



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 105<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 143

WASHINGTON, MONDAY, MAY 19, 1997

No. 66

## House of Representatives

The House met at 2 p.m. and was called to order by the Speaker pro tempore [Mr. PEASE].

### DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,  
May 19, 1997.

I hereby designate the Honorable EDWARD A. PEASE to act as Speaker pro tempore on this day.

NEWT GINGRICH,  
*Speaker of the House of Representatives.*

### PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

We pray, gracious God, that in all our relationships and in our efforts to improve the quality of life for every person, we would be impatient with injustice but patient with each other. Help us never to lose our zeal for righting the wrongs that trouble our land nor weakening our desire to help the neediest among us. While we may differ in our paths to achieving justice, may we never fade in our respect for each other. Unite us, O God, in our common goals so that justice will flow down as waters and righteousness like an everflowing stream. Amen.

### THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

### PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Virginia [Mr. WOLF]

come forward and lead the House in the Pledge of Allegiance.

Mr. WOLF led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### MOST-FAVORED TRADING STATUS FOR CHINA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Virginia [Mr. WOLF] is recognized for 60 minutes as the designee of the majority leader.

Mr. WOLF. Mr. Speaker, I want to bring to the attention of the body and of all Members an issue with regard to most-favored-nation trading status, and we just got a call from the White House saying that the President in what he called the opening firing shot is expected to announce today that they will renew favorable trade benefits for China, most-favored-nation trading status for China.

Mr. Speaker, over the weekend I happened to have the opportunity, somebody gave me the film that was put out by the Boeing Co. showing their lobbying effort on this whole issue of MFN. After watching the film I was somewhat sickened to see that all the emphasis was on the question of dollars and selling things and no emphasis, not even a little bit, on the question of human rights and religious freedom. So today I am sending a letter, and I am going to read the letter that I am sending to the chairman and chief executive of the Boeing Corp., Mr. Phillip Condit with regard to after watching the film that they are promoting around the country in support of MFN, and here is the letter that I am sending to Mr. Condit today.

"Dear Mr. Condit, I recently watched the Boeing video series on China which

portrays the long and profitable relationship that your company has developed with the Chinese. As one who has, for years, been concerned about repressed people in countries around the world; from Romania to Russia, China, East Timor and others, urging their governments to adopt a policy of basic regard for human rights and individual freedom, I respectfully wish to comment on what I saw in the video.

"I mean no personal criticism in any of my comments. I strongly believe that you are a good and decent person as are your board members and top management. My purpose is not to condemn but only to present to you a different view of this issue—a look through the eyes of someone with a different perspective.

"As I watched in the video," put out by the Boeing Corp., "some of the meetings and events which included Premier Li Peng, it was hard for me to forget that it was he," Li Peng, "who ordered the 1989 brutal crackdown and arrest of the dissident students at Tiananmen Square, some of whom are imprisoned still today."

Parenthetically, I visited Beijing Prison No. 1 where I saw 40 Tiananmen Square demonstrators who were arrested by Mr. Peng who are still in jail working on socks which were meant for export to the United States. I wondered if anyone from Boeing thought about that.

As I watched former Secretary of State Kissinger in the film; Mr. Kissinger is speaking to a Chinese group in the film, "As I watched former Secretary of State Kissinger address the group and observe that America's 'national style' has a missionary aspect of which he did not favor, I thought he was, in a sense, apologizing for or even diminishing our Nation's zeal to secure basic human rights and freedoms for all men and women—to come to the defense of the little guy. Perhaps I misinterpreted his remarks, but that is

□ 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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how they seemed to me. And I wondered if he or others listening remembered the Chinese Government's organ transplant program where prisoners are executed and their healthy organs are harvested for sale even before the bodies have time to cool.

