

That is not even counted in this trade deficit.

In addition to that, when American businesses enter into agreements with China to produce goods there, they also must agree to a program for exporting back to the United States and internationally as well as a transfer of our technology, and that is again exporting jobs.

One example of that is that a few years ago Boeing closed a plant in Wichita, KS, which made the tail section of the 737. That plant was closed, and a plant in China where 20,000 Chinese workers worked for \$50 a month, they now produce the tail section which was formerly made in Wichita, KS, and this is just in the last few years.

So over the next month or so as we debate this issue, I think it is important for us to have the real facts about United States-China trade. Indeed why should we give preferential trade treatment to China when they for the most part do not even allow United States products into China; barriers to market access, piracy of intellectual property, transfer of technology as a term for doing business with the Chinese, export of prison goods made by prison labor to the United States and unfair competition to the American worker as an addition to being a violation of human rights.

Why should the American worker have to compete with slave labor? It just is not fair trade; it is not free trade.

So as we go forward, many of my colleagues and I will be laying on the table what the trade picture is. It is not a rosy one. It is about profits for certain elitist companies which are allowed to export to China. Most products made in America are not allowed into China.

The President says that economic reform will lead to political reform. I reject that kind of trickle-down liberty just as I reject other trickle-down policies in our country. But the fact is that you cannot in one breath say that promoting democracy in Asia is a principle and a pillar of our foreign policy there and that we are going to shed the light of democracy on what goes on in China and then not do it at all.

And then I know that my time is drawing to a close. I just want to say this is an opener. The President made his statement today. They will have, the President has, the power, the business community has the dollars, but we in Congress have the floor, and we are going to try to educate the American people and our colleagues as to the real extent in terms of jobs for the American workers.

I urge our colleagues to listen carefully to this debate and to keep an open mind.

□ 1415

CHINA'S MOST-FAVORED-NATION STATUS

The SPEAKER pro tempore (Mr. LAUGHLIN). Under the Speaker's announced policy of May 12, 1995, the gentleman from Virginia [Mr. WOLF] is recognized for 60 minutes as the designee of the majority leader.

Mr. WOLF. Mr. Speaker, I hope all the Members listened to what the gentlewoman from California [Ms. PELOSI] said on the trade issue. We are losing big time. I thank the gentlewoman from California for her statement and letting the Members take a focus on that.

As the gentlewoman said today, the President announced before the Pacific Basin Economic Council that he is going to extend most-favored-nation trading status to the butchers of Beijing, who have done so many things. We are not surprised that he made that announcement, because this administration has flip-flopped on this issue of human rights, but I want the American people, but more important, everyone, to focus as they are listening to the President and they talk about MFN on what they should think about when they hear the words "MFN."

When we hear MFN, and we will hear the business community and the Clinton administration and we will hear others in certain Republican leadership positions say they want MFN, we have to think of the following: We have to think MFN, then think of the suffering evangelical Christians in China who, according to Freedom House, have said "This is the most repressive period since the pre-Deng period in the late 1970's." So when you think of MFN, think of the evangelical Christians that are being persecuted.

Mr. Speaker, we should also remember that in 1995 the Chinese Government intensified its crackdown on religious believers by enacting strict new laws restricting religious worship. I know you did not hear that in the President's speech, and I know you will not hear that by the leadership of both sides of this Congress; but when you hear MFN, think of religious crackdowns.

Mr. Speaker, did my colleagues know that the officials in China's Religious Security Bureau said that house churches, China's system of unofficial Protestant and Catholic churches, should be pulled up by their roots, and a Hong Kong newspaper reported last month on many new reports of harassment of Protestants and Catholic believers in certain areas of China. Think of that when you think of MFN. Remember that the police have vowed to hit and eradicate five Christian-based religious groups in the Anhui Province in China. When you think of MFN, think of that.

My colleagues should also know that an American missionary reported earlier this year that the Chinese Government was circulating an arrest warrant

with the names of 3,000 Chinese evangelical preachers and house-church movements. When Members on both sides think of MFN, think of that.

