

at midlevel computers, between 2,000 and 7,000 MTOPS, which are widely available around the world.

Supercomputers, which are sought after for weapons design, start at the 20,000 MTOPS level and go all the way up to 650,000 this year, and they will go beyond the 1 million MTOPS level next year. By the way, China already produces a computer at 13,000 MTOPS. No other country considers these computers to be anything but generally available and will step in to take over the business that the Cochran amendment will hand to them. The question is, is that what we want?

Also, anyone can purchase upgrades, by the way, to raise a PC, a current PC, above the 2,000 MTOPS level. We can't control the box. We can't control the chips around the world that can be put in it. We can't control the upgrades. There is no way to control these low-level PC's under the 2,000 MTOPS threshold, again, since they are available in nearly every country in the world.

Further, the chips that make up these computers are also available and produced around the world. They were decontrolled during the Bush administration. Our chip producers have markets throughout the world, and they need to maintain them to remain competitive. Chip producers cannot control who receives their end product.

Also, how do you prohibit a foreign national from using a computer even above the 7,000 level here in the United States and taking the results back, or faxing it back?

Our friend Jack Kemp has written to us also this week stating that the Cochran amendment would "establish a policy that is destined to fail and would hurt American computer manufacturers without protecting our national security. The American high-technology sector is critical to the future of this country and must be protected from overly intrusive Government restrictions."

I wish there was something we could do to effectively control some of these exports, but it is just not possible at these lower levels. We cannot convince our allies to reverse 2 years of their own decontrol. In fact, Europe has tabled a decontrol proposal at 10,000 MTOPS, which proves that they have no intention of even respecting our 7,000 level. We cannot pull all the PC's and upgrades off the retail shelves, and we cannot close our borders to prevent all foreign nationals from entering this country and using our computers.

We must concentrate our resources on keeping computers above the 7,000 level from reaching military end users; that's for sure. But I fear that an increased license burden in the administration would steer resources away from efforts to locate diversions and investigate them.

Now, Mr. President, in an earlier statement, I also countered a claim that an export license requirement would not slow down these computer sales. I have heard that someone made the comment that an export license would take 10 days. Well, anyone who knows how the licensing process works knows that it can take many, many months to obtain one. This will only earn our industry a reputation as an unreliable supplier, and it will cost us sales and it will cost us many, many U.S. jobs. The administration admits that a computer license application averages 107 days to reach a decision. I have seen it take far longer. Even 107 days, by the way, is enough to convince the end user to go out and seek a buyer in another country.

Since so many of the Tier 3 countries are emerging markets, we need to be in there early to maintain a foothold for future sales. When we hear about the 6.3 percent of sales to Tier 3 countries, that is misleading. It is in an area where the market is expanding rapidly. If we leave our companies out of

those markets, they will not be there to compete in the future. They will not be there to provide sales and jobs for the United States.

Another argument I have heard is that there is no foreign availability over 3,500 MTOPS. Well, last year, NEC of Japan tried to sell a supercomputer to the United States Government at a level between 30,000 and 50,000 MTOPS. They match our speeds all the way to the top.

Mr. President, I believe that all of us are proud of our computer industry, that our industry remains the state of the art in so many areas, particularly in the levels above 7,000. We have made progress to facilitate exports without compromising our national security, progress which began back in the Reagan and Bush administrations, but here is an effort today to reverse all of that progress.

Our industry has to survive on exports, and it has to pursue commercial business with these 50 countries to remain competitive. All computer sales over the 7,000 MTOPS level do require license now. We have not sold any computers above that level. And, again, the 7,000 MTOPS are not supercomputers—they are not—they are midlevel computers. We have not sold any computers above that level to Tier 3 countries; nor do our allies, to my knowledge. However, we should not restrict the sales of these midlevel and, again, generally available computers to commercial end users. We should simply maintain the current licensing requirement for the questionable end users. I firmly believe that there will be improved cooperation between the Government and industry on end-user information, particularly those for Russia and China.

Now, I also commend the Commerce Department for starting to publish information on end users and to examine all sales that are made to the Tier 3 countries within these computer speeds.

The Grams-Boxer amendment requests the GAO to determine whether these sales affect our national security. That is very important. It will look into the issue of foreign availability. It will also require the publication of a military end-user list, and it requires Commerce to improve its assistance to the industry on identifying those military end users.

