

Many of my friends in this body argue that China is making progress on human rights, and that expanded trade and western influence will help turn the tide. They tell me that in China things have improved dramatically in recent years.

I say, tell that to the tens of thousands of members of the Fulan Gong who have been hunted down and punished by Beijing over the past 2 years.

Tell that to the prisoners in China's Gulags who continue to suffer under conditions that, in our own State Department's words, are "harsh" and "degrading".

Tell that to the political dissents who are jailed out without charge only because they threaten the communist party's political dominance.

Tell that to the children who were murdered because of China's brutal one child per family policy.

Tell that to the people of Tibet.

Mr. President, all those who say that things are getting better in China and that PNTR will help improve conditions in China are wrong.

It's been 11 years since the Tiananmen Square Massacre, and the Chinese Government still carries out the same brutal, repressive tactics.

Things aren't getting any better in China. They're only getting worse.

The supporters of PNTR made the same argument year after year during the annual debates on most-favored-nation status for China. And year and year, Beijing showed no sign of changing its ways. None.

In one way, this is a hard vote for me, Mr. President. Many of my friends support expanded trade privileges for China, and they make an enthusiastic argument for expanding access to Chinese markets in order to help American businesses compete with their overseas competitors.

My gut reaction is to vote for free and expanded trade. In my mind, there isn't any doubt that the world is really drawing closer and closer together, and that it will be through trade that the United States can take advantage of its economic and technological advantages to maintain our dominant position in the world.

But in other, more important, ways this vote is easy for me—because the issues are so clear when it comes to China, and because China's behavior has made it so undeserving of improved trade ties with the United States.

Mr. President, I've tried to simplify this issue in my mind and I've boiled it down to a single question that I've asked of everyone I have talked to about China trade:

Why should we give the best trade privileges possible under our law to a communist nation that so clearly threatens us and our values?

We didn't grant most-favored-nation status to Russia during the cold war. But now we are on the verge of passing the most privileged trade status we can give to the communist nation that is bent not only on supplanting America

as the dominant economic power in the world, but is also actively supporting dangerous, rogue nations that threaten our citizens and our way of life.

It just doesn't make sense.

In conclusion, I urge a "no" vote on the China PNTR bill, and a "yes" vote on the Thompson bill. The Chinese have not earned the right to trade with us, and they have shown no inclination to change their ways.

Senator THOMPSON's proposal is at least a modest attempt to preserve our options and to keep closer tabs on Communist China in case things take a turn for the worse.

For years, the pro-China trade forces have argued that expanding trade with China is the carrot we can use to bring about democratic change in that country. The evidence has proven them wrong time and time again.

Years of continuing MFN, or NTR, or whatever you want to call it haven't changed things in China. When it comes to China, the old saying still holds true: the more things change, the more they stay the same.

Trade has not worked before as a carrot, and it certainly won't work in the future if we remove the stick of annual reviews and possible sanctions. That's why it's so crucial that we pass the China Non-Proliferation Act.

Mr. President, when President Reagan negotiated arms control with the Russians, he used an old Russian phrase to sum up his approach—trust but verify. That strategy worked.

But by granting PNTR we are trusting, but failing to verify. In fact, we are even giving up what little ability we even have to verify. The Chinese certainly haven't given us any reason to take them at their word.

We need to verify and the Thompson bill is our best hope of insuring that China will live up to its word. Otherwise, why should we blindly trust a country that has proven time and time again that it doesn't live or play by the rules.

I yield the floor.

#### EXTENSION OF VITIATION ORDER

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I ask unanimous consent that the vitiation order with respect to S. 1608 be extended until 2 p.m. today.

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

#### ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACTION, 2001

Mr. ROTH. Mr. President, with respect to the energy and water appropriations bill, I ask unanimous consent that two previously submitted amendments, Nos. 4053 and 4054, be agreed to and the motion to reconsider be laid upon the table.

