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House of Representatives

REGARDING THE PEOPLE'S REPUBLIC OF CHINA

Mr. COX of California. Mr. Speaker, pursuant to House Resolution 463, I call up the resolution (H. Res. 461) regarding United States concerns with human rights abuse, nuclear and chemical weapons proliferation, illegal weapons trading, military intimidation of Taiwan, and trade violations by the People's Republic of China and the People's Liberation Army, and directing the committees of jurisdiction to commence hearings and report appropriate legislation, and ask for its immediate consideration in the House.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 461

Whereas the People's Republic of China has long enjoyed most favored nation trading status with the United States notwithstanding significant policy and security issues in our bilateral relationship;

Whereas, despite the positive influence that United States trade with the People's Republic of China has had in encouraging the abandonment of state control over all aspects of the economy by the Communist government, serious human rights, trade, security, and weapons proliferation issues have remained and often worsened during the period of this trade policy;

Whereas this experience has made clear that of itself, the extension of most favored nation trading status (and the potential of its annual non-renewal) has been inadequate to address the many policy and security issues that characterize our bilateral relationship;

Whereas these policy and security issues include, with regard to the economic activities of the People's Liberation Army—

(1) according to the Defense Intelligence Agency, the People's Liberation Army of Communist China is in fact engaged, through controlled enterprises, in government-controlled and subsidized trade overseas;

(2) the General Staff Department of the People's Liberation Army owns and operates Polytechnologies, which is the weapons trading arm of the People's Liberation Army.

Polytechnologies has a representative office in the United States;

(3) the General Logistics Department of the People's Liberation Army owns and operates a large international conglomerate known as Xinxing Corporation, which has a representative office in the United States;

(4) the People's Armed Police, which is partially controlled by the People's Liberation Army, is responsible for the occupation and suppression of dissent in Tibet and the execution of prisoners throughout China, provides guards for the forced labor camp system in Communist China, and owns and operates China Jingan Equipment Import and Export, which has a representative office in the United States;

(5) the export of products by these entities allows the People's Liberation Army to earn hard currency directly, which in turn can be and is used to modernize its forces without being reflected in official reports of military spending;

(6) consumers in the United States are ordinarily unaware that revenues from the products they are purchasing from or through such entities contribute to the financial benefit of the People's Liberation Army;

(7) trade with the People's Liberation Army effectively is a subsidy of military operations of the People's Republic of China that is inconsistent with our national security; and

(8) free trade in world markets is based on the assumption that the import and export of goods and services are conducted by independent enterprises responding to profit incentives and market forces, and commercial activities by the People's Liberation Army are fundamentally inconsistent with these precepts;

Whereas, with regard to Communist Chinese military activity and weapons proliferation—

(1) it has been reported that United States intelligence has estimated that Communist Chinese military industries have become a leading supplier of illicit precursor chemicals for use in Iran's chemical weapons program;

(2) in contravention of Communist China's commitment to the Treaty on Non-Proliferation of Nuclear Weapons (NPT), the China National Nuclear Corporation, a Communist Chinese military industry, sold mate-

rials critical to the production of enriched uranium to a non-NPT signatory, Pakistan;

(3) China National Precision Instrument Import-Export Company, a Communist Chinese military industry, sold nuclear-capable missiles to Pakistan;

(4) China Great Wall Industry Corporation, a Communist Chinese military industry, sold nuclear-capable missiles to Pakistan;

(5) Poly Group, a People's Liberation Army owned company, sold \$1,200,000,000 worth of arms to the military rulers of Myanmar (Burma);

(6) In contravention of the United Nations embargo, China North Industries Corporation (Norinco), a Communist Chinese military industry, sold chemicals critical to the manufacture of nuclear weapons to Iraq;

(7) Poly Group and Norinco, Communist Chinese military industries, attempted to sell 2,000 AK 47 rifles, 20,000 AK 47 bipods, 4,000 30 round ammunition magazines, and 2 machinegun silencers, and offered for sale 300,000 silenced machineguns and "Red Parakeet" missiles (stingers), RPGs (rocket propelled grenades), 60mm mortars, and handgrenades to United States law enforcement authorities conducting a so-called "sting" operation;

(8) according to the May 21, 1996, United States Customs Service affidavit against the Communist Chinese representatives of Norinco and Poly Group, at paragraph 96, one of the Communist Chinese representatives bragged that a "Red Parakeet" missile—which he was offering for sale in the United States—"could take out a 747";

(9) these and other enterprises owned by the People's Liberation Army and the Communist Chinese military industries regularly export a variety of products to the United States, including clothing, toys, shoes, hand tools, fish, minerals, and chemicals;

(10) the People's Liberation Army implemented an unprovoked, dangerous, and aggressive campaign to intimidate Taiwan in July of 1995, and again before Taiwan's first direct presidential election in March of 1996, with military maneuvers, live-fire exercises, and missile tests in close proximity to that island democracy; and

(11) the People's Liberation Army seized territory claimed by the Philippines and threatened the United States Navy's right of free passage in the South China Sea;

Whereas, with respect to human rights—

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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(1) according to the United States Department of State's Country Reports on Human Rights for 1995, the Government of Communist China "continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms, stemming both from the authorities' intolerance of dissent and the inadequacy of legal safeguards for basic freedoms. Abuses included arbitrary and lengthy incommunicado detention, forced confessions, torture, and mistreatment of prisoners. . . . The Government continued severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, movement, and worker rights";

(2) in April 1996, the Communist Chinese Government launched a major anticrime campaign called "Strike Hard" carried out nationwide by the Public Security Bureau (PSB), and in Tibet and Xinjiang (East Turkistan) also by the People's Armed Police, which has included large scale arbitrary arrests, detentions with minimal legal protection, and swift executions;

(3) the current anticrime campaign has targeted political, religious and labor activists in addition to common criminals in Tibet, Xinjiang, and in the whole of Communist China;

(4) the Communist Government has ordered a crackdown on unofficial religious believers by the Religious Affairs Bureau and the Public Security Ministry, requiring all local congregations to register with the Religious Affairs Bureau or risk the legal dismantling of the congregation and official harassment, fines and arrest;

(5) according to Asia Watch, the Communist Chinese authorities in Tibet have launched a repressive campaign against religious practice and the Public Security Bureau and PLA have been involved in violent suppression of dissent in Tibet and Xinjiang, resulting in the death or imprisonment of over one thousand Tibetans and Uighurs this year;

(6) the Ministry of Public Security has imposed new regulations to strengthen controls over Internet use, the State Council must approve "interactive" networks, and the official Communist Chinese news agency (Xinhua) has been put in charge of supervising all foreign wire services selling economic information to Communist China, censoring their reports for "false economic news and attacks on Communist China";

(7) Wei Jingsheng, the leading Chinese pro-democracy activist, was sentenced on December 13, 1995, to a second 14-year prison term, after a sham trial in which he was denied access to counsel of his choice and given access to the actual charges against less than two days before trial;

(8) on November 21, 1995, the Government of the People's Republic of China announced the arrest of Wei Jingsheng and its intention to try him for "attempt[ing] to overthrow the government";

(9) the government had previously imprisoned Wei from 1979 until 1993 on a charge of "spreading counterrevolutionary propaganda" for his peaceful participation in the Democracy Wall movement;

(10) during his long imprisonment Wei was subjected to torture and other ill treatment which left him in extremely poor health;

(11) far from advocating an "overthrow" of the Government of China, Wei has been a strong advocate of nonviolence and a peaceful transition to democracy; and

(12) Wei was regarded as a leading contender for the 1995 Nobel Peace Prize, having been nominated by parliamentarians throughout the world, including 58 members of the United States Congress;

Whereas, with respect to Communist Chinese trade and economic policy—

(1) the United States Trade Representative's 1996 National Trade Estimate Report on Foreign Trade Barriers notes that "China continued to use standards and certification practices which the United States and other trading partners regard as barriers to trade";

(2) the report indicates that "Despite its commitment under the 1992 market access Memorandum of Understanding to publish all laws and regulations affecting imports, some regulations and a large number of directives have traditionally been unpublished, and there is no published, publicly available national procurement code in China";

(3) the report finds that "China's market for services remains severely restricted";

(4) these practices limiting American access to Communist China's market have contributed to an increase in the United States trade deficit with China from \$10 million in 1985 to \$33,807,000,000 in 1995, according to the United States Department of Commerce;

(5) these unfair trade practices and tariff and non-tariff barriers result in lost opportunities for American companies and lost jobs for American workers, and harm the United States economy;

(6) the failure of Communist China to stop the piracy of intellectual property, including music, videos, books, and software required by the January 16, 1992, agreement on intellectual property rights, is evidenced by the necessity of further agreements (signed on March 11, 1995 and June 17, 1996), and the threat of over \$2,000,000,000 in sanctions as a means of achieving as yet hoped-for compliance with the agreements;

(7) according to the United States Trade Representative's 1996 National Trade Estimate Report on Foreign Trade Barriers, investment restrictions by Communist China are "abundant";

(8) under so-called "export performance requirements," Communist Chinese authorities frequently force foreign manufacturers operating in Communist China to export 50 to 70 percent (and sometimes more) of their goods to other markets, as a condition of approving the investment;

(9) two-thirds of Communist China's exports are, in fact, manufactured by foreign firms operating in Communist China;

(10) the export performance requirements imposed on foreign investment by the Communist Chinese government serve to undercut domestic producers employing millions of Americans;

(11) Communist China has failed to liberalize its foreign exchange market, and to make the Yuan fully convertible;

(12) Communist China maintains two exchange rates for the Yuan, an official rate for Chinese citizens and a swap rate for foreigners, and regularly manipulates the exchange rate to the advantage of domestic exporting industries;

(13) even with the establishment of currency swap markets, this gap between the official and swap rates serves as (a) a subsidy for Communist China's exporters to the United States, totaling nearly \$15,000,000,000 in 1993, and (b) a nontariff barrier to United States exports, artificially raising the price of exports in Communist China's market;

(14) Communist China received over \$4,000,000,000 in multilateral loans from the World Bank and the Asian Development Bank;

(15) the United States is the largest shareholder in these banks, and thus can exercise considerable leverage over loans to Communist China; and

(16) Communist China has continued to insist that Taiwan not be admitted to the WTO unless it is admitted simultaneously, notwithstanding the differences in the status

of their compliance with the criteria for WTO membership;

Whereas given the number and gravity of these issues, the debate over Communist China's most-favored-nation trade status cannot bear the weight of the entire bilateral relationship between the United States and the People's Republic of China; and

Whereas these issues should be promptly addressed by appropriate legislation: Now, therefore, be it

Resolved, The Committee on International Relations, the Committee on National Security, the Committee on Ways and Means, and the Committee on Banking and Financial Services will each hold hearings on the matters described in the preamble to this resolution insofar as those matters fall within their respective jurisdictions and, if appropriate, report legislation addressing these matters to the House of Representatives not later than September 30, 1996.

The SPEAKER pro tempore. Pursuant to House Resolution 463, the gentleman from California [Mr. COX] and a Member opposed each will be recognized for 30 minutes.

Mr. GIBBONS. Mr. Speaker, I rise to claim the time in opposition.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GIBBONS] will be recognized for 30 minutes in opposition.

The Chair recognizes the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a result of the vote we have just taken, the question we are faced with is, if not MFN, then what? What is our policy? Our current policy towards China, if it can be called a policy at all, is woefully out of date. Blind tolerance of Chinese communism comes from an era of Richard Nixon and Leonid Brezhnev, when the Government of the United States played the China card as a check against Soviet communism. Embracing communism in China was a superior alternative, because Chinese communism in that era was not expansionist. It did not have global designs.

