

Tariff concessions will be available, but there will be no way to enforce these. No enforcement mechanisms will be available, and the U.S. will not be able to use WTO dispute settlement provisions. The WTO dispute settlement is a critical weapon to ensure U.S. trading rights. The ability to enforce the tariff rate quotas will be undermined. The U.S. could not challenge Chinese export or domestic subsidies that hurt U.S. exports in third countries. We could not enforce the benefits of the sanitary and phytosanitary agreement that was negotiated with the Chinese and is so important to U.S. citrus, wheat, and meat products.

Additionally, the special safeguards provision to protect against import surges negotiated by the U.S. would not be available.

Unless Congress grants China PNTR, there will be no way to ensure that tariff and access concessions will be available to U.S. agricultural exporters. WTO dispute settlement provision will not be available to the U.S. Those who are concerned about making sure China keeps its part of the bargain should support PNTR. Without WTO dispute settlement provisions, any ability to ensure Chinese compliance is severely weakened. According to a May 11, 2000 article in the Washington Post many of China's dissidents back China's accession into the WTO. This is what they are saying:

Bao Tong, one of China's most prominent dissidents, says that Congress should pass China PNTR. Mr. Bao believes that China should be included in as many international regimes as possible so that it must adhere to these international standards. Referring to congressional passage of PNTR, Mr. Bao says, "It is obvious this is a good thing for China." He goes on to say . . . "I appreciate the efforts of friends and colleagues to help our human rights situation, but it doesn't make sense to use trade as a lever. It just doesn't work."

Dai Qing, perhaps China's most prominent environmentalist and independent political thinker, says "All of the fights—for a better environment, labor rights and human rights—these fights we will fight in China tomorrow. But first we must break the monopoly of the state. To do that, we need a freer market and the competition mandated by the WTO." According to Ms. Dai, "One of the main economic and political problems in China today is our monopoly system, a monopoly on power and business monopolies. Both elements are mutually reinforcing. The WTO rules would naturally encourage competition and that's bad for both monopolies."

Zhou Litai, one of China's most prominent labor lawyers and represents dozens of maimed workers in Shenzhen, says, "American consumers are a main catalyst for better worker rights in China. They are the ones who pressure Nike and Reebok to improve working conditions at Hong Kong and Taiwan-run factories here. If Nike and Reebok go—and they could very well (if the trade status) is rejected—this pressure evaporates. This is obvious."

Mr. Speaker, there will be irreparable damage done to American agriculture if Congress does not pass PNTR.

THINK ONCE, THINK TWICE ABOUT U.S. TRADE RELATIONS WITH CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, I would say to our colleagues this evening, think once, think twice about U.S. trade with China, particularly in agriculture.

Recently I read a fascinating report prepared by Dr. Charles McMillian, former editor of the Harvard Business Review. He is a man who understands numbers. And he says, think once, think twice. China has produced an annual glut of agricultural commodities for over a generation. In fact, the United States has registered a consistent and growing deficit in agriculture with China in two-thirds of all agricultural groupings.

It is true with pork. We produced a lot of that in my corner of Ohio. It is true with corn. It is true with citrus, with vegetables, with fish. Just go down the categories.

China, in fact, in the last decade, had an average annual surplus, that means they are sending more out than taking goods in, in global agricultural trade of \$4 billion annually. Just last year, in 1999, the rate of that is increasing to where just in 1999 they had a \$4 billion surplus of global agricultural trade over what they imported. So their advantage, essentially, is increasing.

They are rapidly expanding the quantity, the quality, and the composition of products that are being exported to our country, everything from ketchup to rice and, for the first time, in 1999, cotton.

Now, China recorded an overall advantage with the United States in 1985, 1986, 1992, 1993, and 1999 in agriculture. In fact, we have maintained a chronic agricultural trade deficit with them in 17 of 26 agricultural commodity groups, everything from seafood, to tobacco, sugar, cocoa, vegetables, fruits, nut, and various animal parts.

What is even more troubling is that our exports to them have fallen every year since 1995 as China has strengthened our ability to export to them in spite of our bilateral agreements and tariff reductions has decreased.

In fact, our agricultural exports to China in 1999 were a third less than a decade before, while U.S. imports of their agricultural commodities had literally doubled, gone up by nearly 100 percent.