Remember that in February and March of 1996 in the Baoding region of the Hebei Province, authorities went school to school weeding out Catholic students and teachers, and ordering them to join the State church. Students who refused were kicked out of school, and teachers who refused were demoted or fired. You did not hear that in the President's statement today before the Pacific Economic Council, oh, no, but you should remember it as you think of MFN.

Remember that in November 1995, 150 public security officers destroyed a newly built Catholic Church in Baoding Province and severely beat 7 Catholic construction workers. This was the fourth incident in 16 months. You did not hear that in the President's speech, but Members on both sides of the aisle should remember that when they think of MFN.

Remember that scores of priests and religious believers were detained during the First Lady's visit to Beijing in September 1995 in order to silence them. We never heard anything about that from anybody in this Congress who is concerned, talking about giving MFN. When you think of MFN, think of Bishop Jingmu, a 76-year-old Catholic bishop who was arrested in November and secretly sentenced to 2 years in prison without a public hearing.

When you think of MFN, think of Bishop Su Chimin, a Catholic bishop in the Baoding diocese, who was rounded up in 1994, after the gentleman from New Jersey, Mr. CHRIS SMITH, visited him in China, and beaten severely in prison. He was rearrested in March 1996, this year, March 1996, and is being held incommunicado without charge.

Think of these things, I would urge my colleagues on both sides. If the administration has forgotten about them, we should not forget about them. Think of these things.

So when you think of MFN, think of religious persecution. Then, when you think of MFN, think of Tibet. When you think of MFN, remember that the Government of the People's Republic of China tightened its grip on Tibet in 1994 and 1995 by restricting religious practices of Tibetan Buddhists. Remember that Tibetan monks and nuns were reportedly required to strip off their clothes before beatings, and are routinely raped in jail. Over 50 percent of Tibetan prisoners of conscience in detention by Chinese authorities are monks and nuns. You did not hear that today when the President spoke. You will not hear that when Members of Congress get up and say they want MFN, but you should think of MFN persecution in Tibet.

Remember that the Chinese Government restricts the number of monks and nuns allowed in Tibetan monasteries, sharply restricts teachings in the church, and sharply curtails renovation of buildings and monasteries.

So when you think of MFN, think of what goes on in Tibet.

Mr. Speaker, I yield to the gentleman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I want to support the gentleman's very strong statement about human rights in China. Unfortunately, in the President's speech today, he made a statement which I think, while his statement about most-favored-nation status for China was no surprise, it surprised me that he would go to the length of saying, "Where we differ with China, and we will have our differences, we will continue to defend our interests. We will keep faith with those who stand for greater freedom and pluralism in China." I have not seen that happen, but the President declared that.

But this is the discouraging part: "As we did last month, in cosponsoring the U.S. resolution condemning China's human rights practices." Something else you did not hear in the President's speech was that the administration's resolution was a total failure; that the administration failed to rally the vote to even get the resolution to be heard; that the Chinese succeeded in using, with their economic leverage, other countries to join them in tabling that resolution. That is something else we did not hear in the President's speech.

Frankly, with all the respect that I have for the President, and I think he is a great president, I was embarrassed for him, that he would even bring that up and think that that would be something that he could boast of as promoting human rights in China.

It would be interesting to see, where he says they are going to stand with those who stand for greater freedom and pluralism in China, that simply has not happened yet. That is probably what this debate is about, is to say to the administration, let us see what you are going to do.

We know that it is almost impossible to override a Presidential veto on most-favored-nation status, so China will have most-favored-nation status. So this debate is not about isolating China and cutting off MFN, as others will characterize it. It is about who we are as a people.

Mr. Speaker, if we say, as this President does, that he should have an embargo on Cuba, which I do not agree with, that we should have an embargo on Cuba and that is going to create democracy in Cuba, how can he then say that we cannot even raise tariffs on certain products coming in from China in order to use our leverage?

As the gentleman knows, over one-third of the products for export made in China come into the United States, so China needs our marketplace. They need the preferential treatment MFN, most-favored-nation status, gives them, and the President could use that considerable leverage as a way of shining a light on pluralism and democratic reform in China.

It is not up to us to decide what form of government China has, but it is a

universal tenet that we believe that people are worthy of respect and have a right to practice their religion. I want to get back to your point about religious repression in China, which is rampant, and Tibet, which is rampant.