But today the Soviet Union is no more. In place of the generals who served under Brezhnev, we have General Alexander Lebed, who says that he would permit Chechen independence, who says that NATO expansion is not a threat to Russia, who says that he would not oppose the United States assisting Taiwan in constructing an antimissile defense to protect against attack from Communist China. Where is the policy for a Lebed instead of a Brezhnev? Where is the policy for a newly expansionist China that has arisen in the wake of the collapse of the Soviet Union?

Mr. Speaker, since we voted "yes", I did not, the House did, to continue most-favored-nation status for China, is our intended message that this is a reward for China's Communist rulers? Is the message that, on balance, their offenses against human rights, global peace and security, and the international norms of behavior are tolerable? Or, to put it the other way, if we

had just now denied MFN, would we even then have believed that our security problems are solved, that the Communist government would permit a free press all of a sudden; that they would stop brutalizing Tibet; or perhaps, because we were to deny MFN, they would let the Tibetans select their own Panchen Lama, in accordance with religious custom and law?

Maybe then we might think they would honor their agreements on nuclear nonproliferation, on trade tariffs and trade barriers, on the theft of intellectual property. But I do not think so. I do not think, independent of how we might vote here on MFN, that the result would cause the Communists in Beijing to let Wei Jing Sheng go free, or in any way to permit democracy in place of a one-party state. I do not think that they would renounce the use of force against Taiwan.

A carefully tailored policy toward China, suited to the 1990's and to the next century, must do more than simply turn on the light switch of MFN, a binary choice, yea or nay, on or off, we love you—we hate you. We should reward progress and resist military aggression, trade violations, and human rights abuses.

For example, if Taiwan is merely part of China, then we should reward that part of China for ending its human rights abuses, for permitting a free press, for holding free and fair and democratic elections for Parliament and for President, and for lowering its tariff barriers.

Taiwan should be admitted to the World Trade Organization forthwith. They are willing to meet its requirements. Keep in mind that membership in the WTO does not connote sovereignty. Hong Kong is already a member of the WTO, and when it is absorbed by Communist China next year, it will retain its independent membership, because it was admitted only as a special customs region, the same basis on which Taiwan is now applying.

The People's Republic of China, which does not meet the requirements for WTO admission and is not near to doing so, should not be allowed to keep Taiwan out. Another example, we should end the charade of so-called trade with the People's Liberation Army. We all know that the Peoples Liberation Army is the largest military force on Earth. Communist China's military budget has more than doubled since the collapse of the Soviet empire. They have been buying SS-18 intercontinental ballistic missiles from Moscow. They have fired nuclear-capable missiles toward Taiwan, seizing territory from the Philippines, and expanding into the South China Sea.

Where does the money come from for all of this military expansion? It comes from what the Washington Post has referred to as "PLA, Inc.": the People's Liberation Army, Inc.: over 50,000 companies controlled by the Peoples Liberation Army as commercial fronts, with combined earnings in excess of 5 billion U.S. dollars annually.

If the People's Liberation Army were judged in this capacity as a commercial enterprise, it would fit neatly into the top fifth of the Fortune 500. Money from huge illegal arms deals is laundered by PLA commercial fronts which are subsidized by the Communist government, in violation of every rule of free trade, to make more money through nominally commercial enterprises for even more off-budget financing for more threatening arms for the People's Liberation Army.

□ 1630

This is not defense conversion, my friends. This is not turning swords into plowshares, this is turning swords into golf clubs and shoes and circuit boards so that the People's Liberation Army can make more money to buy more weapons. The two most notorious are the People's Liberation Army's commercial fronts, Poly Technologies and Norinco. Poly Technologies, you remember, has sold over 1 billion dollars' worth of arms to the military thugs who dictate Burma. Norinco has sold the chemicals necessary to construct chemical weapons to Saddam Hussein in Iraq, and in my home State of California these two outfits, Poly Technologies and Norinco recently had their representatives indicted for seeking to smuggle into the United States not just AK-47's, as we read, but also over 300,000 silenced machine guns, 60-millimeter mortars, hand grenades, and heat-seeking missiles capable of taking out of the sky a 747.

The United States should not embrace money laundering by the People's Liberation Army. We should pass the Gilman bill, sponsored by the chairman of the Committee on International Relations, and end this dangerous policy of so-called trade with commercial fronts of the Communist Chinese military.

We should pass the Solomon bill that would end United States taxpayer subsidies for China through the World Bank and the Asian Development Bank until the so-called loans to China no longer subsidize the arms buildup that I have just described.

Finally, we should enunciate an explicit and clear vision for our policy toward China. We should state clearly and the President should state clearly that we oppose communism in China. We seek an end to Communist one-party rule, and an institution of democracy, a restoration of human rights, an observation of the rules of free enterprise.

This we can do. When we pass this resolution, the committees of jurisdiction, not just Ways and Means, but Banking, International Relations, and National Security will be instructed to hold immediate hearings on the issues that I have raised and all of the issues spelled out in this resolution, and to report out responsible legislation promptly; in any event, no later than September 30, so that we can deal with these problems directly on the House floor.

It may well be that today's vote marks a watershed. Yes, we have once again permitted MFN to go forward, but this time the debate will not stop there. This time, in recognition of the fact that MFN can no longer bear the weight of all our policy disagreements in our bilateral relationship with the People's Republic of China, we will move on and do the right thing and create a new China policy for the next century.

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

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

Mr. Speaker, I rise in opposition to the Cox amendment, but reluctantly so. I want to commend the gentleman from California [Mr. Cox] for his thoughtful approach to the dilemma that the United States faces. It is a big challenge. I wish that this resolution was amendable, because there are many things that need to be added to it to make it a workable resolution and to give it depth and to give it direction. However, under the circumstances, I must oppose it.

Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, I thank the gentleman for yielding me this time. I applaud my colleague from California [Mr. Cox], and I stand in support of his amendment and for offering this resolution, calling for hearings on China's trade policies, human rights record, military policy, and arms sales.

I was one of those that voted for most-favored-nation status a while ago, and I think that was the correct vote. I do not want to go back to the dark ages. I remember the time when the United States did not recognize China. I remember the time that we ignored them. I do not know how you ignore 1.2 billion people. We need to do everything we possibly can to bring about improved relations. I have always believed all of my life on a personal basis, professional basis, political basis, do not fight with anyone that has nothing to lose.

Well, if China keeps prospering and keeps getting stronger economically, it will bring about better relations among people, and I think that is what we want, because we do not want to go through another terrible war like we did with World War I and World War II.

Congressional hearings, diplomatic negotiations, and threatening sanctions are the way to handle our differences with China, not revoking MFN. Rest assured, I will continue to encourage the administration and China to continue to work together for fair, ethical, and increased trade.

The best way to change China is to continue to engage China, not to deny most-favored-nation status. Denying normal trade relations is to undermine U.S. economic interests and jeopardize the jobs of thousands of hard-working Americans.

Mr. Speaker, please look at the big picture. I firmly believe that without MFN human rights abuses will worsen and the dream of achieving democracy in China will dim. Denying MFN status to China would be the equivalent of throwing the baby out with the bath water. Vote "yes" for House Resolution 461.

Mr. COX of California. Mr. Speaker, I yield 4 minutes to the distinguished chairman of the Committee on International Relations, the gentleman from New York [Mr. GILMAN].

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

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

Mr. Speaker, I am pleased to rise in support of the resolution, House Resolution 461. I commend my good friend, the gentleman from California [Mr. Cox] for his stellar work in crafting this legislation, along with the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules, for acting swiftly in bringing it before us at this time.

The Clinton administration's China policy has been a failure. It has failed to stop Communist China's proliferation of weapons of mass destruction to such rogue nations as Iran and Iraq. It has failed to stop Communist China's unfair trading practices and piracy of intellectual property rights. It has failed to stop Communist China's persecution of Catholics, of Protestants, of Tibetans and human rights activists.

During the past year since President Clinton delinked trade to human rights and refused to adequately respond to Beijing's weapons proliferation, trade and human rights violations, things have become much worse in all of those areas. Just 2 weeks ago, Chinese Government officials were named in a Customs Department sting operation trying to sell 2,000 fully automatic machine guns, machine gun silencers, and stinger-type missiles to the Los Angeles street gangs.

How does the administration respond to these attacks? Instead of admitting something is radically wrong, it makes excuses for Communist China's behavior, and deflects criticism by trying to kill the messenger. We are told that any firm response would isolate or contain China and that we must remain engaged as if holding a party to a treaty that they signed is some sort of an unforgivable breach of ethics.

The administration's smokescreen has been designed to duck the hard questions of how to deal pragmatically and effectively with the totalitarian regime, a regime that is causing havoc on our economy, on our national security interests, and among our democratic friends and allies. Japan, Hong Kong, Taiwan, Thailand, and Australia are all duly concerned by China's sword rattling and the building up of its military personnel. Just last week Communist China refused to grant the Ger-

man foreign minister a visa into China unless his nation would forbid a conference on Tibet from being held on German soil. How arrogant can a nation become?

Beijing invades and occupies a country much like Russia invaded and occupied Latvia, Lithuania, and Estonia and then tells other nations that the invasion is an internal matter and must not be discussed. Tibet, a country the size of Western Europe, remains the only nation still occupied by foreign Communist military forces.

If Communist China signs an agreement on weapons proliferation, or trade or human rights and then violates those agreements, then we must respond in such a manner that causes them not to violate agreements again and again. Because the administration appears incapable of even admitting to a problem, it is important now that the Congress step forward and take appropriate measures.

Accordingly, I am urging my colleagues to support this resolution directing the Congress to conduct hearings in the appropriate committees and to report proper legislation back to the Congress by September 30.

Mr. GIBBONS. Mr. Speaker, I yield 4 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. I thank the gentleman from Florida for yielding me this time.

Mr. Speaker, I will put my record on the line for standing up for America's workers against anybody in here. I voted against NAFTA because I thought it was a bad deal. I voted against the GATT treaty because I thought that the World Trade Organization presented too many problems and not enough benefits. But I rise today to support continuing most-favored-nation status for China, but, an important but, while at the same time guaranteeing stricter congressional monitoring.

Yes, I am aware of the problems that China presents. Nuclear proliferation, arms sales to hostile nations, military incursions, including spurious claims on the Spratly Islands and other areas of the Asian continent, human rights violations, unfair trade practices, whether in intellectual property or in other areas such as child labor.

Yes, I am aware of all of these, but I notice something very basic, that we have to remember also what most-favored-nation status connotes. It is not some kind of glorified treatment, it is not some kind of special privilege, it is simply saying to China as we have said to 100, at least, other nations around the world, of all stripes and colors, you only get a seat at the table. It does not guarantee you what you get, it just gets you in the door.

We have to remember this, that the United States, even by giving most-favored-nation status, does not give up its most basic punitive measures. We still have section 301 sanctions that we can impose unilaterally, such as almost occurred 2 weeks ago on China,

where you can put tariffs on their goods when they are not engaging in free trade. We can deny China what it most wants, and that is entry into the World Trade Organization. That is the key, the golden key that the Chinese want, and we stand in the way of that until they comply with basic standards.

Now, what does cutting off MFN status do? What it would mean, cutting off most-favored-nation status with China is simply saying, we are going to step out and meanwhile permit all of our competitors, our Asian competitors, our European Union competitors, all of our competitors to take that market without us there. They are not making the same statements about human rights and military concerns and unfair trade practices. So what we will do is to abandon 1.2 billion people, that field to our competitors; we will not be engaged, they will.

