

UNANIMOUS-CONSENT AGREE-
MENT—ADDITIONAL COSPONSOR

Mr. GRAMS. Mr. President, I ask unanimous consent that in its first printing, the following Senator be added as an original cosponsor to the Department of Energy Abolishment Act of 1997, a bill to eliminate the Department of Energy: Mr. HAGEL of Nebraska.

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

Mr. GRAMS. I thank the Chair.

(The remarks of Mr. GRAMS pertaining to the introduction of S. 238 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRAMS. Mr. President, I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

RELATIONSHIP WITH CHINA

Mr. BYRD. Mr. President, the emerging relationship between the United States and China is one of immense opportunity for both nations, and deserves the steady attention of the highest levels of both governments. Both nations need to make every effort to broaden the area of common ground in our dealings and understandings, and to engage in an open and honest dialogue on those issues, such as weapons proliferation and human rights matters, on which we have serious differences. There is a rising tide of commentary on our bilateral relationship, and it is not particularly easy to arrive at the kind of balanced approach which is both clear-eyed regarding present realities, and at the same time visionary on future prospects. One of the most thoughtful recent attempts to paint the salient highlights of this complicated picture was made last week by the recently retired Senator from the State of Georgia, Sam Nunn.

On the occasion of his selection as the 1997 recipient of the Paul Nitze Award for Distinguished Public Service, Mr. Nunn described the current state of consensus in the United States on U.S.-China policy as "very, very fragile." If that consensus were to break down, and the relationship with China were to turn sour, a historic opportunity of profound importance could be lost. Both sides need to work hard to avoid that possibility.

The consensus within the United States that Senator Nunn describes includes the healthy notion that our support for the modernization of China's legal and banking and judicial, civil service and other institutions will pay long-range dividends for our overall relationship, and for progress in China, but that modernization will not emerge magically. Sustained efforts at cooperation in both public- and private-sector activities must be ongoing.

In his remarks, Senator Nunn rightly flags the importance of the cir-

cumstances accompanying the turn-over of Hong Kong to China on July 1 of this year. How well China adheres to the commitment that she has made to the people of Hong Kong to preserve Hong Kong's distinct social, political and economic identity for the next 50 years will be vital. Senator Nunn states that China's "credibility is on the line," in that China has given its word, and extended a solemn promise. A very disquieting note has just been raised by the annual report by the State Department on human rights performance around the world according to the New York Times. The report says, "Hong Kong's civil liberties and political institutions were threatened by restrictive measures taken by the Chinese government in anticipation of Hong Kong's reversion to Chinese sovereignty" in July. If China does not honor its obligations to Hong Kong, her relationship with the world, as Senator Nunn points out, will be "dealt a severe blow." Keeping her word will be a key indicator of China's general willingness to adhere to the terms of other international obligations that the United States might support, such as membership in the World Trade Organization. Hong Kong will, in July, become an integral part of China and it will take some dexterity and work on the part of the Chinese government to fulfill its promise to honor Hong Kong's unique institutions. In this, as in many other aspects of our growing relationship, patience, calmness, understanding and open dialogue will be important keys to success. The United States would be mistaken to judge too quickly or to criticize too easily. We should be cognizant that the more our interrelationships develop across the board, the more likely it will be that the warm breezes of open democracy will have its effects on Chinese society.

It will take a special effort on both sides to continue to propel our relationship along constructive channels, and to do so will require sustained effort, frequent interchanges and constant communication.

I commend Senator Nunn for his contribution to this dialogue on our China policy and recommend a reading of his address to my colleagues. I hope that his remarks will receive wide distribution.

I ask unanimous consent, Mr. President, that the remarks of Senator Nunn to which I have just alluded be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES-CHINA POLICY—SEEKING A
BALANCE

(By Sam Nunn)

It is a great honor for me to accept this award which bears the name of one of our Nation's greatest statesmen—Paul Nitze has dedicated his life to advancing our national interests—as a Governmental official—as a

private citizen—in war and in peace. Paul is a public servant without peer—from NSC-68 and the wise men—to the Marshall plan and NATO—Paul has led with vision. From the Committee on present Danger and Nuclear Weapons Strategy—to charting a course in the post cold war era—Paul Nitze has had the courage of his vision and has demonstrated that one man can truly make a difference.

Paul—by your example—you have defined the true meaning of statesmanship. As an admirer—a student—and a friend—it is a great honor for me to accept the Paul Nitze Award.