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

The amendments (Nos. 4053 and 4054) were agreed to, as follows:

#### AMENDMENT NO. 4053

(Purpose: To revise planning requirements to make them consistent with sections 3264 and 3291 of the National Nuclear Security Administration Act)

On page 83, strike line 20 and all that follows down to the end of page 84, line 23 and insert the following:

"SEC. 309. (a) None of the funds for the National Nuclear Security Administration in this Act or any future Energy and Water Development Appropriations Act may be expended after December 31 of each year under a covered contract unless the funds are expended in accordance with a Laboratory Funding Plan for Nuclear Security that has been approved by the Administrator of the National Nuclear Security Administration as part of the overall Laboratory Funding Plan required by section 310(a) of Public Law 106-60. At the beginning of each fiscal year, the Administrator shall issue directions to laboratories under a covered contract for the programs, projects, and activities of the National Nuclear Security Administration to be conducted at such laboratories in that fiscal year. The Administrator and the laboratories under a covered contract shall devise a Laboratory Funding Plan for Nuclear Security that identifies the resources needed to carry out these programs, projects, and activities. Funds shall be released to the Laboratories only after the Secretary has approved the overall Laboratory Funding Plan containing the Laboratory Funding Plan for Nuclear Security. The Secretary shall consult with the Administrator on the overall Laboratory Funding Plans for Los Alamos National Laboratory, Lawrence Livermore National Laboratory, and Sandia National Laboratories prior to approving them. The Administrator may provide exceptions to requirements pertaining to a Laboratory Funding Plan for Nuclear Security as the Administrator considers appropriate.

"(b) For purposes of this section, 'covered contract' means a contract for the management and operation of the following laboratories: Argonne National Laboratory, Brookhaven National Laboratory, Idaho National Engineering and Environmental Laboratory, Lawrence Berkeley National Laboratory, Lawrence Livermore National Laboratory, Los Alamos National Laboratory, Oak Ridge National Laboratory, Pacific Northwest National Laboratory, and Sandia National Laboratories."

#### AMENDMENT NO. 4054

At the appropriate place in the bill, insert the following new section:

"SEC. . Within available funds under Title I, the Secretary of the Army, acting through the Chief of Engineers, shall provide up to \$7,000,000 to replace and upgrade the dam in Kake, Alaska which collapsed July, 2000 to provide drinking water and hydroelectricity."

#### TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT OF THE PEOPLE'S REPUBLIC OF CHINA—Continued

Mr. ROTH. Mr. President, I want to take a few minutes to discuss why permanent normal trade relations with China are of such critical importance to the United States.

One of the most remarkable strengths of the economy has been its ability to deliver a rising standard of

living and the creation of high-paying jobs. Trade plays a very critical role in achieving both goals. In that respect, normalizing our trade relations with China represents a positive step forward for American business, American farmers, American workers, and American consumers.

Just let me speak very briefly about security because we will discuss that in greater detail at a later time. Moving ahead with trading relations with China will help promote the rule of law and the acceptance of the way we do business in the international market. This will help strengthen the hands of those who are most interested in promoting the rule of law. Security-wise, if we reject PNTR, there is no question but what we play into the hands of the militants, the Communists, who want no change, the Communists who oppose promoting a market economy.

So I just want to say, as we discuss the economics of this agreement, that it is also critically important from the standpoint of strengthening those who want to bring China into the international community. What international trade does is let us focus on what we do best.

Our exports are an indicator of where we have a strong comparative advantage because we are more efficient in producing those goods than we are at producing others. Those industries where we are most efficient represent our economic future. Over the past 20 years, trade as a percentage of the U.S. gross domestic product has increased by more than 50 percent. Exports of goods and services this past year was close to \$1 trillion. It is no surprise that the export sectors of our economy have grown faster than the economy as a whole. Nor is it any surprise that export-based jobs pay on average of 15 percent more than the prevailing wage. According to recent reports by Standard & Poor's economic consulting arm, DRI, the benefits are 32.5 percent higher overall than with jobs in nonexport industries.

Those figures reflect the fact that an increase in our exports translate into new opportunities for workers and industries with a greater number of higher paying jobs.

Since 1992, the strong U.S. economy has created more than 11 million jobs, of which 1.5 million—or more than 10 percent—have been high-wage export-related jobs.

The significance of PNTR to that overall picture is obvious. According to estimates by Goldman, Sachs, normalizing our trade relations with China and opening China's market through the WTO will result in an increase in our exports of \$13 billion annually; thus China's accession to the WTO will enhance the economic prospects for U.S. export-led industries, and employment opportunities for U.S. workers in higher paying export-related jobs.

Exports, however, are only half of the trade picture and only half of the story of normalizing our trade relations with

China. We benefit from imports as well. Being able to trade for goods that we are relatively less efficient in producing means that investments in our own economy are channeled to more productive use. That enhances our ability to maintain higher than expected economic growth.