Instead, I think a better policy is to be involved in bringing them along. The fact of the matter is that until Japan, until Germany, until Great Britain, until France, until a lot of other nations recognize the concerns that China presents to them, we do not have to worry as much about the Pacific rim as Japan does, as those ASEAN nations have to. Until they realize the concerns to them and we can engage in a concerted approach, that is the answer with China, and then China understands it has to come around.

□ 1645

Mr. Speaker, there are some areas of hope. The German Bundestag just recently passed a resolution deploring Chinese human rights violations in Tibet. That is the first sign that we have seen from a nation in that direction. There are others as well.

Granting most-favored-nation status only lets us get to the table but it does not guarantee us any results. We are going to keep engaged, but we have got the clubs in the closet to use when we need to. That is why I support the Cox resolution that says we will grant most-favored-nation status but there will be congressional review with a timetable for reporting back on human rights violations, on military arms sales, and other matters of great concern about China.

Once again, we are with most-favored-nation status only continuing a practice that has been in effect for a number of years. We are still engaged but we are letting them know that we have the clubs in the closet and, yes, we have to be willing to use those, but staying engaged with China at this point is a lot better than staying away. That is why I support most-favored-nation status but with tight congressional monitoring.

Mr. COX of California. Mr. Speaker, I yield 2 minutes to my distinguished colleague the gentleman from San Diego, CA [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, unlike the last speaker that voted against

NAFTA and GATT, I voted for them because I believed that they had a lot of interest and that if this country does not get involved in trade in the future, I think we are going to be in big trouble. But I think that under both Republican and Democrat administrations, that the week link in our trading policy has been our State Department. I do not believe that either Republican or Democrat State Departments have had the spine to enforce the policies with our trading nations.

A very famous gentleman once said that we need to walk softly and carry a big stick, but our policy in the past is to walk softly and give our trading partner the stick. In every case, whether it is an Ak-47 or a Stinger missile or 300,000 machine guns that are silenced being sold to our inner cities, and I ask my colleagues on the other side, the things that we have fought against, assault weapons, here is a country that is dumping assault weapons and Stinger missiles into our country, into our inner cities.

Habeas corpus reform and the death penalty, some do not believe in capital punishment. I do. But China has no problem with that. They just shoot people. And habeas corpus reform, there is not any.

Look at every issue. How many of this Nation's problems has China helped us with in Haiti, in Somalia, in Bosnia? None. Yet we are bending over backwards to help them, and they hit us with that stick every time.

All the gentleman from California [Mr. COX] is asking for is to set forth a policy that protects our workers, protects our system, and sets a policy where U.S. workers in this country would benefit for a change. Let us speak from a strong position, not a weak position, with China.

I remember with my mom and dad, I used to be afraid when the light would go off and I would do anything, clean my room even, if they would leave that light on. I was much more willing after they turned that light off to do those things. I think sometimes we maybe need to turn that light off for a little bit with China.

Mr. GIBBONS. Mr. Speaker, I yield 4 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I come to this podium with a slightly different perspective. I respect the position of the gentleman from California [Mr. COX]. I would hope as I rise to support his resolution that we would recognize that our approach to China is not a Congress versus the President or a President versus the Congress. It is the American people standing up together to acknowledge both their disdain and outrage for human rights violations.

We recognize what China is today, 1.1 billion citizens, an object, an entity that cannot be ignored. However, we do a disservice to point accusatory fingers at an administration which is struggling and a Congress which has

struggled as well. We must seize new economic opportunities, but we must also exercise responsibility of a world leader collectively, this Congress, this body, and this administration. We must find common ground on affirming human rights and pursuing economic prosperity.

Our Nation was founded upon the democratic ideal of freedom of speech and the right to petition your government for the redress of grievances. As we debate this issue, the People's Republic of China continues to hold numerous prisoners without reason, estimated by human rights organizations to be several hundred thousand. Arbitrary detention in China can be politically, religiously or, increasingly, economically motivated. Officials have detained Chinese nationals and foreigners alike for perceived personal affronts to a determination to prevent political or economic leaks. And, yes, imported or smuggled AK-47's continue to assault our youth and children by killing citizens in America.

Hearings, yes, Mr. Speaker. I think it is important that we say to China that we have a backbone and we have a memory, and that we review the trade imbalance, review the question of military balance so that as Taiwan struggles to be a neighbor to China, threatening military maneuvers are not utilized to intimidate. And certainly human rights, the whole question that wraps itself around the flag of the United States of America, emphasizing that we all are created equal.

Yes, we must recognize that isolationism is not the right direction on many occasions. That it is important, to recognize China's economic role in this country, the enormous amount of jobs, 19,000 in the State of Texas, \$1.3 billion goods produced in Texas exported to China. Considering the fact that China represents such a sizable economic opportunity.

But the almighty dollar should not be our guide, and we must stand with a sense of equality and we must have a consistent and singular policy for China. We must work with the United Nations and other countries to monitor and improve human rights conditions in China and set a target of deadlines for that progress. Human rights hearings will help us do that.

We must help China stick to legal reforms that are to be implemented in January 1997, especially presumption of innocence, improved access to legal counsel, and more stringent limits on time and detention before formal arrest. Continue to work on a case-by-case basis, as done by the U.S. Trade Representative, and next year when the time comes to review MFN for China we should hold them accountable to a higher standard. We should have our facts, we should know what is going on, we should have a unified policy between the administration and the Congress.

We are Americans. We believe in the dignity of humankind. yes, we must dwell on the issue of our economic viability, and we must open the doors to China in an extension to say, "We are ready to help you change," but we should never forget those who are in need of our backbone to ensure that human rights is held up to the standard which we have come to respect and acknowledge.

Mr. Speaker, I rise today with mixed feelings about the difficult choice that we have before us. We must seize new economic opportunities but we must also exercise the responsibility of a world leader. We must find common

ground on affirming human rights and pursuing economic prosperity. Our Nation was founded upon the democratic ideal of freedom of speech and the right to petition your Government for redress of grievances. As we debate this issue, the People's Republic of China continues to hold numerous prisoners without reason—estimated by human rights organizations to be several hundred thousand. Arbitrary detention in China can be politically, religiously, or increasingly, economically motivated, and officials have detained Chinese nationals and foreigners alike for perceived personal affronts to a determination to prevent political or economic leaks. In addition the continued insult of smuggling in AK-47 assault weapons to kill more of our citizens.

International attention has been most clearly focused on cases such as Wei Jingsheng, currently serving a 14-year term for speaking out on democracy and human rights during the brief 6 months of freedom he had between September 1994 and April 1995, or on Bo Tong, a senior Chinese official Released in May 1996 after serving an unwarranted 7-year term and immediately redetained in a so-called government guesthouse. But businesspeople, bankers and Chinese representatives of overseas firms are increasingly becoming victims of the arbitrary exercise of power and the absence of rule of law.

The Chinese Government's new crackdown on crime or strike hard campaign that began in April has already resulted in more than 500 death sentences and executions across the country. This kind of crackdown is nothing new. The Chinese Government has periodically engaged in anti-crime campaigns that sweep up tens of thousands in their wake. Intended to instill a sense of security in a public concerned about the crime that has accompanied economic growth, these campaigns often result in the unlawful arrest and wrongful execution of large numbers of people.

In addition to showing little regard for the civil and human rights for people within its borders, China has made Asia, the Middle East and indeed the entire world less safe by continuing to transfer nuclear, missile, and chemical weapons technology to unsafeguarded countries, including Iran, Iraq, Libya, and Pakistan, in violation of international agreements. And as the recent seizure in California reminds us, the Chinese Government has been involved in selling AK-47's and other military assault weapons on American streets, often ending up in the hands of violent street gangs.

During recent elections in Taiwan, China fired missiles and practiced military maneuvers in the Strait of Taiwan as forms of intimidation in order to disrupt Taiwan's free and open political process. And the Chinese Government has already taken several steps to curtail or threaten civil liberties in Hong Kong just a year before the territory returns to Chinese rule.

As I list this long litany of human rights concerns, the question remains whether these problems prevent us from renewing the most-favored-nation trade status with China. Let us examine the other side of the issue. China is an immense country with over 4,000 years of continuous history and a deep sense of cultural identity and pride. China is a nation of deeply entrenched social, economic, and administrative and political institutions developed over the millennia and profoundly reshaped during three decades of Marxist-Maoist rule before 1979. How can we hope to affect

change in such a vast and complex society through a policy of isolation?

The simple truth of the matter is that we are already involved economically in China. Since 1979, American business has become a major player in China, both as a leading source of foreign direct investment and a major trading partner.

In 1995 China was the 13th largest destination for United States exports. Between 1992 and 1995, United States exports to China grew nearly 57 percent, reaching \$11.7 billion in 1995, which does not include the approximately 8 billion dollars' worth of goods and services exported first to Hong Kong then into China. In 1995 my home State of Texas exported over \$1.785 billion of goods and services to China and Hong Kong.

Considering that approximately \$1 billion in trade is equivalent to 19,000 jobs in the United States, this is not just a one-way street. Stripping China of most-favored-nation trading status will result in reciprocal action by the Chinese, increasing tariffs and trade barriers on American products in China, thus greatly reducing, if not eliminating American exports and jobs relating to China.

Many critics will point to our unfavorable balance of trade with China as a negative. However, the products we import from China, such as low-end clothes and footwear, have not been produced in the United States for 30 years. Five years ago, we imported these from Taiwan, 10 years ago from Japan. If we did not get these products from China, we would buy them elsewhere at a higher cost.

The opportunity for involvement in China has by no means peaked. China's expanding aviation industry could purchase as much as 100 billion dollars' worth of jetliners over the next 20 years. China needs and wants to expand its power production capacity by 15,000 megawatts per year through the early 21st century. This will require technology and equipment imports that could total between \$6 to \$8 billion annually.

All this economic involvement has exported more than goods and service to China. Seldom mentioned in press reports are the many nonbusiness activities United States companies pursue at the local level in China, much as they do in any country in which they set up operations. These firms bring with them fundamental American ethical and operational views that shape the way they run their factories and offices, interact with employees, and join in local community activities. For example, on average, United States companies with facilities in China pay their employees at least 20 percent more than local standards. A number of U.S. firms have established profit-sharing plans or voluntary savings plans, in which companies match employee contributions.

Many U.S. companies provide medical facilities and free or subsidized medical care on site for employees. Typically, United States companies go above and beyond Chinese Government requirements by adhering to the workplace standards of the United States Food and Drug Administration and Occupational Safety and Health Administration [OSHA].

Where do we go from here? I argue that Congress should be on record with recommendations for improving human rights in China. Reducing intellectual property rights violations, and eliminating Chinese sale of nu-

clear and chemical technology if the Congress decides to affirm the President's decision to continue most-favored-nation trading status with China. These recommendations should include:

First, work with the United Nations and other countries to monitor and improve human rights conditions in China, and set target deadlines for progress;

Second, help China stick to legal reforms that are to be implemented in January 1997, especially presumption of innocence; improved access to legal counsel; and more stringent limits on time in detention before formal arrest;

Third, continue to work on case-by-case basis, as done recently by the United States Trade Representative, to improve enforcement of intellectual property rights in China, and

Fourth, next year, when the time comes to review MFN for China, we should hold them to a higher standard of review with respect to human rights and monitor carefully how the transfer of Hong Kong to China is proceeding.