I am grateful to Bob Murray and CNA's board of trustees for this special honor and for CNA's contributions to our Nation's security.

These are just a few examples of the great return the taxpayers get by investing in CNA. Bob, to you and your team—keep up the good work!

There is only one catch to this wonderful evening with Paul Nitze—the awardee must deliver a lecture on a matter important to our national security—so any hope that you may have that I will say a quick thank you and sit down—is dashed on the rocks of this obligation.

If Paul were presenting a paper this evening, he would cover NATO expansion, peace prospects in the Middle East, the effect of Islamic fundamentalism on U.S. interests, the quest for eliminating nuclear weapons from the globe—as well as the emergence of China—all in clear, succinct and persuasive form. Being a mere mortal, I will confine myself to only the last subject—the emergence of China. I believe that this is an important subject on the eve of the 25th anniversary of President Nixon's historic 1972 visit to China and at a time when many Americans are questioning the policy we have pursued under both Democratic and Republican Presidents since that time.

There are many think tanks in Washington—but CNA is unique—the only one whose scientists regularly deploy in war and in peace with our operational forces.

Those of us in the Congress dealing with national security are keenly aware of your reputation for excellence and objectivity—but most of all—we are aware of your effect on policy.

In the gulf war, one of our missiles misfired and killed our own people—CNA figured out why and prevented it from happening again.

The Defense Department has to become more efficient if we are to have the funding to modernize—CNA identified billions in infrastructure savings which have been adopted by the Navy.

One of our most effective weapons is the Tomahawk Missile—CNA's recommendations have significantly improved its performance.

The growing importance of China in world affairs demands a purposeful, coherent and consistent American policy. History is littered with the uninformed and ineffective responses of an established power towards a rising power, and vice versa.

Established powers must provide consistent and credible signals about their expectations and set forth reasonable terms on which they are willing to incorporate the rising power into the international system.

We are now watching the rise of China against the backdrop of Asia's rapid industrialization. China is a nuclear power with the world's largest army and a permanent member of the United Nations Security Council. China also is a nation with 1.2 billion people, an economy growing at nearly 10 percent a year over the last decade—and as we too often forget—a distinctive civilization of great antiquity.

China is in the midst of four major transitions:

From a planned economy to a state guided market economy.

From rule by the long march revolutionaries to rule by bureaucrats, technocrats, and military professionals.

From an agricultural society to an industrial society.

From a largely self-sufficient, isolated economy to one that is increasingly dependent upon the international economy.

China's transition is likely to be protracted. Uncertainty is a permanent quality of modern China. Even if China embarks upon a process of democratization, the development will be a lengthy one. History shows it takes a long time to create a legal system—guarantees for private property—a parliamentary system—a free press—and the political culture that can sustain a pluralistic and tolerant civil society.

We must engage China and its current leaders now rather than remain aloof from this vast, complex, and proud civilization until it becomes to our liking.

This can only be done if the leaders and peoples of both our countries are convinced that their national interests will be well served through greater U.S.-China cooperation. Let's consider a few examples:

FIRST: ARMS CONTROL AND NON-PROLIFERATION

Preventing the proliferation of weapons of mass destruction—and their means of delivery—and reducing stockpiles of these weapons are American interests of the highest priority.

As a nuclear power and a permanent member of the Security Council, China can either assist or torpedo efforts to stop the proliferation of weapons of mass destruction—its role is critical—China's attitude toward various arms control measures has certainly improved in the past decade—its recent commitment to cease nuclear testing and to support the comprehensive test ban treaty is an encouraging development. China seems to recognize its interest in reducing the dangers of nuclear proliferation globally and especially in East Asia.

But China also has been indifferent to the destabilizing consequences of its transfer of advanced technology and sale of materials related to strategic weapons in South Asia and the Middle East. Aspects of its military and technology relations with Pakistan and Iran are deeply troubling to the United States.

In our dialogue with the Chinese at high levels we should point out that as a growing importer of oil from the Middle East, China has an increasing stake in the tranquility of the Straits of Hormuz and the Persian Gulf—its pattern of arms sales does not seem to take this into account—we should also emphasize to Beijing that the U.S. Navy protects the waters through which oil tankers bring petroleum to China. China benefits from the stability our naval presence brings to the high seas.

