do not even mention freedom when they talk to their Chinese hosts. After the annual vote on MFN, the human rights concerns expressed by pro-MFN business interests often recede into the background for another 11 months.

During those 11 months, Mr. Speaker, the United States trade deficit with China continues to grow. In 10 years China rose from being our 70th largest deficit trading partner to our second largest. The deficit has grown from $10 million to over $33 billion. One-third of all of China's exports come to the United States and are sold in our markets. If China did not have the United States as a trading partner they would not have a market for one-third of their goods. China needs us, Mr. Speaker, we do not need China.

Our State Department's own country reports on human rights conditions for 1995 make it clear that China's human rights performance has continued to deteriorate since the delinking of MFN from human rights in 1994. In each area of concern—the detention of political prisoners, the extensive use of forced labor, the continued repression in Tibet and suppression of the Tibetan culture, and coercive population practices—there has been regression rather than improvement. And every year we find out about new outrages, most recently the ''dying rooms'' in which an agency of the Beijing government deliberately left unwanted children to die of starvation and disease.

Since February 1994—just 1 month into the Clinton administration—the United States has been forcibly repatriating people who have managed to escape from China. Some, although not all, of these people claim to have escaped in order to avoid forced abortion or forced sterilization. Others are persecuted Christians or Buddhists, or people who do not wish to live without freedom and democracy. Still others just want a better life. For over 3 years now, over 100 passengers from the refugee ship *Golden Venture* have been imprisoned by the U.S. Government. Their only crime was escaping from Communist China. In the last few months, several dozen of the *Golden Venture* passengers have been deported to China—some by force, some voluntarily because they were worn down by years in detention.

A few days ago I received an affidavit signed by Pin Lin, a *Golden Venture* passenger who through the intervention of the Holy See has been given refuge in Venezuela. He has received information from families of some of the men who have returned. The Chinese Government had promised there would be no retaliation. Contrary to these promises, the men who returned were arrested and imprisoned upon their return to China. Men who had been mentioned in U.S. newspapers or who had cooperated with the American press were beaten very severely as an example to others. The men and women remaining in prison—the men in York, PA, and the women in Bakersfield, CA—are terrified by these reports. And yet they are still detained, and they are still scheduled for deportation to China.

I ask the Clinton administration, please, let these people go. They have suffered enough. And I hope this House will send a strong message today—to the totalitarian dictatorship in Beijing, to the enslaved people of China and Tibet, and to the whole world—that the time has come to say enough is enough. It is clear that most-favored-nation status and other trade concessions have not succeeded in securing for the people of China their fundamental and God-given human rights. Now we must take the course of identifying the Beijing regime for the rogue regime that it is, a government with whom decent people should have nothing to do.

Mr. Speaker, the time has come for us to send a clear and uncompromising message to China and to the rest of the world: Human rights are important, human lives are more valuable that trade, the people of the United States do care more about the people of China than we do about profit. Now is the time to disapprove MFN.

Mr. LAZIO of New York. Mr. Speaker, debates over how to deal with China have raged

in this House for better than a century, and this year is no exception. The challenge of defining a relationship with this Asian giant has frustrated American policymakers for over a century.

The issue before us is not the record of the Chinese regime but whether the denial of MFN is the appropriate vehicle for influencing Chinese behavior. Of course, we continue to be troubled by China's human rights abuses, its failure to adhere to intellectual property agreements and its practice of violating international standards of nuclear non-proliferation. But denying MFN will not solve these problems.

The denial of MFN will significantly limit our economic interaction with China and in so doing will limit our ability to influence Chinese behavior. To be able to change China, we must maintain a significant and sustained trade relationship. A country the size and strength of the PRC is difficult enough to influence at our current level of trade. To deny MFN would be to eliminate any opportunity to modify Chinese behavior.

The most appropriate and effective way to exert influence is through consistent diplomacy and military preparedness. America must remain a visible beacon on the Chinese horizon. It is only through maintaining a strong and stable presence in Asia that we will be able to promote democratic reforms in China and in Asia generally.