Actually, the most recent report that I saw was in yesterday's paper about the Chinese Government cracking down on the Tibetan monastery right outside of Lhasa. The Chinese Government decided it will choose the Panchen Lama and intervene in the succession in a religion. Imagine if the government of Italy decided they were going to choose who the next Pope was, the uproar that would go up around the world. But the Chinese Government is trying to intervene in the succession within the Buddhist religion. Of course, as we all know, they have a full-fledged, full-blown public relations campaign to undermine His Holiness, the Dalai Lama.

So for issues of what is going on in Tibet and what is going on in China, it is clear that we must, as a country, be true to our values and speak out on these issues, and demand in the course of a debate on whether China will have most-favored-nation status what our Government is tangibly going to do to advance freedom throughout the world, including China and Tibet.

The other point is that freedom does exist in parts of China now. If you believe in the one-China policy, then Taiwan has a thriving democracy. And just today, but yesterday in terms of the international clock, the Chinese on Taiwan inaugurated their first democratically elected President in the history of China. Hong Kong, as we know, is going through a transition. Democratic freedoms exist there.

In 1 year China will take over the governance of Hong Kong. It will be incorporated back into China. Let us see what this administration and this Congress is willing to do to preserve democratic freedoms where they exist now, in Hong Kong and in Taiwan, and what kind of leverage we are willing to step up to the bat and use in order to preserve those freedoms, and in doing so, validate the whole idea of freedom in China.

From my own personal observation, I know that the most discouraging part of the President's announcement today was that he was ill-advised by his advisers or somehow thought that it was OK to say that our commitment to pluralism and democratic reform in China was served by our offering a resolution which we did not get behind sufficiently, which we allowed the Chinese to use economic leverage against, which was tabled, which was a humiliation for the United States and for the Western allies in the United Nations. It calls into question the very need for a U.N. Commission on Human Rights, if the Chinese can exploit the situation to that extent, that there is not even a resolution that can be heard there.

Mr. Speaker, in terms of human rights, even the President's own coun-

try report of the State Department this year has stated very clearly that economic reform has not led to political reform; that the repression continues, and my reading of that is that this policy has not worked in terms of promoting human rights in China.

But we are going to have a month or so, I say to the gentleman from Virginia, where we can put the facts on the table for the American people and this Congress to see. People will have the opportunity to vote. It does not mean if you vote for MFN or against it that you are for or against human rights in China, but it does say how far you would be willing to go on that issue.

As I say, fundamentally, if we just argued this on the trade issues, China should not have most-favored-nation status, because they do not give it to the United States, because they have barriers against our products, they pirate our technology and intellectual property, they insist on the transfer of technology, in the course of trade they insist on a plan for export on anybody manufacturing in China in joint ventures, and they export products made by slave labor to the United States. All of this undermines our international competitiveness.

So this administration can no longer say they are shining the bright light of freedom on China, instead of using MFN. They can no longer say this is about jobs, because the figures simply do not lie in that direction. America has been losing jobs on the basis of its policy with China.

Then on the issue of proliferation, that is just really a sad one, because in any given day the most serious thing that could happen is that there will be proliferation of nuclear weapons technology. The Chinese Government has not been taken to task on this. This administration has taken a sort of a silent, tacit agreement that they will not proliferate nuclear technology to unsafeguarded countries, and called that a great diplomatic victory. That is the reason they said they did not put sanctions on the Chinese national nuclear corporation, which is the company that transferred the magnet rings.

The administration wants to believe that the Chinese Government did not know about the transfer of the magnet rings. Let us agree with them for a moment. Maybe they did not. I believe they did, but let us take the administration's position for a moment. There is no question, and it is an undisputed fact, that the Chinese national nuclear corporation knew exactly what it was doing when it sold the ring magnets for centrifuge to enrich uranium to Pakistan for their nuclear program, making the world a less safe place.

In doing so, the administration called the Eximbank and said to the Eximbank, "You are now free to provide loan financing with American companies doing business with the Chinese national nuclear corporation." A

deal was in the pipeline that went forward. Imagine, it was well known that they had transferred the nuclear technology, and right now, today, American taxpayer dollars are subsidizing a deal with that very corporation because the administration did not want to sanction them.