SECOND: THE COLLAPSE OF THE SOVIET UNION

Both the United States and China must respond to the consequences of the collapse of the Soviet Union. With the Russian threat now greatly diminished, the security frameworks erected in the cold war era must take into account new realities. Plans are underway to extend NATO eastward (a move I remain very skeptical about—but that is the subject of another speech), and we are adjusting our treaties with Japan and Korea. These changes must be undertaken in ways that do not raise new and deep security concerns in Russia about its western flank or in China about its eastern flank, lest we inadvertently stimulate the two to begin a strategic relationship that neither prefers and which threatens stability.

Russia's new situation also has offered China opportunities to improve its relations with Moscow. This is a welcome development. Previous Soviet-Chinese rivalry and military confrontation brought tension to the entire region. Improved Sino-Russian relations help promote regional stability. But economic considerations on the Russian side and opportunism on the Chinese side could prompt an undisciplined flood of weapons and military technology to China, provoking an effort by the Asian Nations to balance China's growing strength, resulting in a destabilizing arms race.

In Central Asia, Mongolia, and the Russian Far East, China faces some serious questions:

Will the new Central Asian Nations stimulate separatist impulses among China's Islamic peoples?

Where is the Russian Far East headed, in light of Moscow's ebbing economic and political grasp over the region?

Will the migration of Chinese to Siberia continue and become a new source of tension between Russia and China?

How will the resources of the Russian Far East be developed in the next century?

We should discuss these broad strategic issues with Beijing. How to ease Russia's political and economic transformation; how to create a framework of stability for the states of the former Soviet Empire; and how to continue the current favorable alignment among the major powers of Asia. For the first time in a century, China, Russia, Japan, and the United States have good relations with one another, constant dialogue among China, Russia, Japan, and the United States is required to consolidate this relationship.

THIRD: REGIONAL SECURITY INTERESTS

In addition to its global strategic interests, the United States has enduring regional security concerns.

No region is more important to the United States than the Asia-Pacific Region, where America has fought three costly wars in this century and where rapidly growing economies offer the United States our greatest expanding markets. Needless to say, China also has a keen interest in maintaining stability in this region—our overlapping interests have enabled China and the United States to cooperate in sustaining peace in Korea and ending nearly 40 years of war on the Indochina Peninsula.

Our treaties with Japan and South Korea and the specific arrangements developed under them—the status or forces agreements, the basing arrangements and force structures—took shape in the cold-war era. Much has happened in the subsequent years. Japan and South Korea have emerged as prosperous, full democracies. Through consultations, the United States and China must forge an understanding that adjustments to these treaties are not aimed at China but are intended to ensure that the alliances remain a cornerstone of regional stability.

FOURTH: INTERNATIONAL ECONOMIC INTERESTS

The United States has a major interest in maintaining steady international economic growth, uninterrupted by financial crises or disruptions in the international monetary system. We seek access to the markets of other countries and we believe that the growth of imports into the United States should occur in an orderly fashion. We seek a level playing field—too frequently, foreign countries exploit their open access to American markets while limiting access to their markets or discriminating against American firms.

Sanctions should be employed with great care, but any American Government that ignores the American peoples' strong desire for

a fair playing field in world trade will have great difficulty conducting a sensible trade policy or foreign policy.

With one of the world's largest economies, its rapid increase in foreign trade, its substantial foreign currency reserves (nearly \$100 billion), and its external indebtedness (over \$100 billion), China's economic performance clearly affects American interests. China has created a better institutional and legal environment to welcome foreign direct investment than most other countries in East Asia. It has taken measures to facilitate repatriation of profits. Its sovereign offerings are deemed credit worthy by international rating agencies.

Yet even though roughly 40 percent of China's exports are ultimately consumed in the United States, its Government appears reluctant to address its growing trade deficit with the United States through increased purchases from American vendors. While decrying American linkage of trade and politics, China is practicing its own form of linkage. Too often China has discriminated against American vendors on political grounds, even though China enjoys easier access to the American market than to markets of other developed countries.

Further—China's laws governing commerce remain underdeveloped, and corruption is a growing problem. Many non-tariff barriers still exist that restrict access to the China market.

As Bob Zoellick recently observed, we are likely to be more successful in pursuing our trade grievances if we seek an international coalition to promote and enforce international standards and if we stress China's self-interest in adhering to the rules.