"During the cruise down the Yangtze River," in the video again, "did anyone remember the Catholic bishops and priests imprisoned for decades simply for living their religion? Do you suppose the Chinese Government policy of slamming shut the doors of house churches came to mind? You do know that house churches crop up because free and open worship is banned. People come together to worship in secret because there is no other way.

"Was Harry Wu's name mentioned? Jailed for 17 years for exposing China's terrible human rights record, Mr. Wu was tossed out of the country. Later, as a U.S. citizen traveling on a U.S. passport, he was again jailed on specious charges. Was there concern over how American citizens can be treated by the Chinese Government—much less their own people?"

And watching the video put out by Boeing, I note that there was a note of pride in Boeing's relating its company's efforts working with Li Peng, again who was the butcher of Beijing and his regime in securing 1996 most-favored-nation trading status for China.

"Could one sense a rush of confidence in the air as Boeing's plans for dealing with the new administration and the new Congress to again prevail on the question of 1997 MFN were unveiled.

"I personally," Mr. Condit, "looked in vain for even a hint of embarrassment as your spokesman talked of Boeing, in order to bury those in the China MFN debate who wonder about human rights, again signing on with the same folks who tried to sell assault weapons and even shoulder held missiles to LA street gangs.

"And as Boeing informed the video audience," which was quite shocking when they said, and I quote, '737's, 'when their 737's, 747's, 757's and 767's flew to China, they were just 'coming home,' because so much of each plane had been manufactured there, was I the only one who wondered about the American men and women—moms and dads—who no longer have a job and about the additional jobs that are going to be lost in the United States?

"I think it is good that Boeing has developed such a solid and profitable relationship with China. It certainly offers you an opportunity to address the concerns of the American people—indeed the concerns of all freedom loving people around the globe—in your meetings and gatherings with the Chinese. And I wonder, is there not an obligation for those of you who run Boeing to think about these things, and maybe to speak out?

"If, as so many who favor most-favored-nation trading status for China argue, free trade provides a forum for

dialog and discussion for them to learn about democracy, self-determination and freedom, who is to conduct the dialog and discussion if not those involved in the trade?"

That is Boeing.

"Reasonable men and women can differ over issues. My wish here has been to present a differing perspective for your consideration."

And then I close with this request, and, Mr. Condit, "In our own country," Mr. Condit, "as you drive past a church, I hope you will think about the Chinese Catholic bishops and priests and Protestant pastors who have been in prison and tortured for their faith. When you drive by a mosque, think about the Moslems who are being persecuted in the northwest part of China. When someone speaks of the beauty of Tibet, please think about the Buddhist monks and nuns who have been killed for their faith and their temples destroyed. When you hear of Solzhenitsyn's book, 'Gulag Archipelago,' I hope you will remember the political and human rights activists such as Wei Jingsheng who languish in China's logai because of their desire for freedom and liberty that Thomas Jefferson wrote so eloquently on in our Declaration of Independence.

"Thank you. Best wishes to you, to Boeing and to your employees. Sincerely, Frank R. Wolf."

I hear all the companies and in the Boeing articles that I read, that I will submit in the RECORD of their major lobbying efforts. In fact, there was an article that I will submit for the RECORD entitled "New China Lobby Is Big Business."

No one talks about human rights. In the video you never heard anything about human rights. In order to sensitize the Congress and not the American people because the Members should know that in the latest surveys done, the last two surveys on this issue, 60-some percent of the people of the United States felt that we should take away MFN and that human rights should be important, whereas only 21 percent thought of the other side.

So the American people are where we always know they always have been, standing for freedom of religion and press and all those things. But where does the business community and where does Boeing stand?

This picture here was presented in a testimony to a Senate committee, Foreign Relations, on May 13 of this year of 1997. This is a picture of a nun. Her name is Tsering Lhamo. This is a nun, the person testifying went on to say, who was tortured in Tibet when she was 19 years old. She took part in a nonviolent demonstration for Tibetan human rights in Lhasa. She spent 3 years in a prison where she was repeatedly tortured, particularly with electric cattle prods, which are manufactured purely for human torture.

