MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for up to 5 minutes each.

Mr. BREAUX. Mr. President, I will not take a great deal of time. I want to talk about the Medicare legislation that is pending in the Senate Finance Committee and the bill which my colleague, Senator CONNIE MACK of Florida, and I will be introducing today.

DEATH OF SEBASTIAN DASCHLE

Mr. BREAUX. Mr. President, I also extend my deepest sympathy and that of my family to our distinguished Democratic leader, Senator DASCHLE, and his family in their loss, and we wish them best wishes during this very difficult time they are undergoing. To the extent he can face the difficult obligations he has ongoing right now, we extend him the greatest sympathy from all of us on the Democratic side and the Republican side as well.

(The remarks of Mr. BREAUX pertaining to the introduction of S. 904 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BREAUX. Mr. President, I know others will be coming to speak and I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

Mr. KYL. I ask unanimous consent that I be allowed to speak in morning business for up to 10 minutes under the time of Senator COVERDELL.

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

REGARDING MFN TO CHINA AND MILITARY BUILDUP

Mr. HUTCHINSON. Mr. President, as the House of Representatives begins the process of MFN disapproval today, I rise to once again voice my own strong opposition to the administration's proposed renewal of most favored nation status to China. The United States Ambassador to China, James Sasser, has recently stated—and of course Ambassador Sasser is a proponent, as a member of the administration, and he has favored MFN—but Ambassador Sasser said China's defense budget is growing. The Chinese themselves have announced an increase in that budget which will bring total defense outlays next year to $10 billion and he says some suggest the amount is really closer to $40 billion.

So there is nothing at all theoretical about China's military buildup. Even the administration, even those who are saying we should continue most-favored-nation status trading status for China, will admit that there is a dramatic and drastic buildup of military capability in China.

Here is what we know about the Chinese military and its potential, based on the United States Government's own official estimates. The 1997 report by the Office of Naval Intelligence, entitled ''Worldwide Challenges to Naval Strike Warfare 1997,'' is devoted almost entirely to rapid increases in Chinese capabilities with Iraq, North Korea, and Libyan capabilities covered almost as an afterthought. China, it informs us ''is working on the development of at least six new tactical aircraft at a time when most nations are finding it difficult to finance even one.'' It continues, ''Overall, the Chinese hope to 'leap' generations of technology with large investments in new air defense capability.''

Mr. President, from Beijing, the words of China's military planners themselves, such as this analysis from a paper prepared for senior Chinese officials titled ''Can the Chinese Army Win the Next War?'' ''While the conflict of strategic interests between China and the United States was overshadowed for a time by the tripartite great power relationship, it is now surfacing steadily since the breakup of the Soviet Union. China and the United States, focused on their respective economic and political interests in the Asia-Pacific region, will remain in a sustained state of confrontation.''

That is coming from the Chinese Government, predicting a sustained state of confrontation. The evidence concerning a Chinese military buildup is clear, it is crystal clear. Whether this evidence comes straight from the administration that would renew MFN to China or from Beijing, how can we reward this regime with a most-favored-nation status? Many who regard themselves as free traders and who argue against linkage of trade through human rights or any other domestic circumstance would admit that when our own national security is involved, when national security is raised to an issue, then trading is a legitimate leverage and a legitimate tool for us to use as a Nation.

So apart from the abysmal human rights record, apart from the deplorable human rights conditions in China today, apart from the fact that human rights conditions in China have deteriorated over the last 5 years, in spite of all of that, we could look alone at the military buildup in China today and justify denial of most-favored-nation status for China.

I believe that China's chemical and nuclear exports are the most serious proliferation threat in the world today, and China has held that title at least for the past decade and a half. Since 1980, China has supplied billions of dollars worth of nuclear and missile technology to South Asia, South Africa, South America, and the Middle East. China has done so, Mr. President, in the teeth of United States protests and despite repeated promises that they would stop.

The chemical and nuclear exports continue, and while they do, they make it impossible for the United States and the West to halt the spread of weapons of mass destruction, a trend that endangers everyone.

Mr. President, China has been the leading proliferator of nuclear weapons in the world. China gave Pakistan nearly everything it needed to make its first atomic bomb. In the early 1980's, China gave Pakistan a tested nuclear weapon design and enough high-enriched uranium to fuel it. Mr. President, this has to be one of the most egregious acts of nuclear proliferation in history. Then China helped Pakistan produce high-enriched uranium with gas centrifuges. Now, Mr. President, China is helping Pakistan build a reactor to produce plutonium for nuclear weapons, and helping Pakistan increase the number of its centrifuges so it can boost its production of high-enriched uranium.

If we grant MFN trading to China, we tacitly endorse the weapons of mass destruction, we support our enemies in their own military buildup, and last Mr. President we set a poor example as the leader of the free world.

This administration continues to forgive and to forget China for the abuse, the persecution, and the military buildup that it is continuing to employ. There is no reason to think that China's nuclear and chemical export patterns will change. I know the Presiding Officer is well aware of those trends and those practices in China today, but there is no evidence that those patterns will change as long as the United States follows its current policy of MFN trade status for China. China is now saying explicitly that it will not even talk to us about missile and chemical proliferation.

As I have stated before, Mr. President, on this floor, there must be some things more important than expanded trade opportunities, some things more important than the almighty dollar. Today, as the House begins the process of marking up most-favored-nation status disapproval resolution, I think it is the time for this institution to say we will not continue business as usual with China. The administration's lobbying efforts to grant MFN trading status to China will most assuredly intensify in coming days. We as a country and we as an institution must set an example for the world to follow. If we grant this regime MFN, we set, I think, a continued example only of appeasement.

Mr. President, I want to make one last point. The repressive Chinese Communist regime has established a bloodstained record of discrimination, detention, and death. The reeducation through labor camps are really no different at all from the old concentration