This resolution should help be the underpinnings for a real China policy that lifts the human rights crisis to the level it should be, where ultimately China will understand without doubt the real importance Americans, businesses, and citizens alike place on the human dignity for all humankind. If China continues as is, more than its MFN may be at stake—China should pay heed.

Mr. COX of California. Mr. Speaker, I appreciate the support of the gentleman from Texas.

Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER], the distinguished chairman of the Congressional Human Rights Caucus.

Mr. PORTER. Mr. Speaker, I thank the gentleman from California for yielding me this time.

Mr. Speaker, the resolution that was just rejected—that would have cut off MFN for China—will be interpreted in Beijing to say that it is OK to threaten free elections in Taiwan; that it is OK to undermine the elected legislature and the free press of Hong Kong; that it is OK for the Chinese to commit cultural genocide in Tibet; that it is OK to sell nuclear armaments to Pakistan; that it is OK to dump products in the United States on our markets that take away the markets from those countries that have been friendly to the United States, like the Philippines and India. The people in Beijing will interpret that it is OK to continue to torture, to continue to crush dissent, to engage in slave labor, to starve orphans, to tell their people how many children they can have.

Mr. Speaker, I do not want to cut off MFN because I know that if we can make certain that economic freedom proliferates in China, that ultimately it will in fact lead to political freedom. But, Mr. Speaker, I voted for the Rohrabacher resolution because I did not want to send those messages that Beijing would interpret that way, because it is not OK to do those things because in this world we are our brother's and sister's keepers.

The American people value—and the Chinese people must understand this—human rights perhaps above all else,

value democracy and human freedom like no other country on Earth. We believe that China today ranks with countries like Sudan, Nigeria, and Burma, and Turkey, among the worst human rights abusers in the world. If China wants a solid relationship with the United States, these things must change.

Unfortunately, this administration gave this Congress absolutely no alternative. They said, "We do not want to use the MFN lever. We want to encourage economic freedom and economic growth in China." But they said nothing else.

Mr. Speaker, I want to say right here and now that this administration has been absolutely bankrupt in supporting human rights around the world, like perhaps no administration we have seen in a long, long time. They have not given us an alternative to MFN, but the gentleman from California [Mr. COX] is giving us some alternatives and I commend him for doing so.

We need to send a strong message to the people in Beijing that these things are not OK, and that we must see progress on human rights matters and democracy in China and if they are going to go the opposite way, they will never have a solid relationship with this country. Mr. Speaker, I encourage the Members to vote for the Cox resolution.

Mr. GIBBONS. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. MILLER].

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I feel like the old saying about closing the door after the cow has run out of the barn. The real vote was taken a few moments ago. With that vote, the flame of liberty and the flame of democracy and the flame of human rights that we set forth in the world, the beacon that we send forth from the Statute of Liberty and from our Constitution, from our Declaration of Independence, from this body and our system of government, all grew a little bit dimmer for those nations who look to us for leadership.

As the gentlewoman from California [Ms. PELOSI] said in her closing statement, one of the real questions we have to ask ourselves and that we will be held accountable for with respect to our constituents with the vote just taken was whether or not China plays by the rules. The record today is overwhelming and compelling that they do not play by the rules.

They do not play by the rules of most of the rest of the international community, and they certainly do not play by the rules that we believe should be in place with respect to free trade and fair trade, with respect to human rights, to the promotion of democracy, to the protection of intellectual properties and ideas, nuclear proliferation, and how important that is to the future of this world, to the stealing of people's

technology, of nations' technologies. No, they do not have to play by those rules. That fact was ratified in the previous vote.

In fact, what we told them is they can continue to play by a very different set of rules, a set of rules that they design, that they ratify and that they invoke on their own citizens and on their trading partners, rules that suggest that over the short time we have had this relationship, America continues to lose.

□ 1700

America's workers continue to lose. Our trade deficit continues to lose. Our self-esteem about what we stand for continues to lose and be eroded. Unfortunately, this administration and now this Congress have been the great enablers of this policy, because we have always suggested that tomorrow, tomorrow we would have resolve about Tibet. Tomorrow we would have resolve about the trade deficit. Tomorrow we would have resolve about use of slave labor. Tomorrow we will get tough. That is why they have a 12-step program; because you have to deal with it today.

Now, unfortunately, we are left with this good-faith effort by the gentleman from California [Mr. COX], but wrong with respect to the problem; that is, if we were doing our job and this administration was doing its job, what would the verdict have been over the last year? But if we ignore these issues, if we turn the other way when they threaten democracy, if we turn the other way and enter into agreements where it is done on a wink and a nod, what they did not say, what we can say publicly they did say, they did not say but we will say they did say, how does that ensure people's rights? How does that keep nuclear weapons from going to people who threaten us as a Nation?

No, this is a very sad day. It is a very sad day for the people of China who aspire to democracy, to freedom, and it is a very sad day for the people of this Nation who pride ourselves that we send forth that beacon of fair play and democracy and liberty.

Mr. Speaker, I am very sad that the House chose to say tomorrow. Perhaps the President and many Members of this House should try out for the Play Annie, because tomorrow, only tomorrow will they deal with China in the serious and constant and engaged way that is demanded if, in fact, we are going to have a reliable partner for the future of this world, for the future of our trade, for the future of democracy, and the future in terms of national security. But that was not accomplished here today.

The SPEAKER pro tempore. The Chair would announce the gentleman from California [Mr. COX] has 11¾ minutes remaining, and the gentleman from Florida [Mr. GIBBONS] has 15½ minutes remaining.

Mr. COX of California. Mr. Speaker, I yield 2 minutes to the distinguished

gentleman from Arizona, [Mr. KOBLE], a member of the Committee on Appropriations and the Committee on the Budget, and a distinguished member of the policy committee.

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

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding me the time. I rise in support of the resolution offered by the distinguished gentleman from California [Mr. COX], my friend and the chairman of the policy committee on which I serve.

Mr. Speaker, I would take some issue with some of the language that is in this resolution. I would disagree with some of the clauses. I might question whether some of the issues raised in this resolution have been substantiated. But I think the important point is that this resolution begins us down a path that we should be taking; a path we should have been taking a long time ago. That is, it specifically directs the committees of jurisdiction, the Committee on Ways and Means, the Committee on International Relations, the Committee on the Judiciary, and other committees that have jurisdiction in this area, to focus on ways in which we can change the behavior of China, to determine how we can truly begin to deal with problems of market access; to focus on the tremendous human rights abuses which we all know and which we all deplore; to deal with the problems of nuclear proliferation which threaten the security of the world; and to deal with the other regional security issues. It directs these committees to hold hearings to look for the kinds of tools, the kinds of legislation, the kinds of resolutions that can actually change China and bring them into the family of nations.

What this resolution recognizes, in the context of the vote we just had, is that the MFN, the most-favored-nation trade status, is not the way to bring about those changes. Most Americans, maybe even many in this body, would be surprised that we grant MFN status to Iran, to Iraq and some of the countries that my friend, the gentleman from Illinois, Mr. PORTER, mentioned: Burma, Turkey, and Sudan. All of those countries have MFN status with the United States. But what we have found is there are other ways to deal with the problems of Iran and Iraq, and we deal with them on a multilateral basis with our other allies and those using the kinds of techniques that work. We have used selective embargoes. We have worked with our partners to try to secure the kinds of changes that we want to bring about in those countries.

So what we are saying here today is let us begin this process. With this resolution, we tell China we do not condone their policies, we do not accept their human rights abuses, but we do intend to begin an engagement with China on these issues that are so important to our relationship. I urge support of the Cox resolution.

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

Mr. Speaker, I know of no one in this Congress who has worked harder on this subject than the gentlewoman from California [Ms. PELOSI]. She is very intelligent and a very fine person, and I know that she feels these things very deeply, and I join her in many of her feelings. I think if we have any differences, it is just on how we solve this problem, not about the problem but how we solve it. So it is with great pleasure that I yield to her, and I know her and respect her for what she stands for.

Mr. Speaker, I yield 7 minutes to the gentlewoman from California [Mr. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the ranking member for recognizing me, giving me this time, and for his kind words.

This is probably our last MFN fight together, Mr. Chairman. As I said on the day we had our special order for the gentleman, he is truly a gentleman from Florida and we have all benefited greatly by his service here. Thank you, Mr. Chairman.

Mr. Speaker, I rise in support of what the gentleman from California [Mr. MILLER] referred to as the well-intentioned resolution presented by the gentleman from California [Mr. COX]. I call it the fig leaf. I said if there were ever a national flower specific to the Congress of the United States, it would be the fig tree, because we just have fig trees all over the place. It is beginning to be Mediterranean around here. This fig leaf is even a transparent one, but it could be something if everyone has the resolve of the gentleman from California. Mr. COX has been a great leader on human rights throughout the world and on this China issue. If the leadership of this House is serious about this resolution and it is not just using it as a fig leaf, it is a fig leaf until it is something else in my view, then this could make the real difference, I would say to the gentleman. Once again, he will have provided a service.

One of the joys of working on the most-favored-nation status with China, human rights issues in China, trade, proliferation, et cetera, is the bipartisan coalition that we have formed, the relationships that have developed to help us solve other problems as well in the House. And the gentleman from California [Mr. COX], the gentleman from New Jersey [Mr. SMITH], I see over there, and you know the list, the gentleman from New York [Mr. GILMAN], the gentleman from Virginia [Mr. WOLF], the list goes on and on, it has been my pleasure to work with all of these gentlemen.

I want to make a few comments, Mr. Speaker. Of course I support the amendment of the gentleman from California [Mr. COX] and I think we have to make sure that it has teeth and it is real. But the fact is that those of us who have been working together all this long time on this issue did not

start with using MFN as a tactic. We started with World Bank loans, we started with conditional renewal or targeted sanctions or every possible kind to relationship that we have with China in a financial institution or a financial relationship. So it would be interesting to see what the committees of jurisdiction come up with, which has not already been rejected over and over again by this House.

Mr. Speaker, I do hope that the focus will be on a prohibition on products made by the People's Liberation coming into the United States, or raising the tariffs at least on those products. The People's Liberation Army occupies Tibet, crushes dissent in China and Tibet, proliferates nuclear, biological, chemical, and missile technology to rogue countries. The PLA has been for many years selling and now smuggling AK-47's and all kinds of other more dangerous weapons into the United States for use here or to be transshipped to other countries.

With all due respect to those who have talked about human rights here today, and with great respect, as I have said, for the gentleman from Florida [Mr. GIBBONS], he said he knows I feel very strongly and he shares some of those feelings. Yes; I feel strongly, but I think about it a lot, too, and I make a distinction there. This is not about feeling. It is about analyzing what our options are and giving them priority. Yes; we all care about human rights. Let us stipulate to that. Who cares enough to give it some priority? Who cares enough to say to a country like China, repressing its people, and that repression has increased since President Clinton delinked trade and human rights, that this is important in our relationship.

The administration does not really talk about it much anymore. They talk about larger issues. In fact, the more time goes by, the older their thinking is on how we deal with China. We must insist that in all of our relationships we make the trade fairer, the political climate freer, and the world safer. The Clinton policy is doing just the reverse.