Imports also enhance the competitiveness of American firms regardless of whether they participate in international markets. The ability to buy at the lowest price and for the highest quality component allows American firms to deliver their goods and services to both U.S. markets and markets overseas at competitive prices.

International trade also has a broader microeconomic benefit of keeping inflation low. International competition yields more efficient producers who are under constant pressure to deliver goods and services at the lowest price possible. The United States benefits from increases in productivity that allow us to make more from less from the competition, and that yields lower prices for goods and services across the board.

To the extent that international competition helps keep inflation in check, it also allows the Fed to keep interest rates low. There is no doubt that keeping interest rates low not only helps consumers when buying a home or a car but deepens the pool of low-cost capital available to American firms to invest in productive enterprises.

Normalizing our trade relations with China is not a panacea, but it will have a positive impact on the economy by reducing the uncertainty and risk that our producers and farmers currently face in gaining accession to the Chinese markets and ensuring continued competition with its benefits for American companies and American consumers.

In other words, a vote in support of PNTR is a vote for a stronger economic future here in the United States.

I ask my distinguished colleague from New York, because I think it is important that the American people basically understand what this legislation does and does not do—I don't think people understand this legislation will not determine whether or not China will become a member of WTO. Isn't that correct?

Mr. MOYNIHAN. Mr. President, if I may, the chairman is absolutely correct. I believe it to be the case. You can't obviously say this with complete confidence, but China will become a member of the WTO with us or without us. They have completed their negotiations with the great majority of the 137 members of the WTO. They will be admitted. However, having been admitted, the privileges of the relationship the WTO establishes includes being subject to the rule of law. Panels say what the trade law means. What have you done? What are the facts? Here is the judgment handed down, which can be appealed. It is a rule of law process.

That is only available to countries that have met the WTO standard enunciated in Article 1, which says you must have given unconditional normal trade relations. If you have done that with another country, then you can non-apply the WTO to that country (and not gain any of the benefits the other country's concessions) or that country can take you into court—if you would like to put it that way—and you can answer the decisions and so forth.

This is everything you would hope for in a relationship where, up until now, we have had no recourse to binding dispute settlement. When faced with the unwillingness of the Chinese government from time to time to comply with trade agreements, we could do nothing, excepting to complain to them and say: We very much regret you did that. We don't want you to do it again. Once China joins the WTO and we extend PNTR, we will have a different answer: If you do it again, we will do this instead of saying you have broken a rule, as we judge it, and we will go to court.

Going to court is so much better than going to war or otherwise.

Mr. ROTH. Absolutely. One of the things that bothered me is that the United States, under three Presidents, has negotiated for something like 13 years on this agreement. The fact is, some very major concessions are made that benefit agriculture, that benefit industry, and benefit the workers.

The Senator was saying they are going to become a member of WTO. That means those concessions they made in negotiations with our USTR will become available to the other members of WTO but not ourselves if we don't grant them permanent normal trade relations; isn't that correct?

Mr. MOYNIHAN. The Chairman is absolutely correct.

If I could make a point here—it is a personal one, but so be it—I first visited the People's Republic of China in 1975. I had been Ambassador to India, and, for reasons that were undiscernible at the time, the Foreign Minister of China wished to talk to me as I was on my way home. I received this message from George Bush, who represented our interests there. He was not ambassador. And, oh gosh, he was kept to the end of every line, and he had the smallest compound, and all the help went home at 7 o'clock. But he and Barbara were in good spirits.

I made my way up to Tiananmen Square, to two enormous flagpoles. One of them had vast portraits of 19th century German gentlemen: Marx and Engels; the other, a rather Mongol-looking Stalin. They were the vanguard of revolution.

At that point, one of the big issues was, When would the fourth Communist Party take place—the fourth in their history? The French Ambassador thought in the spring; the British Ambassador thought June; some said maybe it had been canceled. We were on Tiananmen Square. There was a

Great Hall of the People. It had the look of a post office on a Sunday morning. The very week I was there and everyone was thinking about when it would happen, it was happening. That is how secret that world was. Four thousand delegates made their way in and out and voted unanimously. The Foreign Minister succeeded Mao.

This was a Communist country. Everybody wore Mao jackets. The people were color-coded. The army was green; the civil service was blue; the workers were gray. We were taken to see the model apartments and so forth. The children would sing about growing up with industrial hands: We will settle the western regions; we will smash the imperialists.