□ 1430

Then of course the list goes on about Iran. Our country has an embargo on Iran, yet looks the other way as China, undisputed fact, has transferred missile technology to Iran and chemical technology, making the Middle East a much more dangerous place. As we spend billions and billions of dollars to promote and preserve the Middle East peace, we are looking the other way and not taking China to task.

It is always a special case. I do not think China should be treated any better or any worse than any other country, but I do think it is important for us to understand how they are being treated and how dangerous it is to the world.

Over and over we have said on this floor that our policy with any country should be to make trade fairer, people freer and the world safer. On none of those scores has this Clinton administration and the Bush administration policy before it met that test.

So I would say that as we go into this time, we have been given a free ride, almost. Because Senator DOLE and President Clinton, the two candidates, the leaders of the parties going into that race, both agree on the same policy, that frees us up not to be taking sides within the Presidential race on China MFN, for Members to follow their conscience, follow the facts.

As I have said before, the President has the power, the businesses have the money, we have the floor and we must use it to shed the light of our great democracy on the repression in China, to shed the light on the unfair trade practices, and to shed the light on the proliferation issues making this world a much more dangerous place.

With that, I thank the gentleman for his great leadership. Those who aspire to practice their religion in China have no greater friend than my colleague from Virginia, Mr. WOLF. I am pleased to participate in his special order, and yield back to the gentleman.

Mr. WOLF. I thank the gentlewoman for her comments. I will go with my statement, but I do want to comment on one thing. She is exactly right, and look how far we have slipped in this country, in both Republican and Democratic Parties, on the issue of human rights.

In 1984 and 1985, if any Member of Congress had gotten up on the floor of the House and said that the Soviet Union should get the most-favored-nation trading status, when Scharansky was in Permanent Camp 35 in the gulags in the cold, snowy Ural Mountains. And when Sakharov was under house arrest, no Member of Congress,

no administration would have had the courage, the guts, the stupidity or whatever to ever get up and say that they felt that the Soviet Union should get the MFN.

Now we see people in both parties now saying that China should get MFN, when we see all of these things that have taken place and many more that I will go through before I finish.

The second point is, the gentlewoman makes the case about Hong Kong. What will the Congress and the administration say next year when the Chinese troops come marching into Hong Kong, almost like a World War II movie? What will they say then? I will be interested in what Members of Congress of both parties will say and what this administration will say, or the next administration, if there is a change.

Third, the American people are farther along on this issue than is the Congress or the Clinton administration. The latest surveys and polls show how strongly and deeply the American people care about MFN and China and human rights and nuclear proliferation. I think the latest survey had it will over 70 percent of the Americans were concerned, and yet I wish 70 percent of the Clinton administration was concerned. I wish 7 percent of the Clinton administration was concerned.

So what will they say? And, frankly, if the American people could vote on this issue, China would not get MFN.

Let me move right along. This photo I have here, which I would like to cover, when you hear the President talk about MFN, you must remember, I tell my colleagues, this photo.

When you think of MFN, remember that public executions are taking place in China, where the Government of China routinely executes so-called criminals by shooting them in the back of the head in front of crowds. Remember that school children are herded to execution sites in buses to watch the killings and the workers are given the day off. And remember the executions are carried out as part of an official effort to quiet the masses.

What you have here are security police lined up in back of young men who have been convicted. They are pulling out their pistols, almost reminiscent of a World War II movie of Nazi Germany, and they put the pistols in the back of the heads of these men and they shoot them. They kill them.

I would urge any Member of Congress who wants to know more about this, I have the video, the actual video in my office that we will give to any Member's office to look at this video. What they then do is after they kill these individuals, they take the corneas and their kidneys for transplantation. If the Soviet Union had ever done that, who would have ever gotten up saying that they should get MFN?

Yet we have it on film, and actual shots of soldiers and police killing these people and taking their kidneys out for transplantation. No Member of Congress on either side, whether you

are for MFN, whether you are against MFN, whether you are undecided on MFN, no Member of Congress should vote on this issue without seeing the film and the video where the Chinese police and army are killing these people by putting a pistol in the back of their head and shooting them, and later taking them and using their kidneys for transplantation.