I also want to make a comment about our colleagues who have said well, we give MFN to Iran and Iraq. We have an embargo on Iran and Iraq. We do not trade with them. Not only that, we have a secondary boycott on countries that would invest in petroleum in Iran. So this whole thing of we give MFN to everyone, so why not China. If we have a special situation as China is, where the President must request a waiver, and that is what gives us standing on the floor, and that country represses its people, violates our trade relationship, does not allow, by and large, most of our products in, does not play by the rules, uses prison labor for export, steals our intellectual property, misappropriates our technology and copyrighted items for use for manufacture to their own, industries with our copyrights. If a country does all of this, and at the same time has a \$35 bil-

lion trade deficit with us, that is an opportunity where we can use our leverage.

To those who say well, some of that trade deficit came from other countries, those jobs used to be in other Asian countries, well, they are in China now and that is why we have leverage. It does not matter where they were before, it is where they are now. The Chinese Government cannot afford to lose 10 million jobs that spring from United States trade. They cannot afford to lose \$35 billion, trade surplus that will be over \$40 billion this year.

In my final minute, Mr. Speaker, in putting some of these thoughts on the RECORD, I do want to put a couple letters in the RECORD. One is a letter from Adam Yauch. Adam is with the Beastie Boys. He has been working very hard, lobbying Members to vote against MFN for China. A couple of weeks ago in San Francisco, he had 100,000 people gathered to support Chinese and Tibetan human rights and to oppose the brutal oppression of the Chinese Government. Maybe the leadership of this House is afraid of what is going on out there, that people are catching on to this issue.

In closing, Mr. Speaker, I want to mention as we go into the Fourth of July, a great champion of human rights and of liberty, hopefully inspired by the United States, certainly his thinking is in line with our Founding Fathers', Mr. Wei Jingsheng. Nothing drives the Chinese crazier than our talking about Wei Jingsheng, because he speaks the truth. He served a 14-year sentence. They let him out for a few months because they wanted the Olympics. As soon as he spoke up again, they arrested him for another 14 years.

And here is what he said to get arrested:

From the moment he is born, a human being has the right to live and the right to strive for a better life. These are what people call God-given rights, for they are not bestowed by any external thing. They are bestowed by the fact of existence itself. Without equality, human rights must lose their real meaning. Without the protection of human rights, equality can only be an empty slogan.

In the spirit of our Founding Fathers, as we approach the Fourth of July, I want to commend to our colleagues the plight of Wei Jingsheng and hope that one of our priorities is to tell the Chinese that we insist upon his freedom. I thank the gentleman from Florida for his leadership.

Mr. Speaker, I include for the RECORD the letter referred to previously.

The information referred to is as follows:

JUNE 26, 1996.

DEAR MEMBER OF CONGRESS: I am currently in Washington, DC where I have been lobbying Congress not to renew Most Favored Nation trading status with China.

Last weekend I participated in the Tibetan Freedom Concert where over 100,000 people gathered to support Chinese and Tibetan human rights and to oppose the brutal op-

pression of the Chinese government. Twenty of America's most influential bands took the cause to heart and spoke about it on stage. 30,000 of the participants signed a letter to President Clinton demanding that he not renew Most Favored Nation status to China. The concert also helped to spread the word of a rapidly growing boycott of all Chinese goods. This boycott is endorsed by over 150 organizations including the AFL-CIO. This is a small example of a rapidly growing awareness amongst youth about our US government and US corporations' direct involvement and perpetuation of human rights abuses by continuing to trade with the Chinese. By investing US money we are financing the Chinese government's continued genocide of the Tibetan people.

As world leaders your responsibility is to all of humanity, not just your constituency, not just the Republicans or the Democrats, not the people from your state, not even just all Americans. You represent and affect all of humanity and are thereby responsible for your actions. It is your responsibility to cut through the bureaucratic rhetoric that has perpetuated the most unimaginable suffering and human rights violations that are still occurring today.

Because the Tibetan struggle is non-violent it exemplifies the most clear-cut distinction between brutal violence and compassion that exists in the world. We must all join together and use the freedom that we have as American citizens to bring freedom to the rest of the world.

The lies that having US business in China will help to change their policies on human rights have gone on too long. Many people are asking the question if the US takes a stand will other countries follow us. It is our responsibility to act first and other countries will follow. Regardless of what other countries do we must act in the interest of humanity and not our greed motivated corporations. We the people of America call on you as our world leaders to act now. Do not renew Most Favored Nation status to China.

ADAM YAUCH—BEASTIE BOYS.

Mr. GIBBONS. Mr. Speaker, I yield 2 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, I rise in strong support of the resolution offered by the gentleman from Newport Beach, CA [Mr. COX], my friend. By an overwhelming bipartisan majority, better than 2 to 1, 286 to 141, the House has gone on record stating what I have been arguing for the past 7 years, and that is the annual debate on trying to cut off MFN with the People's Republic of China is not the way to deal with the very serious problems that are outlined in this resolution.

□ 1715

What this resolution calls for is our looking into, through this process of hearings, the serious problems that we have discussed over the past several hours: Human rights violations, O-ring transfer, the saber rattling with Taiwan, the treatment of Tibet, intellectual property rights violations, those very serious things.

That is why I believe the right thing for us to do is to continue trade, obviously, and this House has made that statement, but to move ahead with this

resolution that will call for committees to look into the very serious questions that we all very much want to address.

As a strong supporter of most-favored-nation trading status with the People's Republic of China, I join in supporting this resolution and urge my colleagues to vote "yes."

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. COX of California. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HUNTER].

The SPEAKER pro tempore (Mr. HOBSON). The gentleman from California [Mr. HUNTER] is recognized for 3 minutes.

Mr. HUNTER. Mr. Speaker, I thank my friends for yielding me this time, and I also want to rise in support of this resolution and commend the author, the gentleman from California [Mr. COX], one of our brightest and most eloquent Members.

This is a very, very important resolution from my perspective as a Member of the Committee on National Security, because I, along with my friend, the gentleman from California, DUKE CUNNINGHAM, and other members of the committee, received testimony from the Clinton administration representatives with respect to China and its participation in arms sales and the sales of chemical weapons components to nations which may be in some cases unstable and in other cases are considered to be adversaries of the United States.

We have just now started, really, this investigation. And when we asked the representatives of the Clinton administration whether or not there had been sales of the M-11 missiles to, for example, Pakistan, the answer was it appears that that did take place. When we asked about the ring magnets in open session, systems that are used to enrich uranium for the nuclear weapons construction process, the answer was yes, that probably did take place. It appears that also there have been transfers of chemical weapons components to Iran. That has taken place.

So we see a couple of things happening. We live in an age of missiles right now, in which a number of Third World nations are acquiring missile technology, the ability to deliver a payload to another country 300, 400, 500 miles away, and also to develop the warhead components that may be nuclear components or they may be biological or chemical components.

We see China now taking a very important role in that proliferation of deadly technology to other nations, and we do not see any hesitancy on their part as a result of America's entreaties to stop it. We have asked them to stop it. They will not stop it just because we have talked to them.

We do need to acquire points of leverage, that was the point we made in the MFN debate, that we missed an important point of leverage, but in the ensuing months we will work in the Com-

mittee on National Security, and I know the chairman, the gentleman from South Carolina, [Mr. SPENCE], finds this to be an important issue, and we will try to develop both the facts as to what China is doing with respect to proliferating mass destructive components and weapons to Third World nations and what we can do in the United States to stop it.

I want to thank the gentleman from California [Mr. COX] and thank the gentleman from Florida [Mr. GIBBONS] for giving me this time, and I look forward to working on this very important project.

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

Mr. FRANK of Massachusetts. Mr. Speaker, if the Federal Trade Commission had jurisdiction over our legislative processes, I think that this would probably be cited as a bait and switch proposition.

I read the resolution and it consists largely of a number of very good reasons why we should not do favors for and make concessions to and trade on these terms with the Chinese People's Republic. It is a long list of the great grievances which we have against the Chinese People's Republic. Then we come into the last page, in which, having shaken our fist at them and listed all the terrible things we do, we unleash our weapon: Hearings.

Now, I appreciate the fact that hearings can sometimes be a nuisance if you are the Secretary of an American Cabinet department. The notion that we are going to have hearings might be a problem, but the threat of hearings in this situation seems to me to be of quite minimal effect on the Chinese.

So I would have to say, and I will yield to the gentleman if he would yield me some of his time, because I only have 2 minutes and he had 8 and some odd minutes left, but at this point I would say it does appear to me that any resemblance between this and a serious piece of legislation is entirely coincidental.

The notion that the Chinese, having compiled this very long record of violating agreements and abusing people and getting the better of us economically, would really be upset because we are going to have hearings seems to me to be quite minimal.

If the gentleman wants to yield some time, I will be glad to have a colloquy with him, but apparently he does not, so I will simply say that this may ease the conscience of those who voted for MFN. If in fact Members agree with everything in this resolution, I do not know how they could have voted to give the Chinese Most-Favored-Nation treatment.

There is certainly nothing, I will say in closing, in the behavior, in the record, in the composition of the People's Republic of China that ought to give anybody the slightest inclination to believe that the Chinese will pay any more attention to this than they have anything we ever did before.

Mr. COX of California. Mr. Speaker, I yield myself such time as I may consume to say in response to my colleague and friend from Massachusetts, who normally is one of the most attentive during debate, that he must have missed the debate earlier on this because no one who has spoken in favor of this resolution, from the gentleman from California [Ms. PELOSI] to the gentleman from California [Mr. MILLER] to myself, in any way meant for this resolution to be a substitute for the previous vote.

To the contrary, I voted, as perhaps did the gentleman, I do not know how he voted, but certainly as did Ms. PELOSI and Mr. MILLER, and the others who have spoken, as did the chairman of the Committee on International Relations, as did the chairman of the Committee on National Security, and that is to be serious in the one and only way we were given an opportunity to be serious, and that is with the resolution offered by the gentleman from California, Mr. ROHRBACHER.

What we now have an opportunity to do, having faced obvious defeat on the scoreboard, having seen the vote tally, is what we have not done before, and that is to go beyond the jurisdiction of the Committee on Ways and Means, to the Committee on National Security, to the Committee on International Relations, to the Committee on Banking and Financial Services, and again to the Committee on Ways and Means, and have not only hearings, because that is not all this resolution says, but also legislation dealing with the very topics laid out in the resolution so that we are on the floor here no later than September 30.

I have spoken personally with the chairmen of these committees, and this is not just a hortatory injunction resolution. These chairmen are committed to bringing legislation forward. The chairman of the Committee on National Security was himself here on the floor, the chairman of the Committee on International Relations was himself here on the floor.

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

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

Mr. SOLOMON. Mr. Speaker, I want to commend the sponsor of this resolution, the gentleman from California [Mr. COX]. It is a good strong step in the right direction and I strongly support it.

Mr. Speaker, having just extended MFN for Communist China for the 17th year in a row, it is time for the advocates of MFN to step forward and promote a viable alternative for dealing with the problem of Communist China, and they can start by supporting the Cox resolution. This resolution directs four committees of this House to study this issue and allows them to come up with these alternatives.

If we pass this resolution, the onus will be on those committees and the advocates of

MFN to propose only substantive proposals, not just mere words of condemnation. Why? Because, for years, we have pursued a policy of unmitigated appeasement of Communist China, and as we know from history, appeasement doesn't work.

Mr. Speaker, it is truly breathtaking the degree to which every instance of Communist Chinese duplicity or misbehavior is dismissed, explained away, ignored or apologized for. We can't even enforce our own nonproliferation laws! They are in violation of every one of them. It's a joke!

And just listen to this: In addition to 17 years of MFN and a free pass on our sanctions laws, look what else China gets from us: \$4 billion a year in taxpayer funded loans from multilateral development banks, and \$800 million in loans and guarantees from the Export-Import Bank in 1995!