FIFTH: PROBLEMS OF INTERDEPENDENCE

The United States has a major interest in reducing a wide range of problems that transcend national boundaries: Environmental degradation; international terrorism; illegal population migration; narcotics trafficking; the spread of communicable diseases; pressure on world food supplies; and rapid population growth. These problems threaten the survival of vast portions of the world's peoples and introduce global instability.

Chinese-American cooperation cannot assure success in addressing these most fundamental problems that threaten all humankind. But Chinese-American animosity would surely make it more difficult to cope with these issues. Acting together, the United States and China can accomplish much, in confrontation, both of us will suffer.

SIXTH: DEMOCRACY AND HUMAN RIGHTS

The United States must give expression to the values on which the Nation was founded and that draw Americans together as one people. These beliefs have universal appeal. They are a source of American strength.

Yet the authoritarian leaders of China believe that many political values that Americans espouse do not apply to China, their obstinate resistance to democratization and human rights is driven by complex reasons. I believe that China's leaders jeopardize their nation's economic progress and domestic stability by not moving more rapidly toward the rule of law and expanding the opportunities of their populace to participate meaningfully in their own governance. China cannot expect United States and world acquiescence or silence in response to flagrant abuses of human rights. This is particularly true in terms of China's treatment of the citizens of Hong Kong.

In assessing China's behavior, however, I believe that we must broaden our own definition of human rights. Professor Harry Harding has recently written that:

"While the individual political and civil freedoms enshrined in the American Constitution are indispensable to human rights

as we know them, human rights also encompass such social and economic rights as the rights to subsistence, to development, to employment, to education, and the special rights of women and children and the elderly. Political and civil freedoms are not the only things that people value in their political lives. Other political goals, including stability, effective governance, and absence of corruption, are also worthy of pursuit."

As we shape our strategy, we need to keep these words of wisdom in mind. If we do, our justifiable criticisms of abuses are likely to have more credibility and more effect not only in China but also with our friends throughout Asia.

This review of America's foreign policy interests reveals that a thick web of partly convergent and partly divergent interests now binds the United States and China. In recognition of this reality, I believe that a new fragile consensus on China policy is slowly emerging in Washington and among the American people.

This fragile consensus rejects the extremes of rigid hostility or unconditional friendship with China. It seeks cooperation with China while realistically accepting disagreement where our values and interests diverge. If strengthened, this consensus has the potential to embrace several fundamental concepts.

First, Sino-American relations merit high level sustained attention of the United States Government. Management of this relationship cannot be relegated in chaotic fashion to the lower levels of each department in the executive branch, but must be coordinated at the highest levels of Government, including the Congress. The exchange of Presidential visits is a strong step in the right direction.

Second, the United States has an interest in a prosperous, stable and unified mainland that is effectively and humanely governed, not a weak, divided or isolated China which would surely threatened the region's peace and prosperity.

Third, the United States should seek to work constructively with China to facilitate its entry into the international regimes that regulate and order world affairs. China will be more likely to adhere to international norms that it has helped to shape. But China's entry must not be permitted on terms that jeopardize the purpose of those regimes.

Fourth, the United States should continue to adhere to our one China policy based on the Shanghai Communiqué, the normalization agreement, and the 1982 joint communiqué. We do not seek to detach Taiwan from the mainland permanently, but neither can we accept Taiwan's forcible reunification with the Mainland. Taiwan deserves a status in world affairs commensurate with its economic and political attainment. But realistically, Taiwan can best secure a greater international voice and stature through cooperation with Beijing and not through provocation.

Fifth, to attain all these objectives, the United States must retain a robust military presence in the Western Pacific. Until multilateral security arrangements are firmly in place and well rooted in East Asia—there will be no substitute for the Japanese-American and Korean-American security treaties—which are not directed against China.

Sixth, the United States—especially the private sector—should cooperate with China in its efforts to develop institutions necessary for its continued modernization: A legal system and the rule of law; a strengthened judiciary; an effective banking and revenue system; a civil service system; representative assemblies; and effective civilian control over the public security and military forces.

Finally, because of the attention that will be focused on the turnover of Hong Kong to China on July 1 of this year, Hong Kong will provide the prism through which Americans will view China. This 1997 view may affect the American people's perception of China for years to come, and may turn out to be the bellwether for the international community in judging Beijing's intent and approach to the world.