Remember when you hear MFN that the kidneys and corneas are taken from the dead bodies minutes afterward and are sold for transplantation for profits for those in the Chinese Government, some as high as \$30,000 apiece. I know you did not hear about that in President Clinton's statement. He would not have the courage or the guts to talk about that.

But when you think of it, Members of Congress, on both sides, you have to think in terms of these violations of human rights and executing people before you vote on this issue.

When you think of MFN, remember that the Chinese Government continues to force women to have abortions in an attempt to keep down the population, and deny health and medical care and economic opportunity to families that refuse to comply with these draconian policies.

Remember when you think of MFN, the credible evidence of children each year in Chinese state-run orphanages being denied food and medical care and tied into their cribs to die. I know that was not in President Clinton's statement. I know it was not in his statement, but just remember when you vote on MFN, this is one of the issues that you are dealing with, whether you like it or not.

And proliferation. When you think of MFN, remember that the Chinese Government sold ring magnets to Pakistan that can be used to make nuclear weapons, yes, nuclear weapons that can be pointed against this country or other innocent people around the world.

Remember that the United States Government found out about these controversial sales and urged the Chinese Government to cut it out. They have refused twice. They have said they did not know about the ring magnets. Some confusing signals were sent. Some confusing statements were issued.

In the end, embarrassingly so, the Clinton administration said it reached a deal, a promise from the Chinese Government, a promise from the Chinese Government that they would not do it again, a promise from the Government that has executed people like this that they would not do it again; a promise from the Government that is tracking down women on forced abortions that they would not do it again; a promise from the Government that is putting Catholic priests and bishops in jail, some for up to 35 years, they promised they would not do it again; that is raiding house churches and persecuting evangelicals, that they would not do it again. How much do you

think that promise from the Chinese Government is worth?

And remember when you think of MFN that the intelligence sources indicate that the Chinese Government also sold M-11 missiles to Pakistan and patrol boats to Iran, and remember no sanctions were imposed for these actions. Remember, no sanctions were imposed for these actions.

Remember that on April 17, 1996, the Washington Times reported that Chinese nuclear technicians would be going to Iran to help build a uranium plant that will "help Tehran's nuclear weapons program." Remember that, Members on both sides, when you think of MFN, remember that.

And also remember Taiwan. When you think of MFN, remember that the belligerent Government of the PRC conducted missile tests, military exercises, off the coast of Taiwan just weeks before the first democratic Presidential election in Taiwan's history.

So when you think and hear the words MFN, MFN, it is like a free word or term thrown around this town. Oh, some of the big, large K street law firms will do pretty well representing a few handful of businesses that are doing business in China but, as the gentlewoman from California has stated, it is a bad deal for us.

Economically, trade, blue-collar workers all over the country, from New England to the South, textile workers from the Midwest all the way to the west coast are losing jobs because of this trade.

Our Members should know that Windows 95 was available in pirated version in the streets of Beijing before it was available here, the intellectual property that the Chinese Government are exploiting with regard to American businesses. Remember those things.

And remember all of the other things, that the economic liberalization has done nothing to improve our relations. Remember Harry Wu, how he documents that there are more slave labor camps and gulags in China than there were in the Soviet Union.

I visited Beijing Prison No. 1, where we saw workers working on socks for export to the United States, and they were making jelly shoes that youngsters wear in the United States for export to the United States. Do you think an American company could compete with Tiananmen Square demonstrators working for nothing in a cold, snowy prison where there is no OSHA requirements, there is no EPA requirements, there are no minimum wage requirements? There are no requirements except you meet your quota or else.

So as we think of the word MFN, I hope we will think in terms of all the different issues, from religious persecution, Catholic priests and bishops in jail, evangelical pastors in jail, prisoners working in slave labor, even people working in sweat shops for 12 to 15 hours a day at 9 cents an hour that are taking away American jobs. Yet this

administration and some in Congress on both sides of the aisle are clamoring to see that this Congress and this administration gives MFN to China.

I hope and pray that when the Congress votes on this issue this summer there will be a majority of men and women on both sides of the aisle that would join hands and vote to deny MFN for China, even though Clinton may veto the bill. Let it be on his conscience, not on ours. Even though Clinton may allow it to go through and we may not override the veto, let it be a burden that he has to carry, not that we have to carry.