I have seen those that have been smuggled out of Tibet and have held them in my hand, an American cattle

prod that might be used by a rancher in the State of Montana, is this large, and this person indicated how large, and it is for whacking the back of a steer. These are about this big, and he again showed the size, and you can see that they are just used to torture human beings.

□ 1415

She was raped with a cattle prod, and she had it shoved in her mouth. She is now dying of the effects of the torture. And then it ends by saying, U.S. humanitarian aid has been brought in to help her and she is doing better.

So when we talk in terms of MFN, which is most-favored-nation trading status for China, will the people of Boeing think in terms of the individuals that are being tortured in Tibet and the monks and the nuns that are being killed in Tibet and how many have been imprisoned? I hope so. I hope so. And I hope President Clinton will also think in terms of them as he makes the feeble argument for granting MFN again.

I now put up another photo, and I would ask people that are supporting MFN to think in terms of this photo. In China, they have an organ donor program, or what they do is they take prisoners, some who have done bad things and others who have not, out and they shoot them. This is a picture of what they do. They tie them up, they shoot them, and after they die, they then take their kidneys out and they sell them for transplants. Doctors are there on the scene. The kidneys are immediately taken out, and we even have one report where kidneys were taken out even before the man died. They are then harvested for transplantation and for sale to those in the West.

So when we think of MFN, most-favored-nation, trading status for China, think in terms of these men who are shot and then their kidneys are taken for sale for sometimes up to \$35,000 to \$50,000.

This is a picture of a slave camp. I am sure everyone knows, but if they do not, the Members of this body should know that there are more gulags, slave camps in China than there were in the Soviet Union. Now, we all know, as I have referred to in the letter to Mr. Condit, that Solzhenitsyn wrote the book *Gulag Archipelago*, which is an amazing book that most Americans read, it sensitized to the United States, the people in the West, what was going on.

Mr. Speaker, I have been to one of those gulags, the gentleman from New Jersey [Mr. SMITH] and I visited Perm camp 35 in the foothills of the Ural Mountains during communism where we interviewed Scharansky's cellmate and many other people. It is a very unpleasant place. Well, we should know, all who favor granting MFN, that there are more gulags, slave camps, in China than there were in the Soviet Union. Of course, Ronald Reagan, to his credit,

and a bipartisan group of Republicans and Democrats, did not give MFN to the Soviet Union because of what they were doing, but we are going to give it, some people hope, and I hope we do not, to China. But as we do, it says the slaves, in a chemical processing room of a hide and garment factory, and the chemical eats into their naked bodies.

In fact, as there are people in the West, there are people that are watching this event who are wearing some clothing or have some item, they do not know about it, that has been made by slave labor and people that are in gulags. So as people are anxious to give MFN to China, they ought to think about the thousands, the millions, in the Chinese gulags.

I have a book here that has just been published called "In The Lion's Den", a shocking account of the persecution and martyrdom of Christians today by Nina Shea. In it she documents a lot of the activities that are taking place in China. So as we are anxiously awaiting, the Clinton administration at 2:15 today and others in Congress that are going to give MFN to China, think about what this book said and what Nina Shea says. In China today there are more Christians in prison because of religious activities than in any other Nation in the world.

Mr. Speaker, Protestants are arrested and tortured for holding prayer meetings, teaching and distributing Bibles without the state approval. Roman Catholic bishops and priests are in prison for celebrating mass and administering the sacraments without official authorization.

I would urge that, when Members in our country approach the communion table to take the sacraments, whether it be this Sunday or whatever Sunday it is or whatever opportunity, as they approach the communion table to take the bread and the wine in this country, they think in terms of the men, Catholic priests, Catholic bishops, Protestant pastors who have been in prison for serving holy communion in China; and then say, do we really want to give this country and this government the most-favored-nation trading status. Think of this when approaching the communion table, do we want to do it when there are priests and bishops and ministers in jail for trying to do the same thing that everyone in this country takes for granted.