Now, if we think about this, China's agricultural production growth continues to outpace their own growth in domestic demand. Our own embassy in China, our agriculture attache in Beijing, points out that China is struggling to solve its fundamental problems of chronic overproduction.

But it does have an inefficient distribution system. And with capital investment that might occur there as a result of going into WTO, they are

going to be able to move that product more quickly around the world.

Particularly key in all of this are China's partnerships with powerful global firms such as Cargill, Archer Daniels Midland, and ConAgra. And of course, those companies export. In fact, Cargill, for example, has been in China since 1973. Cargill really does not care if it sells and markets Chinese corn or U.S. corn.

So the point is there are some agricultural interests globally that will win, but it will not be U.S. farmers because that Chinese corn and pork and tobacco and seafood, and go down all the categories, are going to depress prices even more here at home.

So I would say to people in rural America, think once, think twice about all of this.

It is not clear that, in this recent agreement that the administration signed with China, that any new grain commitments to purchase were actually made. There were some promises that maybe there would be some tariff reduction. But if we look at the tariff reduction that occurred during the decade of the 1990s, it did not result in any more sales.

It is highly unlikely that China will eliminate its non-tariff barriers to agriculture trade. It would put too great a risk on its own sector advancing. Because China, since 1949, has had an agricultural policy that said, we will be food self-sufficient. Starvation propelled them into the most recent half century, and they fully well understand what it means not to be self-sufficient in food production at home.

I think that, as much as we talk about tariffs here and about non-tariff barriers, it is also important to point out that when China gets in trouble internationally, it does something very simple, it devalues its currency, as it did in 1994.

So think once, think twice. China is going to put more downward pressure on U.S. food prices if permanent normal trade relations are approved with China.

I urge my colleagues to vote "no" on that measure.

#### PERMANENT NORMAL TRADE RELATIONS WITH CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. SIMPSON) is recognized for 5 minutes.

Mr. SIMPSON. Mr. Speaker, I rise today in support of the permanent normal trade relations with China.

Some people view PNTR as a gift that the United States would give to China. PNTR with China is, in fact, in the United States' best economic interest.

China is a huge potential market for the United States, as has been mentioned, 1.2 billion people, or 20 percent of the world's population. Our potential to export to them is enormous.

Idaho's share of those exports is significant to a small State with a million

people in it. In 1998 alone, Idaho exported nearly \$25 million worth of merchandise to China. And in the agricultural sector, we exported \$833 million to China.

Future gains are almost certain under the terms of the bilateral agreement and China's WTO accession. Upon accession to the WTO, China's average tariff rate of 22 percent will drop to 17 percent for most products. In the agricultural sector, the reduction is even more significant. The average 31 percent tariff will be reduced to 14 percent for agricultural products on average.

In fact, Goldman Sachs estimates that passage of PNTR will increase U.S. exports to China by \$12.7 billion to \$13.9 billion by the year 2005.

□ 2030

Although there have been some statements to the contrary that the U.S. can reap all of the benefits of this bilateral agreement when China accedes to the WTO, the fact is that cannot happen unless PNTR is granted to China. That is because one of the cornerstones of the WTO is the concept of unconditional most favored nation or normal trade relations between WTO members.

In the agricultural area, PNTR wheat producers believe that they will see an increase of 10 percent sales to China with PNTR. In fact, the increase of sales of beef will increase even more, I believe, as the current tariff rates are reduced from their current level of 45 percent to 12 percent by the year 2004. China will also eliminate its export subsidies upon WTO accession.

The U.S., and this is important to remember, Mr. Speaker, the U.S. is not required to change any of its market access commitments to achieve all of these benefits. In the high tech sector in Idaho, which is a growing industry in Idaho, the current duties on information technology products such as computers, electronics, fiber optics, cable and other telecommunication equipment currently average 13 percent but will be eliminated by January 1, 2005. In addition, trading and distribution rights for IT products will be phased in over 3 years. This means that companies in my congressional district, such as Micron and Hewlett-Packard, will be able to build upon their current exports to China which currently average around 6 percent. Mr. Speaker, this is a very important vote for Congress. I understand and agree with the concerns of my colleagues with regards to human rights in China. But I believe that we will change China more by being engaged with China rather than standing back and throwing stones. In fact, it was interesting. Today I had several students from Taiwan in my office. One would think that Taiwan would be opposed to accession of China into the WTO because of the aggressive nature that China has expressed toward Taiwan but these students told me, and I have confirmed with the President elect of Tai-

wan that they support accession of China into the WTO because they believe that active engagement with China will make China more like Taiwan and will free Taiwan and make them more economically free.