We can shut this taxpayer ripoff down, Mr. Speaker, right here in this Congress.

And then we have the unrestricted access to our market for companies owned and operated by the Communist Chinese military.

Why are we trading with the Chinese military, when they are building up their defense, threatening Taiwan, and attempting to acquire missiles that can destroy American cities? We can shut this down as well, Mr. Speaker, by passing legislation that embargoes Chinese military companies. The committees named in this bill have the jurisdiction to tackle these matters, and they should.

Mr. Speaker, the era of appeasement of the rogue Communist regime in Beijing has got to end. We know it can only lead to disaster. In the 1930's Hitler was appeased, and the result was World War II and the Holocaust. During the war, Stalin was appeased and the result was the enslavement of Eastern Europe and the cold war.

In the 1970's, we appeased the Soviets with detente and the result was their running amok in Africa, Central America and Afghanistan. Now appeasement of Communist China has led to today's outrageous and dangerous situation, chronicled here today by so many of my colleagues.

Mr. Speaker, in the 1980's we reversed appeasement and pursued Ronald Reagan's policy of peace through strength. For those who haven't noticed, it worked.

The Cox resolution is a place to start us back on the road to peace through strength.

I urge adoption of the measure.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GIBBONS] is recognized for the balance of his time, which is 2¾ minutes, as I announced before.

Mr. GIBBONS. Mr. Speaker, we have a lot of work ahead of us as far as bringing the Chinese people and their government into the modern world. A lot of mistakes have been made in the past. As I see our mistakes, the biggest mistake we have ever made so far as dealing with China is to disengage from them. And to the extent that the gentleman from California [Mr. COX] seeks to reengage with them, I support what he is trying to do.

I think his time limitation on this makes it a futile effort. The Chinese are far different than we are. They have a far different set of guiding stars on which they guide as far as principles

are concerned. We are going to have to help change them and to bring them into a more modern frame of reference. That is going to require quite some effort on the part of the United States. Mr. COX is aiming in the right direction, but he does not give himself nearly enough time to accomplish what his goal is.

First of all, I think every Member of this Congress should visit China as soon as they can and stay as long as they can and try to learn something about the Chinese, not that we want to emulate them, but we ought to know who we are dealing with and the problems that they face in trying to bring themselves into a more modern time.

Second, we are going to have to make some sacrifices. We are going to have to do some things, positive things, about engaging the Chinese.

Now, if we look at the resumes of most of the Chinese leaders, we will find that they were either educated in Chinese schools or they were educated in Russian schools or Eastern European schools. Most of them missed all opportunity to have any education in the Western ideas. We should be offering them that opportunity and encouraging them to participate, to bring their students here and to give them an opportunity to learn about what the modern world is all about.

Third, we should be sending our people there to try to teach in their own institutions something about what we stand for. We should engage them at every point. I do not like their trade practices, I do not like the fact that they discriminate against us, but they do and we are going to have to work with them and confront them all along the way, just as we recently confronted them on the piracy of intellectual property, and we were able to be successful in that because we had some leverage and we used it.

We must continue to do all that with the Chinese. So my real concern with all of this is I do not want to see America back off and disengage again. We did it once, it was a terrible mistake, we are paying the penalty for it now, and let us not repeat that bad history again.

Mr. COX of California. Mr. Speaker, I yield the balance of my time, 7 minutes, to the gentleman from New Jersey [Mr. SMITH], the distinguished chairman of the Helsinki Commission on Security and Cooperation in Europe, the chairman of the Subcommittee on International Operations and Human Rights, who has held nine hearings on China's abuse of human rights and the national security issues that the military buildup by the Communist Chinese poses to the United States.

Mr. SMITH of New Jersey. Mr. speaker, I want to thank the gentleman from California [Mr. COX] for yielding me this time and for the privilege of closing debate on this extremely important legislation that he has offered today. Mr. COX is deeply committed to human rights and has fashioned an approach

today that will lead to meaningful sanctions.

Mr. Speaker, the Clinton administrations absolute delinking of trade from human rights in 1994 was a betrayal of an oppressed people of breathtaking proportions. The Clinton administration flip-flopped on promoting human rights in China. After issuing a comprehensive Executive order that laid out a number of threshold items that had to be reached in order to confer MFN on China. The bottom line was performance—"significant progress in human rights" was the clear standard that had to be met. When the Chinese regressed and human rights violations increased, the President turned tail and backed down. The dictatorship won. And the courageous Chinese democracy advocates were sold out and abandoned.

I led a human rights trip to China midway through the Executive order review period and met with numerous leaders of the dissident community. I met with business leaders. I met with high government officials. And every single Chinese Government official told me and our delegation that human rights would be delinked from trade. It was astonishing. They believed the Clinton order to be bogus. They were totally cynical about it and viewed it as a joke. They thought it was window dressing, appealing to a domestic audience rather than a sincere effort to try to really rein in on the abuses of the People's Republic of China.

Unfortunately, the Clinton policy is only the worst example of a much 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.

I think Members will recall that as a candidate, Bill Clinton justly criticized some officials of previous administrations for subordinating human rights to other concerns in China and elsewhere and he called it coddling dictators. I would submit to you this evening that Bill Clinton has coddled as few have coddled before.

The important legislation offered by my good friend and colleague from California, Mr. COX, provides us with a sincere opportunity to seriously reconsider our trading relationship with the People's Republic of China in light of their deplorable human rights record and their ongoing and flagrant empowerment of rogue regimes with weapons of mass destruction.

In the coming weeks, the PRC should be put on notice, this Congress is going to insist on scrutinizing China's record as never before. Yes, over the last 18 months my subcommittee held numerous hearings on China's human rights practices. The full committee has held hearings on nuclear proliferation. Others have held hearings on the Senate side. But now, four major committees of the House of Representatives will draw a bead and bring blazing light to bear on these deplorable practices. And

I hope, we will leave no stone unturned in our probe.

Last week, Mr. Speaker, I held a hearing on the human rights consequences of Mr. Clinton's misguided policy. Human Rights Watch, Freedom House, Amnesty International, and Harry Wu—among others—all testified how abuses had actually increased since delinking MFN and human rights. Amnesty International testified, that the Clinton administration's human rights policy towards China is "confusing and weak". The administration is "aggressive only in a trade war with China. Amnesty International is unaware of any human rights war waged by this administration despite the worsening human rights situation in China."

Amnesty also testified that the human rights conditions in China, had "worsened since the delinking of human rights and MFN in 1994."

Mr. COX's legislation gets us back into the ballgame. A bipartisan group of lawmakers will produce legislation, and I do believe that the various committees of Congress, including the one that I serve on, International Relations, will come forward with new policy proposals. Mr. GILMAN's bill is a good place to start. In the coming weeks, we will craft legislation—perhaps a hybrid designed to mitigate these egregious abuses. It's time to plan hardball.

Let me also point out that Amnesty testified, that so-called economic progress in China has not resulted in observance or respect for human rights. That's really not that surprising. After all the Fascists in Italy made the trains run on time. The Nazis knew how to run a factory. Like those dictatorships, there is no evidence whatsoever to suggest that the Chinese dictatorship has been tamed by economic growth. It has only become a glutton for more power and control. As a matter of fact, the evidence suggests that the PRC dictatorship is today stronger, more repressive, and more determined to retain the reins of power.

The Clinton policy is empowering a repressive military by feeding it, gorging it, with dual-use-capable items and sophisticated technology. Our businesses are beefing up two PLA's offensive capabilities and making them more effective in controlling the people—and neighboring countries.

Amnesty told our committee that despite rapid economic changes in recent years in China, there has been "no fundamental change in the Government's human rights practices."

Mr. Speaker, the Cox legislation suggests that with the revocation of MFN no longer a viable option, for this year at least, that other means of registering our utter disgust with the dictatorship's cruel mistreatment of its own citizenry will be forthcoming, and we have a date certain by the end of September to produce those proposals and enact them.

We have leverage, I say to my colleagues, we need to use it and use it

prudently and wisely. For those, my friends and colleagues who advocate the status quo and no linkage, I have a simply question: Is there anything a government, in this case a cruel dictatorship could do, is there anything so gruesome, so barbaric that the United States should say enough is enough. In light of China's barbaric and cruel treatment to its people can we pretend we just don't see and go on as if it is business as usual? Consider the inhumane practices of the Beijing Government that are ongoing, pervasive, and getting worse by the day. The use of slave labor—or the laogai—the prison camps—where many of our products that find their way on the shelves in our stores are being produced by prisoners of conscience. The statement of the status quo say, no problem, the United States and China signed a memorandum of understanding during the previous administration. The MOU looks splendid on paper. But it's a farce. The Chinese contrive to obstruct and prohibit access to prison camps and have erected so many barriers so to make the MOU meaningless.

In the early 1990's Congressman FRANK WOLF and I got into one gulag after much persistence and tough negotiations. We discovered that Beijing prison No. 1 contained more than 40 dissidents from the Tiananmen Square crackdown. We were witnesses to the making of girls jelly shoes and socks for export by convict labor. One of the problems with the MOU is that the U.S. side has to give significant advance notice prior to an inspection. The U.S. side has to demonstrate cause for the inspection to occur—another difficult hurdle in a closed society. And then there is a long time period from the request to when our Customs people make a visit—and there have been very few visits. And you know what happens then? U.S. personnel inspect the prison camp and are shown a Potemkin village—sanitized and free of any possible violation of the MOU.

Let me also say that my subcommittee had the first hearing in the Congress ever on the laogai or prison camp system in China. We heard from six survivors, including Harry Wu, that great, courageous defender of human rights and former prisoner of conscience. We heard chilling testimony from Katharine Ho and from a Buddhist monk who demonstrated how the Chinese torturers inflict pain on religious and political prisoners with cattle prods. He told us how they used these terrible implements to force compliance and to break a prisoner's will and resolve.

Mr. Speaker, civilizations can be judged by how they treat women, children, old people and strangers. Vulnerable people bring out the kindness in every society, but also regrettably the cruelty. Every so often they do become the object of practices so violent they cause people to recoil in horror across the centuries. One such practice is the practice of forced abortion.

The Government of China routinely compels women to abort their "unauthorized" unborn children. The usual method is intense "persuasion" using all of the economic, social and psychological tools a totalitarian State has at its disposal. When these methods fail, the woman is taken physically to the abortion mill. Forced abortions are often performed very late in pregnancy, even in the ninth month. Sometimes the baby's skull is crushed with forceps as the baby emerges from the birth canal. Other times the baby gets an injection of formaldehyde or some other poison into the baby's cranium. Either the woman or her husband is then forcibly sterilized.

Forced abortion was properly considered a crime against humanity at the Nuremberg war crimes tribunal. It is employed regularly with chilling effectiveness and unbearable pain upon women in the People's Republic of China. Women in China are required to obtain a birth coupon before conceiving a child. Chinese women are hounded by the population control police and even their menstrual cycles are publicly monitored as one means of ensuring compliance.

The New York Times has pointed out in an exposé recently that the authorities, when they discover an unauthorized pregnancy, an "illegal child," normally apply a daily dose of threats and browbeating. They wear the women down. Eventually, if the woman does not succumb to the abortion, she is physically forced to submit.

The central government also issued a law on eugenics which is now taking effect and which nationalizes discrimination against the handicapped. In a move that is eerily reminiscent of Nazi Germany, the Communist Chinese Government is implementing forced abortion against handicapped children and forced sterilization against parents who simply do not measure up in the eyes of the State. Despite all of this, the United Nations Population Fund continues to provide funds, materiel, people on the ground and what no money could buy, the sort of shield of respectability that the PRC program so desperately wants.