Nina Shea went on to say, while China's closed penal system makes it difficult to obtain accurate numbers, Freedom House has a list of names of about 200 Christian clergy and church leaders who are in prison or under some form of detention or restrictions in mid-1996 because of religious activities. There are thought to be thousands of Christians now in prison for their faith in China's religious gulag. In several recent dragnet operations, hundreds of Christians were arrested. Some are serving sentences up to 12 years or more for, quote, counterrevolutionary charges. But the fact is, they were incarcerated for practicing their faith.

Many prisoners, she goes on to say, are forced to work in the laogai, that is the gulag, the reform labor camps where prisoners must toil and slave for 12 hours a day, 7 days a week in automotive and chemical factories, brick-making plants, mines, and on farms. According to American Christians working in China in 1996, 1996, last year, the record that we are basing whether we give MFN to China, according to most Americans, Christians working in China in 1996, it has been, and I quote, the most repressive period for Catholics and Protestants since the late 1970's.

Mr. Speaker, I do not understand why. Why would we give most-favored-nation trading status to China when it has been the most repressive period in 1996. It did not say 1976, it said 1996. That was last year. We did not grant it to the Soviet Union; we did not grant it to the Eastern Bloc nations. Ronald Reagan, God bless him, even signed a bill to take it away from Ceausescu in Romania, and the Clinton administration and some in Congress want to give it to China when it has been the most repressive year for Christians.

Nina Shea went on to say, Catholics who choose to stay loyal to the Vatican and Protestant Christians who meet in unauthorized underground or house churches encounter severe persecution, including fines, arrest, and imprisonment. She says, one of the most well-known house churches in the country, that of pastor Allen Yuan, in Beijing was closed in the fall of 1996. The United States-based dissident journal China Focus quotes Pastor Yuan as saying, and I quote, we have only one room and we do not even have any property, but the authorities still look at us as if we are monsters. All they want is to control us.

The popular pastor served 22 years in China's laogai for his faith. The Far Eastern Economic Review reported on June 6, 1996, that police have destroyed at least 15,000 unregistered temples, churches, and tombs between February and June 1996 in Zhejiang Province alone.

Let me just go back so we can think in terms of that, when we all get so excited about MFN and the President rolls out the red carpet for the Chinese butchers who will be visiting the country later on, we will go slowly, now. He says that the police had destroyed at least 15,000 unregistered temples and churches and tombs between February and June 1996 in only one province. What is taking place in the other provinces?

Victims of the crackdown are legion. At least three evangelicals were killed by Chinese authorities during the first quarter of 1996, according to reports from the Voice of America, and Compass Direct. One Zhang Xiuju, a 36-year-old woman, on the night of May 26, 1996, she was dragged out of her home by police in Hunan Province and beaten to death, beaten to death.

Do we think Ronald Reagan would have given the Chinese MFN? I cannot

say whether we would have or not, but I do know that Ronald Reagan, who gave the famous speech in Orlando, the Evil Empire speech where he denounced the Soviet Union and talked about spiritual values and stood on behalf of those who were being persecuted in the Soviet Union, those of the Jewish faith and many other faiths and those who were Jewish and wanted to emigrate, Ronald Reagan stood in solidarity for them. He made a difference. So I do not think he would have given MFN to China.

I do know this. While I cannot say that he would not have given MFN to China, I do know that he signed the bill to take away MFN for Ceausescu and the brutal Romanian administration in 1987. So I personally do not think that Ronald Reagan would have.

For those on my side of the aisle, we talk about our values and we talk about what do we want to stand for. The Republican Party ought not only be the party of free trade, and I am a free trader, I voted for NAFTA, the Republican Party not only should be an economic party, but we should be a party that cares about these fundamental values of human rights and religious freedom.