We have much at stake in China. The Chinese alone sold China nearly $711 million in goods, with an additional $1.5 billion going to Hong Kong, which will become a part of China next year. Importantly, some 180,000 United States jobs rely on exports to China.

A United States unilateral trade embargo on China will not have the effect we desire. But it will cost American jobs because Japanese and European companies will quickly move to fill the void. Already there is talk in Brussels and Tokyo of playing the ''China card'' against the United States.

MFN simply is not the way to influence China. And that government should not feel that renewing MFN is a reward for its behavior. We must keep the pressure on all fronts to push for democratic reform. The pathway to democracy is through free and open markets, and renewing China's MFN status makes sense. We must not hold our trade policy hostage to the vehicle of MFN.

Ms. ESHOO. Mr. Speaker, the House of Representatives today will decide whether to extend most-favored-nation status on China. There are grave issues to be considered relative to this decision.

Trade.—On a strictly trade-for-trade basis, China does not reciprocate the benefits we grant to them with MFN. Only 2 percent of United States exports are allowed into China and the result is a $34 billion United States trade deficit with China in 1995. Ten years ago this figure was $10 million.

Piracy of U.S. Intellectual Property.—This issue represents a cost to the U.S. economy of $2.4 billion in 1995 alone, and does not include the loss to our economy from Chinese production and technology transfers which hurt our workers and diminish our economic future.

Proliferation.—China continues to transfer nuclear, missile and chemical weapons technology to unsafeguarded countries including Pakistan and Iran in violation of international agreements.

There is more. Human rights violations, the smuggling of AK–47's and other weapons into the United States by the Chinese military, the pointing of missiles at the democratic elections of Taiwan, and the occupation of Tibet.

While it can be said that these issues are not technically about trade, we must, in my view, work to resolve them as we trade. With this heavily weighted case against the Chinese, what we need today more than ever before is a policy, not a protest.

There must be a stiffening of the resolve of the administration to address the imbalance of trade and the balance of trade tariffs.

The private sector together with the Government must speak up and help forge not just a message but a policy.

My vote today to extend MFN is cast with the concern for the dangers of isolationism. One billion two million people cannot be ignored or isolated.

We paid, in my view, an enormous price in dollars and decades by isolating the Soviet Union.

I cast this vote with reservations—strong reservations which I've stated.

My hope is that the next time an administration seeks congressional approval of MFN status for China, that a policy will have been stated and carried forward, that China's record will be one of fairer trade, a freer political climate and a safer world.

Mr. SKAGGS. Mr. Speaker, we all want to see a China that cooperates in regional and global peacekeeping. We all want to see a China that follows international proliferation and trade rules. And we all want to see a China that respects human rights.

We can all agree on these goals.

The question is—How do we best reach them?

We have two China measures before us today. One measure, introduced by Mr. COX of California condemns China and instructs several House committees to hold hearings and to prepare legislation that will address serious and growing concerns with Chinese human rights abuses, nuclear and chemical weapons proliferation, illegal weapons trading, military intimidation of Taiwan, and trade violations.

This is a constructive measure which I will support.

A second measure seeks to isolate China. By disapproving renewal of so-called most-favored-nation [MFN] trading status for China, it would at best severely damage the already-troubled economic and political relationship between the United States and China. I call it ''so-called most-favored nation status'' because MFN simply confers on China the same trading status we give to all but seven other countries. MFN is not a special deal for China.

I will not support this measure, because I believe it would be counterproductive. Cutting off MFN would hurt the Chinese economy and put thousands of Chinese out of work. Given recent Chinese behavior in several areas, I admit there's a certain emotional appeal to this consequence. But, cutting off MFN would also hurt our economy and put thousands of Americans out of work. And it would also forfeit one element of leverage—however modest and problematic—we now have to influence the behavior of the Chinese Government.

