

Mr. INHOFE. Will the Senator yield for a comment before yielding the floor?

Mrs. MURRAY. I would be happy to yield.

Mr. INHOFE. I have been listening intently, and I applaud the Senator for all she has done. It is reminiscent that this is not something new. Back when I was serving in the other body in the late 1980s, Congressman JIM OBERSTAR and I actually made a trip to Europe—that was before the European Union days—both to Germany and France to find out the level of subsidy they had. At that time, we were not able to find out, and we did an exhaustive search. They were denying that they did, and later on they admitted they were subsidizing. With their type of accounting, perhaps it is even worse than the figures the Senator is expressing today. So I applaud the Senator for her efforts.

Mrs. MURRAY. I thank the Senator, and I look forward to working with him to fight for our aerospace industry and to make sure companies in this country have a fair playing field.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

CHINA'S SPREADING GLOBAL INFLUENCE

Mr. INHOFE. Mr. President, I rise for a second time in 8 days to update all of us on an issue of deepest importance. In my recent speech on China I delivered this past Monday, I detailed how China is indeed a growing threat. When the fragmented pieces of current events and policies are glued together, they form an alarming picture of the threat to our national security. I believe this threat is of the most serious order, and until we address it I will continue to draw America's attention to it.

In 2000, Congress established the U.S.-China Security Economic Review Commission to act as the bipartisan authority on how our relationship with China affects our economy, industrial base, China's military and weapons proliferation, and our influence in Asia. I fear that the Commission's findings have largely been ignored.

A major part of our economic relationship with China is the growing trade deficit. This deficit grew to \$162 billion in 2004, by far the largest economic imbalance the United States has with any country. One potential key factor contributing to this imbalance is the undervaluation of the Chinese yuan. Through currency manipulation, China has been able to create an uneven economic playing field in its favor. Let's keep in mind this bipartisan commission worked on this for several years. The Commission recommends that Congress pursue legislation that will push the administration toward correcting these imbalances and for the U.S. Trade Representative and Department of Commerce to undertake an investigation of China's ques-

tionable economic practices. I think this is very sound advice. In fact, I voted last Wednesday to not table a Chinese currency manipulation amendment.

China joined the World Trade Organization in December 2001. Their transition was to be overseen by the Transitional View Mechanism—TRM. Although China has made some progress in the areas of tariffs and other WTO commitments, they have consistently frustrated the TRM's ability to assess China's WTO compliance through lack of transparency. As the Commission recommends, the Bush administration must be encouraged to take action to preserve TRM's oversight and cooperate with other trading partners to create a cooperative effort to address China's shortfalls.

Another problem area is that the Chinese Government has been listing State Owned Enterprises—SOEs—on international capital markets. These companies lack accountability standards that normally track the companies' cash flow. At least one Chinese SOE, China North Industries Corporation, has been sanctioned by the U.S. Government for proliferating illegal weapons technology. As the 2004 Commission report outlines:

Without adequate information about Chinese firms trading in international capital markets, U.S. investors may be unwittingly pouring money into black box firms lacking basic corporate governance structures, as well as enterprises involved in activities harmful to U.S. security interests.

Beyond dangerous investing, there are other security aspects to China's trade practices. The hard currency that China is gaining through its manipulative economy is buying foreign technology and modernizing their military. We used to be concerned about their nuclear capability, but now it is also conventional weaponry, as the Presiding Officer knows, since he sits on the Senate Armed Services Committee. We know China is pushing very hard to get the E.U. to remove their arms embargo. The embargo was put in place after the 1989 Tiananmen Square massacre to protest China's appalling human rights record. The E.U. claims that the embargo is no longer effective, but ignores the obvious—why lift the embargo without replacing it with a better one? Their solution, an informal "code of conduct", allows for no comprehensive enforcement. We can also expect E.U. technology to proliferate beyond China's borders, to countries that would gladly use it against the U.S. The E.U. does not consider this a strategic threat. In fact, President Chirac just demanded an early lifting of the embargo. However, the Commission reports:

Access to more advanced systems and integrating technologies from Europe would have a much more dramatic impact on overall Chinese capabilities today than say five or ten years ago. For fourteen years China has been unable to acquire systems from the West. Analysts believe a resumption of EU arms sales to China would dramatically en-

hance China's military capability. If the EU arms embargo against China is lifted, the U.S. military could be placed in a situation where it is defending itself against arms sold to the PLA by NATO allies.