There will be some that vote today solely to express their dissatisfaction with China's alleged military sales to our adversaries. Let me remind you once again that there is no evidence that U.S. computers were involved in any of those cases. I also urge you to look at the merits of this issue. Pure and simple, the Cochran amendment would hand the sales of midlevel computers over to the Japanese and the Europeans at the expense of an industry that we have sought to protect and to promote and an industry that we are proud of.

As chairman of the International Finance Subcommittee of Banking, the committee that has jurisdiction over this issue, I strongly, this morning, urge my colleagues to vote for my substitute and let us continue this debate in the normal manner, through committee consideration. At the same time, the administration should step up its efforts to express to the Chinese and the Russians our grave concerns regarding efforts to divert commercial sales to military end users without knowledge of the United States seller.

Mr. President, I appreciate the efforts of my colleague from Mississippi to address these diversions. I want to work with him in my role as chairman of the subcommittee of jurisdiction to ensure that the current system does work or on how we can improve it once we have better information regarding the extent of the problem.

I urge the support of my colleagues for the Grams-Boxer substitute as a compromise to this very, very controversial issue. Thank you very much.

AGRICULTURE APPROPRIATIONS CONFERENCE REPORT

Mr. GRAMS. Mr. President, I rise today in support of the fiscal year 1998 Agriculture appropriations conference agreement that was passed last night. There is much to be proud of in the conference agreement and I feel it is another step forward in implementing the 1996 farm bill.

I am particularly pleased with the inclusion of the Grams-Feingold amendment directing the Office of Management and Budget to conduct a study of the economic impacts of the Northeast Interstate Dairy Compact.

I will not reiterate my long-standing opposition to implementation of the compact or the history surrounding its inclusion in the 1996 farm bill. But along with my colleagues in the House and Senate who have an interest in equitable and lasting dairy reform, I remain committed to bringing fairness to Minnesota's dairy farmers.

There has been some disagreement as to what should be included in such a study. I know the senior Senator from Vermont has addressed us on more than one occasion in defense of the compact. More recently he outlined his concerns regarding what he felt should be included in the OMB study.

However, I must stress that these are the remarks of one Senator and should not be misconstrued by OMB or anyone else as the official position of the U.S. Senate.

The conference agreement clearly calls for a comprehensive economic evaluation of the direct and indirect effects of the compact. I welcome the results of a study I expect to be free of outside influences. I am confident this compact will be exposed as a misguided, ill-fated attempt at market manipulation.

Mr. President, the OMB study in this conference agreement will help us assess the compact's effects on the poor, needy senior citizens and children, as well as the Nation's dairy producers.

It is to be completed by December 31, 1997, and I will closely observe its progress in order to ensure that the study is conducted in a fair and equitable manner and is not manipulated by outside interests. I expect the administration to allow an independent study that is not influenced by any USDA or White House political agenda.

Another provision I am pleased was included will prohibit Agriculture Market Transition Act [AMTA] payments to a producer who plants wild rice on contract acreage, unless the payment is reduced proportionally.

As it currently stands, producers of other commodities who choose to plant wild rice on land designated for other crops can receive both their AMTA payment and the proceeds for sale of

their wild rice. This has placed wild rice farmers at a disadvantage. It violates the intent of the law and it also results in unfair competition.

I am pleased the House and Senate conferees agreed with my amendment and chose to include it in this agreement. The provision clarifies congressional intent and restores fairness to our farm payment system.

I also want to make special note of the research funding contained in this bill for fusarium head blight, commonly known as scab, and vomitoxin.

During a recent trip through Minnesota's Red River Valley, wheat and barley producers stressed time and time again the economic impact these diseases have had on their crops. Minnesota is again experiencing an epidemic of scab which marks the fifth straight year the disease has been seen to some degree in the Northern Plains.

When added to contributions producers and the State of Minnesota have made to scab and vomitoxin research, I believe that the provisions contained in the research titles of this agreement are an appropriate approach to the Federal commitment regarding long-term basic research.

Mr. President, as I have stated many times both here and in Minnesota, we must give our farmers the tools to manage their business and not hamstring their creativity and productivity from Washington.

Although there is much work to be done regarding dairy and regulatory reform and risk-management, this conference agreement is a step in the right direction. I look forward to its immediate passage.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, may I inquire as to the state of the business of the Senate?

The PRESIDING OFFICER. The Senate is in morning business, with Senators permitted to speak up to 5 minutes each.

Mr. ASHCROFT. May I inquire when that expires?

The PRESIDING OFFICER. Twelve o'clock.