If I thought revoking MFN would effectively bring the kind of change we want to see in China, I'd come down differently. But I don't believe it would.

Cutting off MFN would all but shut the door on the exchange of goods and services between the United States and China. It would subject Chinese imports to tariff levels set by the Smoot-Hawley Tariff Act just before the Great Depression. Tariffs would rise up to 70 percent on some Chinese goods. This would cost American consumers up to $29 billion per year. (Alternatively, other low-wage countries would take over in sectors where the Chinese were priced out.) The Chinese would certainly retaliate cutting off our imports and costing the jobs of perhaps 200,000 Americans currently making goods sold in China.

Cutting off MFN means that we lose the opportunity we now have to expose China to free market principles and values. China cannot participate in the global trading system without being increasingly integrated into the international community. To finance their expanding trade, the Chinese need foreign capital and foreign investment. This will eventually compel China to accept an international framework based on accepted rules. Yes, it's painful and often offensive to live through the period until that occurs. But that has to remain the objective.

Cutting off MFN also means that we will lose many of the person-to-person contacts that exist between American and Chinese businesspeople, diplomats, and students. These contacts are the most direct way we have to influence the way China evolves.

Finally, cutting off MFN means that we will take away the tools that the United States Government now has to deal with Chinese actions that harm our national interests. Just this month, the Clinton administration got the Chinese to enforce an intellectual property rights agreement by threatening sanctions of $2 billion of targeted Chinese exports. Earlier this spring, the administration used diplomatic pressure and the threat of economic sanctions in the ring magnets case to secure a commitment by China not to assist unsafeguarded nuclear facilities. In both instances, admittedly, the proof will be in long-term adherence to commitments. But, again, I believe it would be a worse and more dangerous relationship to deal with absent MFN, when these initiatives to shape Chinese behavior in a more positive way would not have been possible.

China's human rights record is still an abomination. But we do nothing to improve the situation by isolating China. I have long advocated improved human rights in China. After the 1989 massacre in Tiananmen Square, I organized a protest march of more than 2 dozen Members of Congress who walked across Washington from the U.S. Capitol to the Chinese embassy, where we met with their ambassador and presented in the strongest possible terms our view that the Chinese Government needed to change its ways.

Since that time progress has been far too slow. Chinese repression in Tibet, arbitrary detentions, forced confessions, torture and mistreatment of prisoners, along with restrictions on freedom of speech, of press, of religion, and of assembly, remain unacceptable. We must continue to expose Chinese atrocities and to demand expansion of universally recognized human rights. I hope that the resolution introduced by Mr. COX will contribute to this goal.

To date, we have pursued our human rights interests in China largely through bilateral diplomatic contacts. It will not be possible to

pressure the Chinese Government to release political dissidents and religious prisoners and to expand civil rights if we initiate a trade and diplomatic war by voting to disapprove MFN renewal.

Engagement does not work as quickly as we would all like. It will take time for trade, investment and foreign enterprise to break down the iron grip of power that the Chinese Communist Party holds over its people. But American trade and the products we send to China—fax machines, televisions, satellite dishes, cellular telephones, computers, books, movies—carry the seeds of change. Ultimately, China cannot sustain the economic liberalization supporting its trade with the United States without seeing an inevitable erosion of its political isolation and its authoritarian regime.

Mr. Speaker, I urge a ''yes'' vote on the Cox measure and I urge a ''no'' vote on the measure to disapprove MFN status for China.

Mr. FAZIO of California. Mr. Speaker, I rise today in opposition to the disapproval resolution of most-favored-nation [MFN] status for the People's Republic of China.

Opponents of MFN have legitimate grievances with China, and I share them. But quite simply, despite having the right reasons, this is the wrong tool.

I do not dispute the fact that China has a poor track-record on human rights. I cannot overlook that China has sold nuclear ring magnets to Pakistan. Moreover, the $33 billion trade deficit with China is undisputable.