Nina Shea goes on to say on page 62 of the book, In the Lion's Den, another brutal incident occurred in March 1996 when five evangelical women were arrested, it seems like evangelicals can just be the target around the world today. It almost seems that if one is an evangelical or Catholic priest or Catholic bishop, they can be the target and nobody will really care. In fact, I do remember during the debate last year when we extended it, people talked about we need engagement. After they got their MFN, there was no engagement at all, they continued to get their MFN and nobody did anything.

Here are five evangelical women arrested and detained in western Xinjiang Province after a raid on a house church in a predominantly Muslim region. A total of 17 church members were initially arrested, and 12 were released when 5 women accepted responsibility for the gathering. Police severely beat several of the Christians, knocking out one woman's front tooth and poured scalding water on those who resisted orders. The five women were imprisoned.

Catholics too have felt great pressure in 1996. Believers within the Roman Catholic Church are forced to affiliate with the government-sanctioned Catholic Patriotic Church, which does not recognize the ultimate earthly authority of the Pope.

She goes on to say, the Connecticut-based Cardinal Kung Foundation reports that security troops conducted a series of raids in spring 1996 throughout the Baoding Diocese in Hebei Province which has a significant population. Priests, including two bishops, were arrested, churches were forced to register with the Catholic Patriotic Association, and at least 4,000 Catholics were forced to recant their faith publicly.

□ 1430

She goes on, and has a picture here of Bishop Su. The 64-year-old auxiliary bishop of Baoding was arrested in a series of raids against Catholics in Hebei Province in the spring of 1996. Bishop Su had already spent a total of 15 years in prison because of his religious activity.

Once he was beaten by security police until the board they were using was reduced to splinters. Not satisfied, the police then dismantled a wooden door frame in order to continue the beatings, which soon splintered as well. On another occasion the bishop was bound by the wrists and suspended from the ceiling while beaten. His head received numerous blows, causing permanent loss of hearing.

In still another prison episode, and what a man of faith Bishop Su is, he was placed in a closet-sized room filled with water at varying levels, from ankle deep to hip deep. He was left there for several days, unable to sit or sleep. We have films showing that it is a wonderful thing to give the most-favored-nation trading status to China.

Let me read on a little bit more. In January 1996, Reverend Guo Bo Le, a Roman Catholic priest from Shanghai, was sentenced to 2 years of imprisonment at a "reform through labor" camp because of his illegal religious activities. He was arrested while celebrating mass on a boat for about 250 fishermen.

Guo's other illegal activities included administering the Sacrament of the Sick, establishing underground evangelical church centers, organizing catechism institutes, teaching Bible classes, and boycotting the Catholic Patriotic Association, the nonrecognized church. Fifty-eight-year-old Guo has already spent 30 years, over half of his life, in a Chinese prison camp because of his faith. Thirty years in a China's prison camp, and the Boeing Corp. cannot even speak out on these issues?

As I maintained in the letter, reasonable men and women can differ on this issue, but those who said they wanted MFN said that this would enable us to engage, constructive engagement was their word, engage the Chinese. Well, would not the Chinese Government really listen to Boeing more than they would listen to me? I am against MFN. Boeing is for MFN. Would not the Chinese Government be more sympathetic to Boeing if Boeing were to speak out on behalf of this Roman Catholic priest?

I just wonder if Boeing has in their files any letters that they have ever sent to Li Peng asking for the release of Catholic priests or the release of Catholic bishops, or the release of Buddhist monks or the release of Buddhist nuns or the release of Protestant pastors.

I will end with the last comment she makes, and there are many, many more in the book, "In the Lion's Den." She said another cause for religious

persecution stems from China's draconian one-child-per-family and eugenics-based population control plan. Those defying the population controls, including Christians motivated by conscience, are harshly punished by torture, imprisonment, fines, and forcible abortions and sterilizations.