Mr. Speaker, this potentially is the most important vote that we will cast in this Congress. I urge my colleagues to support PNTR for China.

#### TRIBUTE TO THE LATE JOSEPH L. MOORE, DIRECTOR OF CHICAGO VA HEALTH CARE SYSTEM

The SPEAKER pro tempore (Mr. SHERWOOD). Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise to pay tribute to a man who could be called the personification of a smooth, effective and loyal bureaucrat but also a dedicated protector and promoter of health care for veterans. Joseph L. Moore began his career with the Veterans Affairs Department as a clerk typist but ended it as director of the Lakeside and Westside Veterans' Administration Hospitals in Chicago, Illinois.

Born in Ripley, Tennessee and raised in St. Louis, Missouri, Mr. Moore worked with the Department of Veterans Affairs for more than 40 years. He came to Chicago in 1979 to take over as director of the VA Lakeside Medical Center. He became director of the Chicago VA Health Care System in 1996 when Lakeside administration merged with the Westside VA Medical Center. He was instrumental in facilitating the merger. That will stand as one of his final achievements in the Veterans' Administration. This merger is reported to have saved millions of dollars for U.S. taxpayers.

When Mr. Moore came to Lakeside, the hospital was in need of strong leadership, which he provided. He redid Lakeside and turned it around so that the veterans and their families could be well received and well treated. Just before his death, Mr. Moore was scheduled to receive an award from the Chicago Federal executive board for distinguished services. He served two terms as chairman of the Chicago Federal executive board.

Over 40 years, Joseph Moore championed quality health care services for all veterans. His commitment to the veteran community was without reservation. His integrity and intellect gained him the respect of medical professionals throughout the world. In every endeavor, he demonstrated exceptional leadership, professionalism and dedication to the public and to Federal employees.

Mr. Moore received the Distinguished Executive Presidential Rank award, the highest award given to a civilian employee of the Federal Government, from President Ronald Reagan. He was also the first nonphysician to receive the Distinguished Service award from Northwestern University's Department of Medicine.

He dedicated his life to providing good health care for veterans. As director of Lakeside Medical Center, Mr. Moore was a member of the board of directors for Northwestern University's McGaw Medical Center.

He leaves a legacy of dedication and service to veterans. I am pleased to have known and to have worked with him as he went about the business of protecting and promoting the highest level and quality of health care for men and women who had dedicated and given their lives in the service of this country.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. WALDEN) is recognized for 5 minutes.

(Mr. WALDEN of Oregon addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### PNTR FOR CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. ETHERIDGE) is recognized for 5 minutes.

Mr. ETHERIDGE. Mr. Speaker, the vote on permanent trade status for China is vital to our technology and small business interests in North Carolina, but it is particularly important to North Carolina agriculture, so I am glad this evening to come and join a number of other colleagues and talk about this issue. In 1998, North Carolina ranked 11th among the 50 States in the value of agricultural exports totaling \$1.5 billion. These exports supported about 22,800 jobs both on and off the farm in our State.

Our State's largest agricultural export, of course, in North Carolina is tobacco. In 1998, North Carolina exported \$573 million worth of tobacco leaf. It has been estimated that if flue-cured tobacco farmers could capture just 1 percent of the Chinese market, that is 1 percent, and 1 percent of the manufacturing in China was comprised of American flue-cured tobacco, the stocks in Stabilization would cease to exist and quotas would rise for our farmers.

The North Carolina Rural Prosperity Task Force that was chaired by Erskine Bowles estimated that if China would give our farmers fair access to their markets, North Carolina exports of flue-cured tobacco would increase by as much as 10 percent right away. After suffering a 50 percent loss in income due to quota cuts during the past several years, such an increase would be welcome news to many struggling farmers and their families and to tobacco industry workers in our State and other States.

Today China's tariff that is imposed on tobacco is currently 40 percent. Once China joins the WTO, it would drop to only 10 percent by 2004. The tariff on tobacco products will fall