Think about this: we share military technology with our European allies and then find our security threatened and possibly our servicemen killed by this same technology. All this is made possible because China is exploiting economic grey areas to come up with the money to buy all this new technology. This is a critical issue to which Congress must respond to.

Further, some experts believe that China's economic policy is a purposeful attempt to undermine the U.S. industrial base and likewise, the defense industrial base. Perhaps it is hard to believe that China's economic manipulation is such a threat to our Nation. In response, I would like to read from the book *Unrestricted Warfare*, written by two PLA—People's Liberation Army—senior colonels:

Military threats are already no longer the major factors affecting national security . . . traditional factors are increasingly becoming more intertwined with grabbing resources, contending for markets, controlling capital, trade sanctions and other economic factors . . . the destruction which they do in the areas attacked are absolutely not secondary to pure military wars.

The book goes on to argue that the aggressor must "adjust its own financial strategy" and "use currency revaluation" to weaken the economic base and the military strength of the other country. This is the Chinese saying this, not some American commentator. You need to hear that in context of the U.S.-China Commission's statement:

One of Beijing's stated goals is to reduce what it considers U.S. superpower dominance in favor of a multipolar global power structure in which China attains superpower status on par with the United States.

I think the picture is clear. We must link China's trading privileges to its economic practices. As China's No. 1 importing customer, accounting for 35 percent of total Chinese exports, we have the influence. As I said last Monday, a week ago, I agree that the way we handle an emerging China must be dynamic, but it must not be weak. The Commission puts it well:

We need to use our substantial leverage to develop an architecture that will help avoid conflict, attempt to build cooperative practices and institutions, and advance both countries' long-term interests. The United States has the leverage now and perhaps for the next decade, but this may not always be the case. We also must recognize the impact of these trends directly on the domestic U.S. economy, and develop and adopt policies that ensure that our actions do not undermine our economic interests . . . the United States cannot lose sight of these important goals, and must configure its policies toward China to help make them materialize . . . If we falter in the use of our economic and political influence now to effect positive change in China, we will have squandered an historic opportunity.

The bipartisan U.S.-China Commission has been doing an outstanding job in translating how recent events affect

our national security. I plan on giving two more speeches highlighting the Commission's findings, followed by a resolution to effect their conclusions. I hope America is listening.

It is so similar to what we are facing right now and what we voted on, the fact that the European Union is subsidizing a company which would undermine the aerospace industry here in the United States. At the same time, if the European Union lifts the sanctions which they have right now, they would be doing essentially the same thing to our country.

I yield the floor.

VOTE EXPLANATION

Mr. CRAPO. Mr. President, on April 6, 2005, I was unable to cast a vote on amendment No. 286 to S. 600. This was due to an unavoidable medical procedure that requires me to commute daily to Baltimore. Had I been there, I would have voted "nay."

ANTIBIOTICS FOR HUMAN TREATMENT ACT OF 2005

Mr. KENNEDY. Mr. President, it is a privilege to join my distinguished colleagues, in proposing The Preservation of Antibiotics for Human Treatment Act of 2005. Our goal in this important initiative is to take needed action to preserve the effectiveness of antibiotics in treating diseases.

These drugs are truly a modern medical miracle. During World War II, the newly developed "wonder drug" penicillin revolutionized the care for our soldiers wounded in battle. Since then, they have become indispensable in modern medicine, protecting all of us from deadly infections. They are even more valuable today, safeguarding the nation from the threat of bioterrorism. Unfortunately, over the past years, we have done too little to prevent the emergence of antibiotic-resistant strains of bacteria and other germs, and many of our most powerful drugs are no longer effective.

Partly, the resistance is the result of the overprescribing of such drugs in routine medical care. But, mounting evidence also shows at the indiscriminate use of critical drugs in animal feed is also a major factor in the development of antibiotic resistant germs.

Obviously, if animals are sick, whether as pets or livestock, they should be treated with the best veterinary medications available. That is not a problem. The problem is the widespread practice of using antibiotics to promote growth and fatten healthy livestock. This nontherapeutic use clearly undermines the effectiveness of these important drugs because it leads to greater development of antibiotic-resistant bacteria that can make infections in humans difficult or impossible to treat.