This really is a pro-life issue, too. When the gentleman from New Jersey [Mr. SMITH] and I were in China we talked to people and they told the stories of women in China who were tracked down by the Chinese Government officials in those villages and forced to have an abortion because they have the one-child policy. I am sure most people in this country would not want to have the one-child policy. They would be very upset with regard to that.

Mr. Speaker, there is much, much more that I could say today on this issue. I would like to just close by reading a portion of Ronald Reagan's speech that he gave in Orlando, that wonderful speech in 1983. In the speech Ronald Reagan quoted from the famous author, C.S. Lewis. He said the following. He said, "It was C.S. Lewis who, in his unforgettable *Screwtape Letters*, wrote 'The greatest evil is not done now in those sordid dens of crime that Dickens loved to paint. It is not even done in concentration camps and labor camps. In those we see its final result. But it is conceived in order and moved and seconded and carried out in clear, carpeted, warm and well-lit offices by quiet men with white collars and cut fingernails and smooth-shaven cheeks who do not need to raise their voices.'"

He went on to say, "Because these men do not raise their voices and because they sometimes speak in soothing tones of brotherhood and peace, because, like other dictators before them, they are always making 'their final territorial demand,' some would have us accept them at their word and accommodate ourselves to their aggressive impulses."

But if history teaches anything, it teaches that "the simple-minded appeasement or wishful thinking about our adversaries is folly. It means the betrayal of our past and the squandering of our freedom," the betrayal of our past and the squandering of our freedom.

What he meant is, when Ronald Reagan was very firm and we were in a bipartisan way on this issue, Ronald Reagan met with Gorbachev and Ronald Reagan met with Brezhnev, but he always raised the cases of the dissidents. Our Secretary of State, Jim Baker and Schultz and others, used to meet with the dissidents in the American Embassy as an act of solidarity, so they knew that we stood with them.

The fact is in the 1980's 250,000 people rallied on the Mall one Sunday because of the persecution of those of the Jewish faith; 250,000 people came from all over the country in solidarity of those who were being persecuted in the Soviet Union.

How times have changed. Who says it does not make a difference who is in political office? Who says it does not make a difference what values they have? Now, after looking at what has taken place in China in 1996, not 1976 but in 1996, we still see those who continue to want to give MFN to the butchers who say that they are going to change or they are going to do this, but we also saw that even when the leaders of China say they are going to change, 1996 was the worst year since the 1970's. We know that when Andre Sakharov was under house arrest and Nathan Scharansky, that hero, so when he was released from Perm Camp 35, through the good effect of the Reagan administration when he came to the Glienicker Bridge in East Berlin to go into West Berlin, the communists told Scharansky to walk straight across the bridge, and Scharansky refused. When he broke loose from the Communist authorities he walked zig-zagged, this way and back, to defy them, to let them know that freedom was important, and he was a free man, that he did not have to do what they do.

We need that same activism today. In fact, Scharansky said if it had not been for Ronald Reagan and the denial of MFN and the pressure that this Congress used to put on, he may never have gotten out of jail.

So many hear the words that we will all hear again repeated over and over as we come to the July 4th period, the Declaration of Independence, written by Thomas Jefferson from the State of Virginia that I am proud to represent, where Thomas Jefferson said, "We hold these truths to be self-evident, that all men," and women, "are created equal, endowed by their creator with unalienable rights: Life, liberty and the pursuit of happiness."

That was not only for the people in Charlottesville, he wrote it when he was actually in Philadelphia, it was not only for the people of Philadelphia and the United States, it was for all of the people of all the world.

That is why the people in Tiananmen Square had the Statue of Liberty and quoted those words, and now they wonder, now they wonder, have we lost our will in the West? Has the Congress lost its will? Has a Republican Congress lost its will, the Republicans who used to boldly proclaim in the 1980's on these things, have we lost our will?