I would just say parenthetically that the head of the UNFPA, the U.N. Population Fund, time and time again has defended the program in China as totally voluntary. This is unmitigated nonsense and a big lie. Degrading a few men, women and children may be of no great matter for the Chinese Communist regime which has long regarded homicide and torture as among the basic tools of statecraft.

The Cox legislation represents hope. I truly believe that this Congress will work hard to fashion legislation designed to mitigate China's egregious abuses. We have a moral obligation to help our suffering friends in the PRC.

I urge strong support for the Cox bill.

Mr. BEREUTER. Mr. Speaker, this Member rises in support, but somewhat reluctant support, for House Resolution 461. This Member

voices reluctant support not because he opposes the notion of articulating United States concerns with the People's Republic of China. Indeed, it is extremely important to convey in specific detail the objections the United States has regarding PRC behavior with regard to human rights, proliferation, and questionable trade practices.

However, when this body raises concerns, it must be careful to speak with a high degree of accuracy. While the distinguished gentleman from California [Mr. Cox] did yeoman's work in compiling a list of concerns on extremely short notice, there unfortunately are a number of inaccuracies in the legislation. For example, on the whereas clauses related to commercial trade, the United States did not conclude, as alleged in House Resolution 461, a formal agreement with the People's Republic of China on intellectual property rights on June 17, 1996. Instead, the United States merely decided not to impose sanctions.

Also, regarding the convertibility of the People's Republic of China's currency, House Resolution 461 is outdated and does not recognize recent reforms.

In addition, the legislation states that the current anticrime programs has targeted political, religious, and labor activists in addition to common criminals in Tibet, Zinjia, and in the whole of Communist China. In information available to me indicates, Mr. Speaker, that the campaign seems to have targeted only ordinary criminals.

The resolution also states that actions by the People's Liberation Army in the South China Sea have threatened the United States Navy's right of free passage in those waters. But the right of free passage of the U.S. Navy has never been challenged by anyone, either the PLA or the forces of other nations vying for control of the disputed islands and atolls.

To the extent that this body is not wholly and completely factual in its representation of events, our message is undermined. It is quite possible that the People's Republic of China will react to House Resolution 461 simply by pointing to the inaccuracies. If that happens, they will be able to subvert the important message that their overall international and domestic behavior must improve.

Mr. Speaker, this body should be very cautious in considering legislation critical of any nation; we must be as accurate as possible. That is the reason that under normal legislative practice this body moves legislation through committees with specific expertise. When this body uses the existing committee structure as designed, it is far less likely that inaccuracies will find their way into legislation. Mr. Speaker, while this Member will vote for House Resolution 461, it is essential that this body can return to the practice of permitting the committees and subcommittees of jurisdiction to exercise their rightful role in the legislative process. By passing the authorizing committees, even to provide a last minute tandem resolution to assure the defeat the Rohrabacher resolution to deny normal tariff status to the People's Republic of China is not a good practice.

Mr. COYNE. Mr. Speaker, I oppose renewing most-favored-nation status [MFN] for China at this time.

I have supported MFN for China in the past. My support has been predicated upon the assumption that there would be certain improvements in China's conduct as a member of the international community.

The County Reports on Human Rights Practices for 1995 published by the U.S. Department of State states that "During the year the Government continued to commit widespread and well documented human rights abuses, in violation of internationally accepted norms, stemming both from the authorities intolerance of dissent and the inadequacy of legal safeguards for basic freedom". This statement comes 7 years after the 1989 crackdown in Tiananmen Square.

Further, we have a trade deficit with China of \$34 billion that suggests less than an open Chinese market to United States goods. In 1986 the United States had a trade deficit of \$1.7 billion with China; that deficit now stands at \$33.8 billion. We hear from representatives of three important sectors of the United States economy that China's policy in the auto, aerospace sector, and steel are working against the interest of the United States.

Representatives of three unions, the International Union, UAW, the International Association of Machinists, and the United Steel Workers state that their worker realize that there is a relationship between international trade and improvement of living standards. These representatives state however, that

... this will not occur while Chinese workers are prevented from exercising basic rights and the Chinese government uses discriminatory policies to keep out the world class products made by (U.S. workers).

In April 1996, the United States Trade Representative designated China as a priority foreign country for failing to implement an agreement on intellectual property rights. This problem goes back at least to August 1991, and it did not end with the recent agreement between China and the United States.

The United States has other problems with China that are enumerated in great detail in House Resolution 461 and I do not intend to enumerate them again here. However, the action called for in the resolved clause of the resolution should be implemented before we renew MFN to China, or under the present circumstances, we should extend conditional MFN to China contingent upon action by the committees of jurisdiction as called for in House Resolution 461.

Mr. WELDON of Pennsylvania. Mr. Speaker, as we move ahead into the post-cold-war world, we find ourselves increasingly challenged to better understand the People's Republic of China which remained for so long closed to us, and to foster new relationships that will enable us to ensure our economic and national security.

The United States has greatly enhanced its trade, cultural ties, and influence on this once closed society. In fact, United States trade with China has increased from \$4.8 billion in 1980—when we first extended most favored nation trading status to China—to \$57.3 billion in 1995. These numbers reflect growing American economic influence on China—a stabilizing factor to a nation whose government has frequently demonstrated erratic, extreme, and inexcusable behavior.

It is in our interest to build on our relationship with PRC. We want to encourage increased trade for our own economic benefit, and we want to bring the benefits of our thriving and open society to the Chinese people. While we should strive to foster stronger relations, we should never do so at the expense of our own national interests.

There is no need to provoke disputes just for the sake of flexing national muscle, but we cannot continue to ignore China's egregious violations in the area of arms control and basic human rights. If we want agreements and accepted international standards to have any teeth, we must be willing to risk dispute when our resolve is tested.

In the case of China, that has unfortunately happened on too many occasions. Perhaps the most compelling example of this is the repeated transfer of M-11 missiles and technology to Pakistan, despite China's repeated pledge to adhere to the Missile Technology Control Regime. China has also sold cruise missile technology to Iran in violation of MTCR and transferred chemical weapons production equipment there in violation of its commitments to the Chemical Weapons Convention. Then there's the transfer of ring magnets to Pakistan for the purpose of uranium enrichment, which is a violation of the Nuclear Non-proliferation Treaty.

Compounding the problems posed by these transfers, the administration refuses to sanction China for the violations. Each time China pledges not to sell missile technology, the administration claims credit for a breakthrough. Then, China again proceeds to sell the forbidden items. And the administration ignores—or when too much evidence piles up. downplays—the transfer and refuses to sanction China. And what does China learn? That arms control agreements can be violated with impunity.

Sadly, this administration's arms control policy is like a movie set facade: It looks great from afar, but once you get behind it there's nothing inside to back it up. While the bill before us today will not ensure arms control compliance and enforcement, we would be remiss if we did not note the violations and insist on accountability from China and when necessary, the administration. Fortunately, there are appropriate mechanisms outside of the MFN process that allow the administration to deal with the violations, and we must insist that they do so.

As we proceed with MFN, we must raise these concerns. House Resolution 461 recognizes the flaws in current United States-China policy and it seeks to adjust them by developing the precise legislation needed to influence China's inadequacies in trade practices, its terrible human rights record, its erratic military policy, and its proliferation of weapons of mass destruction. House Resolution 461 calls on the House Committees on Banking and Financial Services, International Relations, Ways and Means, and National Security to commence hearings and report appropriate legislation by September 30, 1996 to address these concerns.

In the past, I have consistently opposed extending MFN for China because I did not agree with Chinese policy on many different fronts. While I am still committed to changing China's ways, I believe MFN is not the best tool to influence Chinese policy. I feel that with the guidance of House Resolution 461, legislation can be tailor-made to bring about these long sought-after changes in Chinese policy.

As Chairman of the House National Security Subcommittee on Research and Development, and as cochairman of the Congressional Missile Defense Caucus, I will be diligent in formulating ways that we can make China comply with international nuclear test-ban and

nonproliferation agreements. Meanwhile, we must continue to foster new economic opportunities that will give them the tools and resources that support alternative export opportunities for China. I believe that passage of MFN will do just that, and I urge others to join me in support of its passage.

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

As I have said on this floor on other occasions, Ohio is one of America's top exporters of manufactured goods. China is not only the world's most populous country, but also one of the world's most rapidly expanding marketplaces. In fact, Ohio Governor George Voinovich has established a permanent office in Beijing to support the State's commercial interests there.

Ohio's farmers, especially the corn and soybean farmers found in my district, are exporting to China and hope to increase their presence in this burgeoning market. Ohio employers such as Whirlpool, the Limited and Harris Corp. have contacted me in support of MFN treatment. Indeed, numerous United States companies have joint ventures in China and are using cooperative efforts to gain access to China and other Asian markets.

Mr. Speaker, MFN merely gives China the same trade status possessed by the vast majority of nations. Frankly, the phrase "most-favored" is something of a misnomer, which opponents of engagement use to distort the nature of our trading relationship with the People's Republic of China.

Ending normal trade relations with China would undermine United States economic interests in China and the rest of Asia. It would cost American jobs and sacrifice a great opportunity for American business interests.

If United States farmers and United States companies are denied the chance to do business with China, other countries—many with a weaker commitment to human rights and democracy—will gladly fill the void. A great deal will be lost, and nothing, in my view, will be gained.

The subcommittee I chair held a hearing on May 9 in which we heard testimony regarding the importance for our economy and our citizens of opening the world's markets to international telecommunications services. It is critical that we bring China into this process.

Failing to grant MFN status will send China an inconsistent signal in terms of our dedication to opening markets and breaking down tariff and nontariff barriers in international telecommunications.

China is a critical market for American telecommunications companies. There are over a billion Chinese, but relatively few have telephones. This is the world's largest potential market for telecommunications equipment, line construction and services.

The United States is a leader in telecommunications technology. We cannot afford to miss out on the hundreds of thousands of high-tech, high-pay telecommunications jobs the construction of the Chinese information infrastructure will create.

I urge all my colleagues to support American workers and U.S. interests in Asia and oppose the resolution of disapproval.

Mr. FALEOMAVAEGA. Mr. Speaker, I want to commend all of my colleagues, regardless of position, for their heartfelt commitment on

the issue of most favored nation [MFN] trade status renewal for China—clearly the most pressing issue now facing relations between Washington and Beijing.

Although I have the greatest respect for those Members in Congress that sincerely believe that denial of MFN is necessary to prod China into complying with its international obligations and for progress in human and political rights, I feel that they are misguided. Thus, I reluctantly urge my colleagues to oppose adoption of House Joint Resolution 182 and to support House Resolution 461.

I have long been a supporter of maintaining broad and comprehensive ties with the People's Republic of China—a policy of China engagement that has been upheld in a bipartisan fashion by five previous administrations.

It is in America's national interest to have a productive relationship with a China that is strong, stable, open and prosperous—a China that is increasingly integrated into the international community and global marketplace as a responsible and accountable partner.

Over the past two decades, we have seen tremendous strides forward in China on several fronts. Although China still has significant problems in several areas—such as human rights, nuclear and missile proliferation, and fair trade—can anybody seriously question whether today's China is fundamentally different from the Communist China that existed before President Nixon's triumphal opening.