Will China carry out its solemn commitment to Britain and the people of Hong Kong to allow Hong Kong its own distinct social, political and economic identity for the next 50 years? If so, this example will lead to a positive view of China throughout the world, including the people of Taiwan. If not, China's relationship to the world will be dealt a severe blow and its relations with the people of Taiwan will be set back 50 years.

It is far from clear that the leaders of China are prepared to meet this responsibility by allowing Hong Kong to retain the qualities that are key to its success—such as a professional civil service, the rule of law, an independent judiciary, and freedom to receive and disseminate information.

Considering the large stakes, I believe that our own country must strive for balance in our assessment and our actions.

We should remember that Hong Kong was seized by force from a weak China and that the British subsequently ruled it as a British colony—not a democracy. Hong Kong and Macau are the last Western colonies in Asia, and represent the end of an era.

China should be told clearly and firmly that their credibility is on the line and that their behavior toward Hong Kong will have a major effect on their standing in the international community—in short, they must keep their world—our measuring stick of Chinese behavior should be based on their own solemn commitments—not on our dream of a Jeffersonian transformation.

It is essential that we not rush to a final verdict based on the first thing that goes wrong. This will be a long uneven process with many rough spots and mistakes. The transfer of power is a British and Chinese agreement, and the United States should not get drawn into a self-appointed role as the arbiter of the details.

The United States should not become the sole critic when China deviates from its commitment to Hong Kong. This will turn Hong Kong into a U.S.-China confrontation and will not be effective with a Chinese leadership that fears the perception in their own country that they are yielding to American pressure. While we have a huge stake in a prosperous Hong Kong and a China which keeps its commitments—so do our allies in Europe and Asia. We, of course, must lead—but we must lead the international community.

In the final analysis, after July 1, Hong Kong will again be part of China and its long term future will be determined by events in China itself. As the eyes of America and the world focus on the important trees of Hong Kong, we must not lose sight of the forest itself—China.

In our country the emerging consensus of U.S.-China policy is very, very fragile. The Presidential visits, the recent stabilization of Chinese-American relations and the prospects for improvement in the months ahead are particularly vulnerable to disruption by possible Chinese actions.

Many observers caution that for deeper reasons, the new consensus cannot be sustained, citing the historical "love-hate" relationship between these two great countries.

Some analysts claim that two civilizations as different as that of China and the United States simply cannot sustain constructive relations.

Other analysts assert that political and ideological differences preclude a close, cooperative relationship between Washington and Beijing.

Yet others claim that accommodations between the United States and China will necessarily prove to be temporary because of our differences in wealth and power and because the United States is a defender of an international system that we helped to create and that advances our interests.

Let us acknowledge and accept the dangers these observers offer. They remind us of the enormous challenges in fostering cooperative Sino-American relations. They caution us neither to harbor illusion nor to allow expectations to soar. But in the final analysis, what should we do with their warnings? Should our policy become fatalistic, devoid of hope that the United States and China can be partners in the building of a more stable and secure world? Should the United States look upon China as an enemy and therefore seek to weaken or divide it, thereby creating a reality we seek to avoid?

I believe the clear answer is no. To move in this direction would become a self-fulfilling prophecy. Forewarned of the difficulties, the leaders of China and the United States must persist in forging cooperative bonds between our two nations.

One conclusion is clear—in no small measure, the future well-being of the American and Chinese people depends on the ability of our two nations to cooperate. I remain hopeful that enlightened self-interest will prevail, as it has in the 25 years since President Nixon and Chairman Mao shook hands.

Thank you, ladies and gentlemen. Thank you, CNA. And thank you and God bless you. Paul Nitze.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I thank the Chair.

(The remarks of Mr. BUMPERS pertaining to the introduction of S. 237 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BUMPERS. Mr. President, I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

THE CASE FOR ENERGY CONSERVATION

Mr. SPECTER. Mr. President, I have sought recognition to address an ongoing threat to our Nation's security and prosperity, a threat with dual roots. In the precarious Middle East and right here at home there is reason for concern about our Nation's increased reliance on potentially unstable foreign sources of oil. I believe it is critical during the 105th Congress that we focus on efforts to increase energy conservation, particularly in the context of reauthorization of the Federal highway and transit programs.

We must think back to the days of the gulf war and further back to the oil crises of the 1970's to better understand the entire picture. American consumers too often forget the interdependence of world events, particularly when it comes to our use of imported foreign oil. There are currently legitimate reasons to question whether instability in