It is over. First they rejected Stalin. In the 1960s, the Soviet Union and the People's Republic were, at times, in a shooting war—which never sank in across the river, but all right. Then Mao disappeared. Go there now, and there is a little portrait of Mao above an entrance to the Forbidden City—this nice portrait, nothing domineering.

Had anyone noticed in the photographs of the leaders of the United Nations, the head of the Chinese Government wears a blue suit, a white shirt, and a tie such as the distinguished Chairman?

We just heard an hour ago from our Senator from South Dakota, last year there were 29 Chinese agronomists in South Dakota discussing the purchase of soybeans. They wouldn't come near us 30 years ago. They are here now.

Can't we grasp this? Is there something missing?

Mr. ROTH. Let me say to the distinguished Senator, I had a very similar experience. Back in the 1970s when Carter became President, he was kind enough to invite me to go with a delegation he was sending to China.

The Senator's description of China in those days is right on the mark. It was truly a Communist country; everything we saw, ate, where we stayed, was controlled by the Government. One could not read anything unless it was published by the Communist Party. It was unbelievable depression.

I saw those same portraits. I was dumbfounded to see this portrait of Lenin and Stalin. It was 20 years before I went back. The difference is unbelievable. The Chinese will talk to you; they are not afraid; they don't just say the party line.

Mr. MOYNIHAN. Did the Senator have the experience that they talked in pairs the first time the Senator was there?

Mr. ROTH. Absolutely. Visitors heard nothing but the party line. We talked to one person, met somebody else, and we heard exactly the same thing.

Now make no mistake, we all understand it is no democracy.

Mr. MOYNIHAN. No.

Mr. ROTH. It is outrageous what they do in the area of human rights.

Mr. MOYNIHAN. It is.

Mr. ROTH. We have serious problems with respect to proliferation of weapons.

Mr. MOYNIHAN. We do.

Mr. ROTH. But aren't we better off and don't we have a better chance of bringing more responsible leaders to the front if we work with them and do not alienate them?

Mr. MOYNIHAN. It is the best hope of mankind at this moment, sir, because the age of nuclear warfare is not over. If we think we have proliferation today, wait until we see. We won't, but if we were to announce that we want the Chinese on hold, I cannot imagine what the next 30 years would be like.

Mr. ROTH. My own personal experience is that significant progress is being made.

Let me give one illustration. When I was there the first time, an individual could not move from Beijing to another region.

Mr. MOYNIHAN. Internal passports.

Mr. ROTH. Yes, internal passports. You had to get approval of the Government. If you wanted to move from A to B, not only did you have to get the approval of the Government but you had to get somebody who was willing to move from B to A. Unbelievable. At least that is what we were told. Now these things are changing. Progress is being made, and it is critically important we encourage that.

I go back to what I was saying before. It is important to understand that with permanent normal trade relations, we are not yielding access to our markets. They already have these markets; isn't that correct?

Mr. MOYNIHAN. So states the balance of payments, sir.

They come in under our tariffs, which are already nonexistent. We can't get in under theirs. Under this agreement, they have agreed to bring them down to a reasonably low level and to wipe them out in some cases where they have decided they need American technology and business. They are not doing us any favors.

Mr. ROTH. In a very real way, isn't this agreement all about whether America, the United States, our workers, our farmers, our businessmen, are going to have access to the Chinese markets? Isn't that what we are talking about?

Mr. MOYNIHAN. That is what we are talking about. We are talking about those most elemental rule principles that Adam Smith laid down so many years ago: Comparative advantage.

Remember, he used the image, he said: You could make port wine in Scotland and you could grow wool in Portugal. But on the whole, it is to our comparative advantage if Scotland made the wool cloth and sold it to the Portuguese who made the port wine and sent it to Scotland.

I hope it is not indiscrete—I am sure it isn't because it came up in the Finance Committee—there is a wonderful compatibility between the poultry in-

dustry in Delaware and the Chinese trading system. The Chinese cuisine, Chinese tastes, happen to be for parts of the chicken which are least liked, in least demand among Americans. By contrast, the portions of the chicken which are most demanded among American consumers are least demanded among Chinese. What a happy arrangement to just trade. We keep what we would most desire, they take what they most desire, and we are better off.

The Chinese importing animal protein? When we were there first, a Chinese family might see such a meal once a year. Hey, Americans, loosen up. Something good is happening. And be careful lest we miss an opportunity and something bad happens.