I had an opportunity with the gentleman from New Jersey [Mr. SMITH], when we visited Perm Camp 35, we brought a TV camera in and we interviewed some of these prisoners. Do Members know what they told us? Here we are in the Ural Mountains, under communism, in a brutal camp, they told us that they knew of the actions of the Reagan administration on behalf of human rights and religious freedom. They knew of the activities of the Congress.

I remember hearing that when the Congress denied MFN by a vote in 1987 and we took away MFN from Romania,

peasants in little villages and all through Romania heard of the fact that the people's House, the House of Representatives, had stood firm and had struck a blow for freedom by denying MFN, and they knew that someone in the West cared.

Now what will they hear today? They will hear that Clinton has granted MFN again this year. They will see that maybe the Congress has not done anything, and that we do not really care and we do not really act.

In closing, I would just urge all of my colleagues to be with the American people, be with the American people in the Harris-Teeter poll in the Wall Street Journal on May 1, 1997, which said as follows: that 67 percent said they demand human rights policy changes, and 27 percent said to continue trade relations.

The American people are where they always have been. The question is, will the Congress, will the Congress be with the American people?

Mr. Speaker, I include for the RECORD an article from the Seattle Times of Monday, May 12, 1997.

The article referred to is as follows:

[From the Seattle Times, May 12, 1997]

NEW CHINA LOBBY IS BIG BUSINESS

(By Sara Fritz, Los Angeles Times)

WASHINGTON.—Jolinda Resa, owner of Square Tool and Machine in El Monte, Calif., was receptive last year when a Boeing representative showed up at her plant with an unusual request.

The visitor asked Resa, whose company supplies Boeing with machines for its manufacturing plants, if she would assist the giant airplane manufacturer in a drive to urge Congress to renew most-favored-nation trade status for China.

Resa gladly agreed to contact her congressman, Rep. David Dreier, R-Calif., and she arranged for local business leaders to attend a luncheon with a speaker recommended by Boeing. She did it, she says, because she realized that the future of her company depends on Boeing orders from airplane sales to China.

"In order to keep my 70 employees working," she explained. "I felt I should do everything I could."

Thus was the tiny Square Tool and Machine recruited into what experts call "the new China lobby"—a broad-based, highly sophisticated army of U.S. corporate executives, lobbyists and consultants who use their considerable economic and political influence to press the U.S. government into maintaining good trade relations with China, whose market is the fastest growing in the world.

#### \$20 MILLION LOBBYING EFFORT

Last year, major U.S. corporations doing business with China spent an estimated \$20 million on a state-of-the-art lobbying drive that relied heavily on small-business suppliers such as Resa. Congress ultimately approved another one-year renewal for China for the low tariffs and other preferences for U.S. trading partners who have MFN status.

This year, however, China's reliance on U.S. companies to lobby on its behalf for another one-year MFN extension has taken on a more sinister coloration as a result of allegations that the Chinese may have made illegal donations to the U.S. presidential campaign last year.

Opponents of unfettered U.S.-China trade, including labor unions, human-rights groups

and conservative Christians, are demanding to know why China seems to command more loyalty from U.S. business than do other foreign countries.

The Chinese government has made no secret in recent years of its determination to influence U.S. government policy. Among other things, it has established a Politburo-level Working Committee on the U.S. Congress, which monitors actions in Washington and regularly hosts U.S. lawmakers in Beijing.

American companies insist that they are representing their own interests—not those of China—when they lobby for MFN status. They note that the Chinese repeatedly have declared that business with U.S. companies will be halted if MFN status for China is revoked or if Congress makes it contingent on democratic reforms in China.

Cindy Smith, spokeswoman for Boeing, says the Chinese are in no way directing, financing or influencing the pro-MFN lobbying effort by big American companies. Yet she admits that her company knows the Chinese are paying close attention to Boeing's lobbying activities.

"Did (the Chinese) ask us to do it? Never!" Smith said. "Are they happy and pleased? Of course."

#### CHINA IS THE FUTURE

As Boeing officials explain it, big U.S. corporations believe that their economic future depends on preserving trade with China. Boeing estimates that China will buy 1,900 airplanes valued at \$124 billion over the next 20 years—sales that will go to other countries if Congress raises barriers to trade with China.

Many American companies not only depend upon sales to Beijing, but they also have made sizable investments in Chinese plants. Motorola, for example, estimates that it has invested at least \$1 billion in China; making it the largest U.S. investor.

American companies are sensitive to criticism of their lobbying expenditures on behalf of China, particularly since the news media began reporting on possible illegal Chinese donations to U.S. political candidates. As a result, these companies refuse to discuss their lobbying activities in detail or to disclose how much money they are spending on it.

Nevertheless, experts say corporate lobbying expenditures on MFN status far surpass the amount spent by business on any other issue.

Groups established to lobby for unrestricted U.S.-China trade include the U.S.-China Business Council, made up of 300 corporations; the Emergency Committee for American Trade, a group of 55 chief executives; the Business Coalition for U.S.-China Trade, an organization of trade associations; and the China Normalization Initiative, a loosely organized state-by-state effort run by a few big companies such as Boeing and Motorola.

#### MFN REQUEST DUE ON JUNE 3

Although this year's political battle over MFN status may not begin formally until June 3—the date by which President Clinton must request renewal—all these groups are lobbying hard. Top corporate executives have been calling on members of Congress for several weeks, and the "captains" of more than 30 state-level MFN campaigns were introduced to their Congress members at a well-attended party on Capitol Hill last week.

By all accounts, the ability of major American corporations to enlist their suppliers as lobbyists was seen as the secret to their victory last year. Members of Congress respond more readily to the concerns of small-business owners in their own districts than to high-pressure pitches from big-business lobbyists.

PR Watch, a small newsletter that covers the lobbying and public relations industries, recently published a secret map that corporations used in last year's MFN campaign. It shows how each big company in the coalition was assigned a state or region of the country where it was expected to recruit small-business people to press for MFN status.

Square Machine and Tool was part of the California campaign, which the map shows to be the primary responsibility of executives from IBM and TRW. Resa was one of 1,200 Boeing suppliers across the nation who got involved in the campaign, according to the company. For her effort, she received a large framed photo of a Boeing 737 taking off in a scenic area of China.

Critics see problems with the corporate tactics.

By enlisting small businesses to participate in the MFN lobbying campaign, says Representative Nancy Pelosi, D-Calif., the big companies create a false appearance of "grass-roots" support for MFN status when in fact the support is more like "Astroturf—the kind of grass that you buy."

Pelosi and Fiedler, among others, demand that members of the new China lobby disclose more details of their legislative strategies and their sources of income.

Registered foreign agents must file regular public reports. But many of the high-profile companies and professional consultants who represent Chinese interests in Washington—including former secretaries of State Henry Kissinger and Alexander Haig—escape the requirement because they work for companies that do business in China, not for the Chinese government itself.

Fiedler says some of the lobbyists have "crossed the line" between representing their own business interests and propagandizing on behalf of the Chinese government.

#### KISSINGER AND BOEING

He cites a half-hour video titled "China and Boeing Working Together" that the company distributes to the news media. The video, replete with misty Chinese scenery and sentimental music, records a speech in Beijing by Kissinger defending the policies of the Chinese government and condemning Americans who want to use trade sanctions to force changes in China.

Fiedler and other critics say these consultants are intellectual hostages of the Beijing regime and speak out favorably for China, to arrange meetings for their clients with top leaders in Beijing.

"There is a direct quid pro quo in terms of access," Pelosi said. "They get access in exchange for speaking out."

#### RECESS

The SPEAKER pro tempore (Mr. PEASE). Pursuant to clause 12 of rule I, the House stands in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 42 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2009

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. GOSS) at 8 o'clock and 9 minutes p.m.