Mr. ASHCROFT. I ask unanimous consent that, joined by my colleague from Arkansas, Senator TIM HUTCHINSON, we be allowed to speak in morning business for 25 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES-CHINA RELATIONS AND AMERICA'S POSITION AS A WORLD LEADER

Mr. ASHCROFT. Mr. President, I am pleased to come to the Senate floor

today, joined by my friend from our neighboring State of Arkansas, Senator TIM HUTCHINSON.

As the 21st century approaches, Senator HUTCHINSON and I both share a desire to see the United States maintain its position as a world leader—a world leader that emphasizes opportunity and freedom. A strong America abroad preserves the safety of our citizens at home and helps advance the ideals of liberty around the world.

The United States is involved internationally in very substantial ways, and in some of those settings it is my fear that, instead of exhibiting strong leadership, we have demonstrated that we are incapable of demanding integrity and of requesting that others deal with us honestly.

We are in the waning moments of a summit meeting between the President of China, Jiang Zemin, and President Clinton. Summit meetings can be very important times. They can provide opportunities for the United States to demonstrate leadership, to demonstrate a commitment to freedom and integrity in international relationships. Or they can do the converse and they can demonstrate that America will not demand integrity, will not demand a commitment to freedom and fair play. Summits can indicate that America does not have the kind of care for the rights of individuals generally around the globe that we would be known for historically in this country.

When we have summit meetings, we need to advance America's security and economic interests. Summit meetings should be times of structural advance for the United States, when we put in place the kind of framework that will result in our country being stronger—the kind of framework that will preserve our security and advance freedom around the world.

If statesmanship is not present, summits can become transactional rather than address the critical structural issues in a bilateral relationship. We have seen that during the United States-China summit this week, where the President of the United States has been eager for certain businesses to sell their goods to China, and has, in this particular summit, made it possible for the Chinese to gain access to some of the most important and sensitive nuclear technology in the United States. But the real issues in United States-China relations, however, have been deferred. Critical national security challenges, a staggering trade deficit, and an appalling human rights record in China all took a backseat to business contracts.

Summits can turn into shallow media events when the critical bilateral issues are ignored. The United States-China summit was worse than just a shallow event. Unfortunately, it was an event which demonstrated that we were willing—in order to acquire certain business contracts—to look past what ought to be clear, structural issues that ought to galvanize our at-

tention. China did not come to the summit to make real concessions on any front, and we responded with accommodation and appeasement. We agreed to have the summit anyway, in spite of the fact that China didn't come to provide genuine progress for the people of China or for the people of the United States.

Whenever we don't achieve structural change, such as progress in our trading relationships, which would be a reduction in tariffs or nontariff barriers from China; whenever we don't see an improvement in the human rights situation in China so that personal freedom is advanced; whenever we don't have a clear record which demonstrates that China will cease proliferating nuclear and chemical weapons and mass destruction technology—we have lost the ability to advance our nation's fundamental interests and we have traded principle for a few commercial contracts.

The real opportunity of summitry is the opportunity for structural change—not of transactions alone. It is an opportunity for statesmanship—not just salesmanship.

I don't think it is wrong for the President of the United States to want to sell our goods abroad. But when we sell our goods and our principles along with them—the kind of commitment we have to freedom, the kind of commitment we have to integrity, the kind of commitment we have to stopping the proliferation of nuclear and chemical weapons around the world—I think the price is too high.

I think we will have to ask ourselves when we look at the record of this summit, "Has this been an exercise in statesmanship, or has this been an exercise in salesmanship?" If it has just been an exercise in salesmanship, what have we sold? Have we bartered away our credibility, our commitment to freedom and liberty, and our demand for fair and balanced trade? Have we compromised our position when it comes to combating the proliferation of chemical and nuclear weapons? In my judgment, I think we have to ask those questions very, very soberly.

Did the summit advance America's economic and security interests? Did it put United States-China relations on a firmer footing by addressing the critical issues in our bilateral relationship, or was it centered around accommodation and big-ticket commercial deals? Have we, instead of engaging in statesmanship, just found ourselves engaged in salesmanship and perhaps selling some of the things which we hold most dear in the process?

My distinguished friend from Arkansas has shared many of these same concerns about our policy towards China. Senator HUTCHINSON has looked at this situation. He has grasped, I think, what is happening pretty well.

Senator HUTCHINSON, is there any indication that the administration's China policy is defending American security, economic, and human rights interest? Or has this been something that