This is, I think, one of the leading moral fundamental issues that this Congress will have to deal with in this country, because we all quote in these speeches we give on July 4 what the Declaration of Independence says. It says, "We hold these truths to be self-evident, that all men and women are created equal, endowed by their Creator with inalienable rights of life, liberty and the pursuit of happiness."

They did not come from Congress. It said "by their Creator," their God. These are God-given rights. An individual, a Chinese person, man, woman, or child in China, is as entitled to the rights of freedom of speech and freedom of worship and life, liberty, and the pursuit of happiness as somebody in any other part of the world.

□ 1445

It says in the Bible: To whom much is given, much is expected. And much has been given to our country, because we have stood firm on these fundamental values on both sides of the aisle. I remember when the persecution took place in the Soviet Union, it was Senator Jackson, a Democrat, and Charlie Vanik, a Democrat, that passed Jackson-Vanik to put tight restrictions on the Soviet Union that would not give them MFN. We joined hands in a bipartisan way.

Let us hope when the roll is called, when the roll is called and we are given the opportunity to vote, let us hope that an overwhelming majority, not everyone, we are not going to get everyone, but an overwhelming majority will vote to deny MFN, most-favored-nation trading status, for a country that should not be given a most-favored-nation trading status because of all the very bad and very evil things, not only that it has done, but it continues to do and appears that it will do in the future.

GAS TAX

The SPEAKER pro tempore (Mr. LAUGHLIN). Under the Speaker's announced policy of May 12, 1995, the gentleman from Massachusetts [Mr. MARKEY] is recognized for 15 minutes as the designee of the minority leader.

Mr. MARKEY. Mr. Speaker, first I would like to point out how much in agreement I am with the statements of the gentleman from Virginia [Mr.

WOLF] and the gentlewoman from California [Ms. PELOSI] on the issues of China and the extent to which they stand in contempt of the values which this country hold so dear.

There use of slave labor in their country to undercut the prices of goods that are then sold in this country and others around the world is reprehensible. Their sale of nuclear materials to Pakistan and into the Middle East is also reprehensible and will ultimately come back to harm us and harm other countries in the world.

Their pirating of goods from our country, software, intellectual property, while only at the beginning, is going to finally wind up hurting us in the one area which we believe this country should be in the lead in terms of ensuring that we are guaranteeing each child the opportunity to work in these high end skill areas in computers, in software, in telecommunications. These are not areas where we should allow the Chinese to take our intellectual property. What they have done in Taiwan, what they have done in other areas of their foreign policy, all of its is absolutely unacceptable. I hope that the wisdom of Ms. PELOSI and Mr. WOLF are heard here on the floor of Congress.

Mr. Speaker, I rise at this time, however, on a different subject. This week, the House will vote on the 4.3-cent gas tax repeal. This is perhaps the most unnecessary, most misguided legislative back flip of the 104th Congress. President Clinton already acted to break the oil price spiral of this spring by moving against the wishes of the oil industry to speed up the sale of the 12 million barrels of oil from the strategic petroleum reserve.

He has also wisely initiated an investigation into the true causes of the 20- to 40-cent increase that some motorists have been forced to pay at the gas pump in March and April and May. And now, just today, Saddam Hussein has finally accepted the demands of the United Nations for allowing him to sell Iraqi oil on the world market. Oil prices may not finally come down from their 6-year highs, but we have just begun pumping up the hype over cutting the gas tax.

Mr. Speaker, tomorrow the Republican rhetoric will soar. Never mind that most economists say that this 4-cent cut will go right into the pockets of, you guessed it, the oil companies. Even the oil companies themselves have conceded that they are unlikely to pass this tax through to consumers. They intend to keep it, plain and simple. And there is nothing in the package we will vote on tomorrow to prevent the outrageous outcome.

I asked the Rules Committee for an amendment to fix this diversion of the tax cut to the oil companies, but the Rules Committee has prevented me from offering that alternative.

Mr. Speaker, I had a quite simple amendment for this body. If you own a car, all you have to do is just check off