I will say one more thing. I am sure he won't mind. After Senator ROBERTS of Kansas spoke yesterday, I happened to say to him on the floor what a fine statement he made.

He said: You know, I am glad you mentioned that century and a half of the Chinese exclusion law—century. He said: My father was on the *Panat*. Like the father of our distinguished Presiding Officer, he showed great heroism, and was awarded the Navy Cross. He came back to Kansas and he said he never stopped talking about the way we treated the Chinese.

You might start by saying what is that gunboat doing up the—was it the Yangtze?

Mr. ROTH. I think it was.

Mr. MOYNIHAN. If we found a Chinese gunboat on the Missouri, we might say: I think you got your charts wrong here. This is U.S. waters, not yours.

It is easy for us to forget because there was no indignity done us. It is not easy for them. I am not asking any sympathy for them, I am just giving a fact. If we suddenly break into that appearing hostile mode of wanting hegemony and all that, I shall be happy to have been out of this by then because we will be asking for terrible events: Korea, Japan, Taiwan, India—let's not do this. Let's do the sensible thing we have been trying to do since the day we began the Reciprocal Trade Agreements program in 1934.

My colleague is bringing it to a culmination. I hope he is proud.

Mr. ROTH. I appreciate that. But let me add, you have been there, not from the beginning but you have played a major role in bringing about this world trade situation. I congratulate you and thank you for your leadership.

Time is running out.

Mr. MOYNIHAN. Mr. President, I look about. I was told the Senator from West Virginia might want to speak but he is not here. I think we have done our duty, I say to the Chairman.

Mr. ROTH. I think I would agree. I say to our friends and colleagues that Monday will be here soon. It is important that those who have amendments they want to offer take advantage of that situation. Time is running out.

For the reason the distinguished Senator from New York has spelled out, we absolutely must proceed as expeditiously as possible.

Mr. MOYNIHAN. Mr. President, may I simply say we have been here all morning. We would be here all afternoon and into the evening if there were occasion—demand for it. We expected a measure to be brought up that was laid down last evening. It was not. We would be here all Monday. But when, on Tuesday, we move to close debate and the final 30 hours during which amendments will be offered, that is only appropriate. It is fair play by the rules and we will get to some conclusion. It will be a very fine conclusion. We began it yesterday morning when the motion to proceed was adopted, 92-5.

Mr. ROTH. I thank the distinguished Senator for his leadership. I have confidence that this legislation will be enacted. It will be a great step for America.

Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER (Mr. COCHRAN). The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. 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. BYRD. Mr. President, I have returned to keep the vigil on my attempt, in concert with other Senators, to have a debate on permanent normal trade relations, PNTR, with the People's Republic of China. I shall once again implore my fellow colleagues to consider reason, to listen to our case as we discuss these amendments, and to consider them carefully; let your conscience be your guide, as the old saying goes. I hope that all Senators will look carefully at the merits of these amendments. Should we not crack this big fortune cookie? Just imagine the PNTR as a large fortune cookie. Should we not crack it and fully realize what lies inside PNTR before we rush to pass this legislation? What is the rush? Fortune cookies look sweet and tempting on the outside, but they can hold a less than appetizing message inside. Should we not look, should we not peer, lift the covers and see what is inside? Should we not look before we leap?

So far, this debate reminds me of a greasy pig contest at a county fair. The distinguished senior Senator from Mississippi, who presides over the Senate today—and, of course, I would not expect a response from the Chair, but I daresay that the Senator from Mississippi has made his presence known at many a county fair in the great State of Mississippi. At those county fairs, I am sure he is acquainted with the greasy pig contest. We talk about the greasy pole, and now we refer to the greasy pig—the greasy pig contest at a county fair. Everybody tries to slow

down that pig, everybody tries to catch that pig, but the hands just slip away. That pig is greased and nobody can catch hold of the pig. Everyone is trying to slow down the greasy pig, but the pig is greased and just keeps on running.

I feel like one of those poor rubes out here chasing the greasy pig. By the way, one of the best pigs of all is the Poland-China hog. My dad used to buy 10 or 12 of those Poland-China pigs every year, and I would go around the community and gather up the leftovers from the tables of coal miners' wives. They would save these scraps of food for me and I would go around after school and pick up those scraps. I would take the scraps and feed them to the Poland-China pigs. