

could retaliate, he stood up and neutralized a second machine gun nest. Although wounded by a sniper's bullet, he continued to engage other hostile positions at close range until an exploding grenade shattered his right arm. Despite the intense pain, he refused evacuation and continued to direct his platoon until enemy resistance was broken and his men were again deployed in defensive positions. In the attack, 25 enemy soldiers were killed and eight others captured. By his gallant, aggressive tactics and by his indomitable leadership, Second Lieutenant Inouye enabled his platoon to advance through formidable resistance, and was instrumental in the capture of the ridge. Second Lieutenant Inouye's extraordinary heroism and devotion to duty are in keeping with the highest traditions of military service and reflect great credit on him, his unit, and the United States Army.

Mr. STEVENS. Mr. President, we are all honored to serve with this Senator. I hope every Member of the Senate will attend the reception for him.

Mr. WELLSTONE. Mr. President, all of us thank Senator STEVENS and Senator BYRD for having a gathering this afternoon for Senator INOUE.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I ask unanimous consent to be given 10 minutes in morning business.

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

#### PERMANENT NORMAL TRADE RELATIONS WITH CHINA AND THE CHINA NONPROLIFERATION ACT

Mr. THOMPSON. Mr. President, we will shortly be taking up the matter of permanent normal trade relations with China.

Mr. President, normally, I do not think matters of trade should be encumbered by other non-trade considerations; however, in the case of China, the situation is different. Not only are we considering trade with someone other than an ally, someone other than a nation that shares our values and outlooks on life, but we are beginning a new relationship with a nation that is actively involved in activities that go against the national security of this nation, and go against the security of the entire world. China still is one of the world's leading proliferators of weapons of mass destruction. We are right now engaged in a debate in this country over a national missile defense because of the activities of certain rogue nations and the weapons of mass destruction that they are rapidly developing. They're developing those weapons, Mr. President, in large part because of the assistance they're getting from the Chinese.

The Rumsfeld Commission reported in July of 1998 that "China poses a threat as a significant proliferator of ballistic missiles, weapons of mass destruction, and enabling technology. It has carried out extensive transfers to Iran's solid fuel ballistic missile programs, and has supplied Pakistan with the design for nuclear weapons and additional nuclear weapons assistance. It

has even transferred complete ballistic missile systems to Saudi Arabia and Pakistan. China's behavior thus far makes it appear unlikely it will soon effectively reduce its country's sizable transfers of critical technology, experts, or expertise, to the emerging missile powers.

Mr. President, I speak today not to get into the middle of the PNTR debate, because that is yet to come, but because something has come to my attention that I think deserves comment.

Under issue cover dated June 22—today—the Far Eastern Economic Review reports this:

Robert Einhorn, the U.S. Assistant Secretary of State for Nonproliferation, left Hong Kong on June 11 with a small delegation bound for Beijing. Neither the American or Chinese side reported this trip. Einhorn is on a delicate mission to get a commitment from Beijing not to export missile technology and components to Iran and Pakistan. China has agreed in principle to resume nonproliferation discussions with the U.S. in July. But Einhorn's trip has an added urgency because recent U.S. intelligence reports suggest that China may have begun building a missile plant in Pakistan. If true, it would be the second Chinese-built plant there. A senior U.S. official declined comment on the report, but said that Washington is concerned that China has resumed work on an M-11 missile plant it started building in Pakistan in 1990. Work stopped in 1996 when Pakistan, facing U.S. sanctions, pledged itself to good behavior.

Mr. President, if this report is true, I must say it's totally consistent with everything else the Chinese have been doing over the past several years. In summary, they have materially assisted Pakistan's missile program; they have materially assisted North Korea's missile program; they have materially assisted Libya's missile program. They have now been responsible apparently for two missile plants in Pakistan. The India-Pakistan part of the world is a nuclear tinder box. They are going after one another with tests of missiles with the Indians saying they're responding to the Pakistanis' tests. The Pakistanis in turn are developing capabilities almost solely dependent on the Chinese. All of this activity by China is in clear violation of the Missile Technology Control Regime, which they have agreed to adhere to. In addition, they have assisted in the uranium and plutonium production in Pakistan. This is in violation of the Nuclear Non-Proliferation Treaty. They have been of major assistance to the Iranian missile program. They have supplied guidance systems to the Iranians. They have helped them test flight their Shahab-3 missile. They have now successfully conducted a test flight of that missile. They have supplied raw materials and equipment for North Korea's missile program. Plus, in addition, they have supplied cruise missiles to Iran, and they have supplied chemicals and equipment and a plant to Iran to help them produce chemical weapons.

Now, all of these have to do with reports, most have to do with intelligence reports, that we have received

in open session before Congressional committees year after year after year where the Chinese have promised that they would do better, promised that they would adhere to international regimes and norms of conduct, and they have consistently violated them. We cannot turn a blind eye to these factors as we consider PTNR.

What is to happen to a nation that will not protect itself against obvious threats to its national security? That's why, Mr. President, we have introduced a bill that will establish an annual review mechanism that assesses China's behavior with regard to the proliferation of weapons of mass destruction. And if it is determined that they continue this conduct, we will have responses. They will be WTO-compliant; for the most part they will not be trade-related. They address things like Chinese access to our capital markets. They now are raising billions of dollars in our capital markets, and there's no transparency. We do not know what the monies are going for. We know precious little about the companies except that they are basically controlled by the Chinese government. Many people feel like the money is going back to enhance their military and other activities such as that. There needs to be transparency. They need to be told that if they continue with this pattern of making the world less safe, creating a situation where we even need to have to worry about a national missile defense system, assisting these rogue nations with the capability of hitting us with nuclear and biological and chemical weapons, that there's going to be a response by this country. It will be measured; it will be calculated; it will be careful; it will be tiered-up in severity based upon the level of their activities. And this is what we're going to be considering in conjunction with the PTNR debate.

I thought it was important that I bring this latest information concerning the Chinese activities in building apparently another missile plant in Pakistan, which is a nuclear tinder box, even at the time—even at the time—that we have under consideration permanent normal trade relations with them. That shows no respect for us; it shows no respect for the international regimes which seek to control such things, and it is time we got their attention. I yield the floor.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Delaware.

Mr. BIDEN. Mr. President, are we still in morning business?

The PRESIDING OFFICER. We are.

Mr. BIDEN. I ask unanimous consent if I could proceed in morning business for 10 minutes. If the committee is prepared to begin their deliberation, I will withhold.

Mr. SPECTER. We are prepared to begin our deliberations, but if the Senator from Delaware wants some time, I will defer to him.

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

Mr. BIDEN. Before the Senator from Tennessee leaves, let me say that I think his rendition of Chinese behavior and proliferation is accurate. I remind all Members to keep that in mind when we vote on a national missile defense system.

Right now, I point out, as my friend on the Intelligence Committee knows, China has a total of 18 intercontinental ballistic missiles. If we go forward with the national missile defense system that we are contemplating, and if we must abrogate the ABM Treaty in order to do that, I am willing to bet any Member on this floor that China goes to somewhere between 200 and 500 ICBMs within 5 years.

It is bad that China still proliferates missile technology. It is even more awesome that they may decide they are no longer merely going to have a "city buster" deterrent, which is no threat to our military capability in terms of our hardened targets and silos. If we deploy a national missile defense, they may decide that they must become a truly major nuclear power.

I also point out that, notwithstanding that everything the Senator said is true, I do believe there is hope in engagement. There is no question that the reason North Korea is, at least at this moment—and no one knows where it will go from here—is withholding missile testing, at least at this moment adhering to the deal made with regard to not reprocessing spent nuclear fuel, at least has begun discussions with South Korea, is in no small part because of the intervention of China.

As the Senator from Tennessee and the rest of my colleagues know, foreign policy is a complicated thing. We may find ourselves having to balance competing interests. I am not defending China's action. As the Senator may know, I am the guy who, with Senator HELMS 5 years ago, attempted to sanction China for their sale of missile technology to Pakistan. However, I think that as this develops and we look at the other complicated issues we will have to vote on, we must keep in mind that, as bad as their behavior is, we sure don't want them fundamentally changing their nuclear arsenal. I don't want them MIRVing missiles. I don't want them deciding that they are to become a major nuclear power.

I respectfully suggest that before we make a decision on national missile defense, we should know what we are about to get, for what we are bargaining for. Maybe we can build a defensive system that could intercept somewhere between 5 and 8 out of 7 or 10 missiles fired from North Korea.

As they used to say in my day on bumper stickers, "One nuclear bomb can ruin your day."