Many of my colleagues believe that denying MFN status will send a strong signal to the Chinese Government that America is ready to play hardball. Quite frankly, I think the whole idea behind annual review of MFN status needs to be re-evaluated. Only six countries in the world—including Cuba, North Korea, and Vietnam—do not enjoy MFN status. Even Iran, Iraq, and Libya are considered Most-Favored-Nations.

Targeted trade sanctions are the best way to get the attention of the Chinese—not the hollow-threat of revoking MFN.

Recent trade negotiations by Ambassador Barshefsky to stop the production of pirated software and compact discs prove that the threat of sanctions is the way to wrest compliance from the Chinese. Had MFN not been in force, she would never have had the opportunity even to address the problem.

There is too much at stake to throw away our 25-year investment in building a United States-China relationship by declaring a trade war. Trade with China is too important for the American economy—last year, over $1 billion worth of wheat and cereal were exported to China. In fact, China is the world's second largest importer of rice and the sixth largest market for grain.

Trade with China is too important to Californnia and my congressional district. California has exported over $1.4 billion worth of goods to China, and 25,000 jobs directly attributed to exports.

I urge my colleagues to oppose this disapproval resolution if they are concerned about China. We cannot expect the Chinese to listen to the concerns of the international community if we drive them away. It is only by engaging in constructive communication can we address the many grievances that exist between our two countries. China is poised to become an economic and military rival in the next century—continued dialog between Beijing and Washington is vital to protect our national interests.

Mrs. LOWEY. Mr. Speaker, I rise in opposition to the resolution.

Today we are confronted with a very difficult decision.

China is one of our Nation's most important trading partners. China contains one-fifth of the world's population and is the fastest growing market in the world for American goods and services. Trade with China creates jobs here at home and stimulates economic growth in the United States.

Yet we also know that the Chinese Government abuses the civil rights of its citizens. It violates international trade laws. And China continues to harass Taiwan and violate nuclear proliferation treaties.

Our Government must never tolerate these actions. We must hold the Chinese Government responsible for its behavior and convince them to change it. We must continue to pressure China to improve its record.

Mr. Speaker, revoking China's MFN status will not accomplish these goals.

In fact, I believe that continuing our free trading relations with China is the best hope we have of bringing real progress there. If we cut ourselves off from China we lose any leverage we have over the Chinese Government. The United States must remain engaged in China to promote our ideas, to promote democracy, and to promote human rights. Renewing MFN allows us to shine a flashlight on China's problems and change them.

And approaching China with a policy of engagement also has rewards for United States foreign policy beyond the borders of China. China has played an active and constructive role in securing the Asia Pacific Economic Cooperation forum's commitment to free trade and investment in the entire Asia Pacific region. China has also played critical roles in United States efforts to secure a nuclear-free Korean peninsula and the historic four-party peace proposal announced by Presidents Clinton and Kim in April.

Mr. Speaker, MFN does not extend any special treatment for China. Indeed, all but six nations in the world have MFN status. Rather, MFN is about engagement. MFN status will pressure China to improve its behavior and encourage China's integration into the world economy through exposure to United States values. The United States must also continue to pressure China through diplomacy and ongoing trade talks. We can get results from the Chinese without revoking their MFN status.

Of course, revoking MFN would also jeopardize thousands of American jobs and billions of dollars in United States exports to China.

At least 170,000 American jobs are supported by United States exports to China, and that number rises every year. Exports to China increased 27 percent last year alone, bringing total United States exports to nearly $12 billion. My home State of New York alone sent over 368 million dollars' worth of machinery, transportation equipment, fabricated metal products, and other goods to China last year.

Mr. Speaker, the debate over China's most-favored-nation status cannot bear the weight of the entire bilateral relationship between the United States and the People's Republic of China. We have serious disagreements with China, but we cannot turn our back on the world's most populous nation. Cultivating and engaging trading partners must be the cornerstone of our economic and foreign policies. I urge the resolution's disapproval.

□ 1600

The SPEAKER pro tempore (Mr. LAHOOD). All time for debate has expired.