Due to vigorous trade and the concomitant expansion of contacts with the West, China has evolved into a more open society with a government that is increasingly sensitive to international opinion. It is absolutely vital that the United States support the continued opening of China to the world via the medium of trade—not close the door.

Denial of MFN to China achieves nothing while forcing American businesses to unnecessarily pay a great sacrifice. Moreover, the inevitable trade war to erupt between China and the United States over MFN denial would also adversely impact all of the economies of the Asia-Pacific nations. Is it any wonder that Hong Kong, Taiwan, and other Asian governments have begged the United States not to deny China MFN—a unilateral economic sanction that is clearly useless without multilateral support. Mr. Speaker, we cannot isolate China by applying trade sanctions but, ironically, that action would result in the isolation of America, both economically and politically.

Mr. Speaker, I would urge our Members to support renewal of MFN trade status for China, as it is in America's national interest to maintain productive and positive relations with China—a nation that is destined to be the leader of Asia in the 21st century. United States engagement with China. Oppose adoption of House Joint Resolution 182 and support House Resolution 461.

Mr. ARCHER. Mr. Speaker, House Resolution 461, the Cox resolution concerning China, outlines a number of bilateral problems with China and expresses the sense of Congress that the committees of jurisdiction should examine these issues closely and report, if appropriate, legislation to address these matters. This nonbinding resolution will allow us to examine appropriate mechanisms, outside of the context of the annual review of the most-favored-nation relationship with China, to assure that our trade agreements are effectively implemented and new market opportunities are created for United States firms and workers.

The Committee on Ways and Means has always been willing and ready to address these difficult issues, especially improvements in economic relations and the enforcement of our bilateral agreements. The committee also intends to work closely with the administration concerning China's accession to the World Trade Organization to assure that accession takes place only upon commercially acceptable terms, when it is ready to take on the obligations of the multilateral trading system.

Mr. Speaker, I support this nonbinding resolution and urge my colleagues to express their concerns about certain unacceptable practices of the Chinese Government by voting "yes" on House Resolution 461.

□ 1730

The SPEAKER pro tempore (Mr. HOBSON). Pursuant to House Resolution 463, the previous question is ordered.

The question is on the resolution.

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

Mr. COX of California. 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 411, nays 7, answered "present" 3, not voting 12, as follows:

[Roll No. 285]

YEAS—411

Abercrombie	Bunning	Dellums
Ackerman	Burr	Deutsch
Allard	Burton	Diaz-Balart
Andrews	Buyer	Dickey
Archer	Callahan	Dicks
Armey	Calvert	Dingell
Bachus	Camp	Dixon
Baesler	Campbell	Doggett
Baker (CA)	Canady	Dooley
Baker (LA)	Cardin	Doolittle
Baldacci	Castle	Dornan
Ballenger	Chabot	Doyle
Barcia	Chambliss	Dreier
Barr	Chenoweth	Duncan
Barrett (NE)	Christensen	Dunn
Barrett (WI)	Chrysler	Durbin
Bartlett	Clay	Edwards
Barton	Clayton	Ehlers
Bass	Clement	Ehrlich
Bateman	Clinger	Engel
Becerra	Clyburn	English
Beilenson	Coble	Ensign
Bentsen	Coburn	Eshoo
Bereuter	Coleman	Evans
Berman	Collins (GA)	Everett
Bevill	Collins (IL)	Ewing
Bilbray	Collins (MI)	Farr
Bilirakis	Combest	Fattah
Bishop	Condit	Fawell
Bliley	Conyers	Fazio
Blumenauer	Cooley	Fields (LA)
Blute	Costello	Fields (TX)
Boehlert	Cox	Filner
Boehner	Coyne	Flanagan
Bonilla	Cramer	Foglietta
Bonior	Crane	Foley
Bono	Crapo	Forbes
Borski	Creameans	Ford
Boucher	Cubin	Fowler
Browder	Cummings	Fox
Brown (CA)	Cunningham	Franks (CT)
Brown (FL)	Danner	Franks (NJ)
Brown (OH)	Davis	Frelinghuysen
Brownback	de la Garza	Frisa
Bryant (TN)	Deal	Frost
Bryant (TX)	DeLauro	Funderburk
Bunn	DeLay	Furse

Gallegly	Lipinski	Rohrabacher
Ganske	Livingston	Ros-Lehtinen
Gejdenson	LoBiondo	Rose
Gekas	Lofgren	Roth
Gephardt	Longley	Roukema
Geren	Lowe	Roybal-Allard
Gilchrest	Lucas	Royce
Gillmor	Luther	Rush
Gillman	Maloney	Sabo
Gonzalez	Manton	Salmon
Goodlatte	Manzullo	Sanders
Goodling	Markey	Sanford
Gordon	Martinez	Sawyer
Goss	Martini	Saxton
Green (TX)	Mascara	Schaefer
Greene (UT)	Matsui	Schiff
Greenwood	McCarthy	Schroeder
Gunderson	McCollum	Schumer
Gutierrez	McCrery	Scott
Gutknecht	McHale	Seastrand
Hall (TX)	McHugh	Sensenbrenner
Hamilton	McInnis	Serrano
Hancock	McIntosh	Shadegg
Hansen	McKeon	Shaw
Harman	McKinney	Shays
Hastert	McNulty	Shuster
Hastings (FL)	Meehan	Sisisky
Hastings (WA)	Meek	Skaggs
Hayes	Menendez	Skeen
Hayworth	Metcalfe	Skelton
Hefley	Meyers	Smith (MI)
Hefner	Mica	Smith (NJ)
Heineman	Millender-	Smith (TX)
Herger	McDonald	Smith (WA)
Hilleary	Miller (CA)	Solomon
Hilliard	Miller (FL)	Souder
Hinchey	Minge	Spence
Hobson	Mink	Spratt
Hoekstra	Moakley	Stearns
Hoke	Molinari	Stenholm
Holden	Mollohan	Stokes
Horn	Montgomery	Studds
Hostettler	Moorhead	Stump
Houghton	Moran	Stupak
Hoyer	Morella	Talent
Hunter	Myers	Tanner
Hutchinson	Myrick	Tate
Hyde	Nadler	Tauzin
Inglis	Neal	Taylor (MS)
Istook	Nethercutt	Taylor (NC)
Jackson (IL)	Neumann	Tejeda
Jackson-Lee	Ney	Thomas
(TX)	Norwood	Thompson
Jacobs	Nussle	Thornberry
Jefferson	Oberstar	Thornton
Johnson (SD)	Obey	Thurman
Johnson, E. B.	Oliver	Tiahrt
Johnson, Sam	Ortiz	Torkildsen
Johnston	Orton	Torres
Jones	Owens	Towns
Kanjorski	Oxley	Trafficant
Kaptur	Packard	Upton
Kasich	Pallone	Vento
Kelly	Parker	Visclosky
Kennedy (MA)	Pastor	Volkmer
Kennedy (RI)	Paxon	Vucanovich
Kennelly	Payne (NJ)	Walker
Kildee	Payne (VA)	Walsh
Kim	Pelosi	Wamp
King	Peterson (MN)	Ward
Kingston	Petri	Waters
Kleczka	Pombo	Watt (NC)
Klink	Pomeroy	Watts (OK)
Klug	Porter	Waxman
Knollenberg	Portman	Weldon (FL)
Kolbe	Poshard	Weller
LaFalce	Pryce	White
LaHood	Quillen	Whitfield
Lantos	Quinn	Wicker
Largent	Radanovich	Williams
Latham	Rahall	Wilson
LaTourette	Ramstad	Wise
Laughlin	Rangel	Wolf
Lazio	Reed	Woolsey
Leach	Regula	Wynn
Levin	Richardson	Yates
Lewis (CA)	Riggs	Young (AK)
Lewis (GA)	Rivers	Young (FL)
Lewis (KY)	Roberts	Zeliff
Lightfoot	Roemer	Zimmer
Linder	Rogers	

NAYS—7

DeFazio	Murtha	Velazquez
Johnson (CT)	Pickett	
McDermott	Stark	

ANSWERED "PRESENT"—3

Frank (MA)	Scarborough	Slaughter
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NOT VOTING—12

Brewster	Graham	Peterson (FL)
Chapman	Hall (OH)	Stockman
Flake	Lincoln	Torricelli
Gibbons	McDade	Weldon (PA)

□ 1759

Mr. 5 MURTHA changed his vote from "yea" to "nay."

Mr. BEREUTER and Mr. ABERCROMBIE changed their vote from "nay" to "yea."

Ms. SLAUGHTER changed her vote from "yea" to "present."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. CHRISTENSEN. Mr. Speaker, I was not present for the vote on passage of H.R. 3666. Had I been here, I would have voted in favor of final passage on the VA-HUD bill.

PROVIDING FOR CONSIDERATION
OF CONCURRENT RESOLUTION
PROVIDING FOR ADJOURNMENT
OF HOUSE AND SENATE FOR
INDEPENDENCE DAY DISTRICT
WORK PERIOD

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 465 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 465

Resolved, That upon the adoption of this resolution it shall be in order, any rule of the House to the contrary notwithstanding, to consider in the House a concurrent resolution providing for adjournment of the House and Senate for the Independence Day district work period.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Florida [Mr. DIAZ-BALART] is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, House Resolution 465 provides for the consideration in the House of a concurrent resolution providing for the adjournment of the House and Senate for the Independence Day district work period. All points of order are waived against the resolution and its consideration.

Because of the many open rules that have been granted by this Congress' Rules Committee—60 percent have been open or modified open—which have led to many vigorous but lengthy debates and amending processes on the floor, the House has not yet been able to complete action on all of the appropriations bills and reconciliation legislation. Therefore, while adjournment

resolutions are usually privileged, a rule is needed to waive the point of order that could be raised against the Fourth of July district work period resolution on the grounds that it violates sections 309 and 310(f) of the Budget Act. These sections prohibit the House of Representatives from adjourning for more than 3 days in July unless the House has completed action on all appropriations bills and any required reconciliation legislation.

In addition, it should be noted that adjournment resolutions are not debatable, and upon adoption of this rule, the House proceeds to a vote on the adjournment resolution itself without further debate.

Mr. Speaker, the House has completed as many of the appropriations bills as possible, and we are over half-way there. The House has approved the appropriations measures for military construction, foreign operations, Agriculture, Defense, Interior, and VA-HUD and tonight, we will work on the transportation bill, and the remaining appropriations and reconciliation measures are to be considered in a timely matter after next week. We have certainly made progress with the administration during this year's appropriations cycle over last year's process, and I am confident that the House will continue to make appropriate spending decisions after the Independence Day district work period.

Independence Day is a time to be back in our districts, celebrating the birth of this great Nation, and listening to what our constituents have to say about the issues that are important to them.

The Congress has very important spending decisions to make, with limited funds, and time spent in our districts listening to the priorities of our constituents will be very worthwhile. Therefore, Mr. Speaker, I feel that it is totally reasonable that the House return to our districts for the Independence Day work period, to reflect together with our constituents on the principles put forth by our Founding Fathers in 1776 that form the basis of our limited, representative Government.

I urge adoption of the resolution, and I reserve the balance of my time, Mr. Speaker.

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

Mr. Speaker, I want to make something perfectly clear, we are voting on this recess rule because, once again, the Republicans have not done their job.

This rule will waive provisions of law that require the Congress to get its work done before it recesses for July 4.

So, Mr. Speaker, my Republican colleagues barely managed to fulfill their responsibility last year and it looks like they might not get it done this year either.

Congress' primary responsibility is to pass 13 appropriations bills so that the Federal Government can function.