

United States and the People's Republic of China". The legislation which created the Commission charges it to submit an annual report to the Congress with recommendations for action, if any.

The bi-partisan Commission is composed of twelve commissioners, three of whom were appointed by each of the Congressional leaders in both the House and Senate. To prepare itself to issue its first Report the Commission held nine open hearings and took testimony from 115 witnesses on 35 separate panels. It also contracted for new research on China from a variety of sources including extensive translation and analysis of articles on economic, political, and trade issues that are appearing in influential Chinese publications. Members of the Commission also traveled to China, Taiwan, Japan, and the headquarters of the World Trade Organization, WTO, in Geneva. During its deliberations the Commission developed a broad bi-partisan agreement on the issues it was charged by Congress to study, and it adopted its first report by a vote of 11-1.

Among its key findings are that the United States, by acting as China's largest export market and a key investor in the Chinese economy, has been a major contributor to China's rise as an economic power. It further notes that our trade relationship with China is not only our largest trade deficit in absolute terms, but is the most unbalanced trading relationship maintained by the United States.

The Report further notes that while U.S. imports from China constitute over 40 percent of China's exports, U.S. exports to China represent only two percent of our total exports. It finds that the U.S. trade deficit with China is not only in low-skilled labor intensive items, but also in a majority of items found on the Commerce Department's list of advanced technology products. It further finds that there is plausible evidence that our burgeoning trade deficit with China will worsen regardless of China's entry into the WTO.

The Report also discusses the fast increasing trade and investment linkages between China and Taiwan which the Commission notes "could ameliorate tensions between the two", but which are also increasing "U.S. dependence on the items made in China for our computer electronics and other high technology products".

The Report makes a number of recommendations to better the chances for building a better long-term mutually beneficial economic and political relationship with China. Among these are: 1. That we put in place new programs to build a much wider expertise about China both in our society and among policymakers, and 2. that we take new measures to keep our industrial, scientific, and technological base from eroding as a result of our economic relations with a China whose government has adopted policies to expand its own base even at our expense.

I think this first Report of the Commission makes a very valuable contribution to our policy deliberations on China. It will be very helpful to the Congress as we examine how to respond to the challenges to our country posed by China's strengthening economic, military, and political profiles. We can best craft sensible policies if we better understand the perceptions that Chinese leaders have of us and what their long-term goals are. Judging the Commission's Report will help us do both.

I salute Senator BYRD for his wisdom in calling for the creation of the Commission and thank all of its Commissioners for the important contributions that their first Report makes to our knowledge of the U.S.-China economic and political relationship. I commend the Report to my fellow Senators.

CLEARING THE AIR IN THE SMOKIES

Mr. FRIST. Mr. President, the Great Smoky Mountains National Park is truly the crown jewel of our national park system. With towering mountains, clear streams, and a diversity of wildlife, Tennessee is fortunate to have such a tremendous treasure in our own backyard. During the Senate's July break, I returned to the Smokies, to once again hike Mt. LeConte, this year with my oldest son, Harrison. Our hike up the Alum Cave trail was exhilarating, and we spent the night at LeConte Lodge, watching the sunset, and enjoying the hearty meals and good fellowship of fellow hikers.

My trip to the Smokies this month had another purpose, too. This year, I invited EPA Administrator Christie Whitman to join me in order for her to see first-hand the air quality problem that plagues our beautiful park. Over the coming months, Congress and President Bush's Administration will analyze and pursue policies to improve our nation's air quality. As this process moves forward, I wanted to make sure that the President's top official responsible for protecting our environment heard directly from park officials and saw for herself the unique challenge facing the Smokies.

As the first EPA Administrator to ever visit the park, Administrator Whitman demonstrated her personal commitment to address the pollution problem. We hiked to the park's highest point, Clingman's Dome, where Administrator Whitman looked out on a vista where natural visibility should be about 77 miles, but on the hot July day we visited, was reduced to only 15 miles. Air entering the southern Appalachians is trapped by geography and weather patterns, capturing pollution and harmful emissions in the park, and no where is that point made more clear than at Clingman's Dome.

Any plan to clean up the air in the Great Smoky Mountains National Park must contain two essential elements. First, we must reduce harmful emissions of sulfur dioxide and nitrogen ox-

ides. President Bush has proposed a plan, the Clear Skies Initiative, that contains the most dramatic reductions in these harmful emissions ever proposed by an administration. The plan would reduce power plant emissions by 70 percent by the year 2018. I will continue to closely study the Clear Skies Initiative and its potential impact on our mountains and across our state.

Second, we must reduce emissions in the most efficient and effective manner possible. Our quality of life and future economic development depends on how we pursue these reductions. Tennessee's families, businesses and communities depend on affordable and reliable energy. A thoughtful and responsible approach to address the park's air quality issue requires us to closely examine any proposal and to ensure it is based on sound science. Tennesseans and all Americans deserve no less from their elected officials.

It is also important to remember that air quality is a comprehensive problem that requires a comprehensive response. Roughly, one-half of the problems in the Smokies are caused by power plants, one third by cars and trucks, and the rest from various other sources. As we review solutions, we must address every source of emissions. For example, I want to commend local officials for Pigeon Forge's recent Clean Air Week which promoted reducing emissions through the use of low emissions public transportation. Park officials are looking at alternatives to transportation problems in the park, which will not only clean up the air, but enhance the overall visitor's experience. Continued discussion by all, local, State and federal officials along with concerned citizens, will ensure the most innovative, common-sense solutions and ensure we do what's right for the Smokies.

Tennesseans are blessed with an abundance of natural resources, and the Great Smoky Mountains National Park is world-renowned. However, we must be mindful that if we are to continue to enjoy the Smokies, all of us have a responsibility to be good stewards of the park. I am committed to fight for what is best for the Smokies, and I am encouraged by Administrator Whitman's recent visit. The Smokies are a unique American experience that must be preserved for generations to come, so that fathers and sons, just like Harrison and I, can know the joys of spending time together on a hike in the woods.

CRIMINAL PENALTIES RELATING TO TERRORIST ATTACKS

Mr. LEAHY. Mr. President, due to time constraints, the Congressional Budget Office, CBO, estimate was not included in the report to accompany S. 2621, an act to provide a definition of vehicle for purposes of criminal penalties relating to terrorist attacks and other acts of violence against mass transportation systems. The report is