Pursuant to House Resolution 463, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CRANE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 141, noes 286, as follows:

[Roll No. 284]

AYES—141

Abercrombie	Gephardt	Payne (NJ)
Baker (CA)	Gillmor	Pelosi
Barr	Gilman	Pombo
Barton	Goodling	Porter
Boehlert	Gordon	Rahall
Bonior	Greene (UT)	Riggs
Borski	Gutierrez	Rivers
Brown (OH)	Hastings (FL)	Rogers
Bunning	Hayes	Rohrabacher
Burr	Hefley	Ros-Lehtinen
Burton	Hefner	Rose
Cardin	Heineman	Royce
Chenoweth	Hinchey	Sabo
Clay	Hoke	Sanders
Clayton	Horn	Scarborough
Clyburn	Hoyer	Schroeder
Coble	Hunter	Seastrand
Coburn	Hutchinson	Sensenbrenner
Collins (GA)	Inglis	Sisisky
Collins (IL)	Jackson (IL)	Slaughter
Collins (MI)	Jones	Smith (NJ)
Costello	Kaptur	Smith (WA)
Cox	Kennedy (MA)	Solomon
Coyne	Kennedy (RI)	Souder
Cummings	King	Spence
Cunningham	Kingston	Spratt
Deal	Klink	Stark
DeFazio	Klug	Stearns
DeLauro	Lantos	Stokes
Dellums	Lewis (GA)	Stupak
Diaz-Balart	Lewis (KY)	Taylor (MS)
Doolittle	Lipinski	Taylor (NC)
Dornan	Longley	Thompson
Duncan	Markey	Torres
Durbin	McInnis	Torricelli
Ehrlich	McKinney	Traficant
Engel	Menendez	Velazquez
Ensign	Miller (CA)	Vento
Evans	Mink	Visclosky
Everett	Molinari	Walker
Fields (LA)	Mollohan	Wamp
Forbes	Nadler	Waters
Fowler	Oberstar	Waxman
Frank (MA)	Obey	Wolf
Frisa	Olver	Woolsey
Funderburk	Owens	Wynn
Gejdenson	Pallone	Yates

NOES—286

Ackerman	Baldacci	Becerra
Allard	Ballenger	Beilenson
Andrews	Barcia	Bentsen
Archer	Barrett (NE)	Bereuter
Armey	Barrett (WI)	Berman
Bachus	Bartlett	Bevill
Baesler	Bass	Bilbray
Baker (LA)	Bateman	Bilirakis

Bishop
Bliley
Blumenauer
Blute
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clement
Clinger
Coleman
Combest
Condit
Conyers
Cooley
Cramer
Crane
Crapo
Cremeans
Cubin
Danner
Davis
de la Garza
DeLay
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
English
Eshoo
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flanagan
Foglietta
Foley
Ford
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gekas
Geren
Gibbons
Gilchrest
Gonzalez
Goodlatte
Goss
Graham
Green (TX)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hyde
Istook
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kasich
Kelly
Kennelly
Kildee
Kim
Kleczka
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lightfoot
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McIntosh
McKeon
McNulty
Meehan
Meek
Metcalf
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pomeroy
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Rangel
Reed
Regula
Richardson
Roberts
Roemer
Roth
Roukema
Roybal-Allard
Rush
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Smith (MI)
Smith (TX)
Stenholm
Studds
Stump
Talent
Tanner
Tate
Tauzin
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Towns
Upton
Volkmer
Vucanovich
Walsh
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—6

Flake
Hall (OH)
Lincoln
McDade
Peterson (FL)
Stockman

□ 1619

Mr. DICKEY changed his vote from ''aye'' to ''no.''

Mr. STUPAK changed his vote from ''no'' to ''aye.''

So the joint resolution was not passed.

The result of the vote was announced as above recorded.

N O T I C E

Incomplete record of House proceedings.

Today's House proceedings will be continued in the next issue of the Record.