In 1998—7 years ago—a report prepared at the request of the Department of Agriculture and the Food and Drug

Administration, by the National Academy of Sciences, concluded "there is a link between the use of antibiotics in food animals, the development of bacterial resistance to these drugs, and human disease." The World Health Organization has specifically recommended that antibiotics used to treat humans should not be used to promote animal growth, although they could still be used to treat sick animals.

In 2001, Federal interagency task force on antibiotic resistance concluded that "drug-resistant pathogens are a growing menace to all people, regardless of age, gender, or socio-economic background. If we do not act to address the problem . . . [d]rug choices for the treatment of common infections will become increasingly limited and expensive—and, in some cases, non-existent."

The Union of Concerned Scientists estimates that 70 percent of all U.S. antibiotics are used nontherapeutically in animal agriculture—eight times more than in are used in all of human medicine. This indiscriminate use clearly reduces their potency.

Major medical associations have been increasingly concerned and taken strong stands against antibiotic use in animal agriculture. In June 2001, the American Medical Association adopted a resolution opposing nontherapeutic use of antibiotics in animals. Other professional medical organizations that have taken a similar stands include the American College of Preventive Medicine, the American Public Health Association, and the Council of State and Territorial Epidemiologists. The legislation we are offering has been strongly endorsed by the American Public Health Association and numerous other groups and independent experts in the field.

Ending this detrimental practice is feasible and cost-effective. In fact, most of the developed countries in the world, except for the United States and Canada, already restrict the use of antibiotics to promote growth in raising livestock. In 1999, the European Union banned such use and money saved on drugs has been invested in improving hygiene and animal husbandry practices. Researchers in Denmark found a dramatic decline in the number of drug-resistant organisms in animals—and no significant increase in animal diseases or in consumer prices.

These results have encouraged clinicians and researchers to call for a similar ban in the United States. The title of an editorial in the *New England Journal of Medicine* 4 years ago said it all: "Antimicrobial Use in Animal Feed—Time to Stop."

On Thursday, the American Academy of Pediatrics, the American Public Health Association, Environmental Defense, the Food Animal Concerns Trust, and the Union of Concerned Scientists joined together in filing a formal petition with FDA calling for the withdrawal of certain classes of drugs from animal feed.

Earlier last week, Acting FDA Commissioner Lester Crawford emphasized his own concern that the use of such drugs in food-producing animals has an adverse health impact on humans. He stated that the FDA agrees with the GAO recommendation to review approved animal drugs that are critical to human health, and described FDA's progress in doing so. He stated, however, that the review process is extremely slow and labor intensive, and that even when safety issues are identified, the FDA can do little more than hope that the animal pharmaceutical companies will cooperate in addressing the issue.

There is no question that the Nation stands at risk of an epidemic outbreak of food poisoning caused by drug-resistant bacteria or other germs. It is time to put public safety first and stop the abuse of drugs critical to human health.

The bill we propose will phase out the nontherapeutic use in livestock of medically important antibiotics, unless manufacturers can show such use is no danger to public health. The act requires applying this same strict standard to applications for approval of new animal antibiotics. Treatment is not restricted if the animals are sick or are pets or other animals not used for food. In addition, FDA is given the authority to restrict the use of important drugs in animals, if the risk to humans is in question.

According to the National Academy of Sciences, eliminating the use of antibiotics as feed additives in agriculture would cost each American consumer not more than five to ten dollars a year. The legislation recognizes, however, economic costs to farmers in making the transition to antibiotic-free practices may be substantial. In such cases, the Act provides for federal payments to defray the cost of shifting to antibiotic-free practices, with preference for family farms.

Antibiotics are among the greatest miracles of modern medicine, yet we are destroying them faster than the pharmaceutical industry can create replacements. If doctors lose these critical remedies, the most vulnerable among us will suffer the most—children, the elderly, persons with HIV/AIDS, who are most in danger of resistant infections. I urge my colleagues to support this clearly needed legislation to protect the health of all Americans from this reckless and unjustified use of antibiotics.

Ms. SNOWE. Mr. President, today we are facing a public health crisis which most of us certainly did not anticipate. Nearly a half century ago, following the development of modern antibiotics, Nobel Laureate Sir McFarland Burnet stated, "One can think of the middle of the twentieth century as the end of one of the most important social revolutions in history, the virtual elimination of infectious diseases as a significant factor in social life."

How things have changed. Today some of our most deadly health threats