I am not sure, when we balance all of the equities of the concerns about what is in the interest of those pages on the Senate floor and their children, that if deployment of a national missile de-

fense starts an arms race in Asia, it is actually in their interest in the long run.

I thank the Senator for his pointing out exactly what China is doing.

#### NATIONAL SECURITY

Mr. BIDEN. Mr. President, I thank the managers from Foreign Operations Subcommittee of the Appropriations Committee for accepting my amendment yesterday, which was a resolution arguing that we should restore the moneys that we cut from the NADR funding line in the State Department. The Foreign Operations Appropriation bill cut a lot of money out of a proposal and recommendation from the authorizing committee, the Senate Foreign Relations Committee.

We cut a significant amount of money out of some vital programs that we have to support nonproliferation, antiterrorism, and related programs. As a matter of fact, the 10 programs in this category are all on the front line of protecting our people from terrorism and weapons of mass destruction. Unfortunately, the funding in the Foreign Operations bill for 7 of those 10 programs was 37 percent below the levels requested by the President. And that is without counting another \$30 million that was cut because the Foreign Operations Subcommittee concluded that a new counterterrorism training center had to be funded in the Commerce-State-Justice appropriations bill instead.

The national security and the very things my friend from Tennessee is talking about require that we provide substantially more of those requested funds.

Let me describe the programs that are treated so badly. In the nonproliferation field, we have the Department of State's Export Control Assistance program, which helps foreign countries to combat the proliferation of weapons of mass destruction. Recently, Customs agents in Uzbekistan, for example, stopped the shipment of radioactive contraband to Kazakhstan, which was on its way to Iran with an official destination of Pakistan. Press stories suggest that the shipment was really intended for an Afghanistan terrorist group affiliated with Osama bin Laden, who would have used it to build a radiological weapon for use against Americans.

Those Customs agents were trained in the United States. The equipment they used to detect the radioactive material was provided by the United States. In that case, the funding came from the Cooperative Threat Reduction Program, which is in another appropriations bill. But the Export Control Assistance Program has provided the same sort of assistance when the Nunn-Lugar program could not be used, and it regularly helps other countries enact the laws and regulations they need in order to be effective in export control. The personal ties that are forged by

this program with export officials in other countries are equally critical in improving other countries' export controls and their willingness to work with us.

I cite that as one example. We are cutting by 37 percent on average the nonproliferation and anti-terrorism programs. We are cutting by 37 percent on average those programs that allow us to train customs agents and others in detecting the transfer of the very material my friend from the State of Tennessee is talking about being transferred. None of that is transferred in the open. China doesn't say, "By the way, we are about to send to Pakistan the following." They don't do that. It is all done surreptitiously. How we are cutting funds to deal with the transport of materials that cause the proliferation to rise as it has is beyond me. It is absolutely beyond my comprehension.

There are many other aspects of the program. Last year Congress increased funding for this program from \$10 million to \$14 million. Indeed, the report for the Foreign Operations Appropriation bill takes credit for the increase. This year the President asked for \$14 million to maintain the level we set up last year. But what happened? The appropriations bill cut it back down to \$10 million. I don't get this. Hello? What is going on here? The committee takes credit for raising this program's budget and then cuts it back down? If there is a logic here, I fail to see it.

The fact is that last year, when it came to this program, the appropriators were right. This year they should do again just what they did last year. But they did not. That is why my cosponsors and I offered our amendment, and I am grateful to the managers for their acceptance of that amendment; I hope the conferees will take it to heart.

We need more export control assistance to help other countries keep nuclear materials out of the hands of their dangerous neighbors. Earlier this month the National Commission on Terrorism warned that it:

... was particularly concerned about the persistent lack of adequate security and safeguards for the nuclear material in the former Soviet Union.

That is a cogent concern, one my friend from Tennessee and I and others have talked about on this floor. Export control assistance is one of the programs that helps keep those dangerous materials from crossing the former Soviet borders.

The Foreign Relations Committee is on record as favoring full funding of the request for this program. Indeed, it was suggested by Senator HELMS we add another \$5 million to our security assistance to support strategic cargo X-ray facilities that would be used in the free port of Malta. Malta is a crossroads for shipping in the Mediterranean area and sometimes it has been the doorway for contraband flowing to Libya. You might think appropriators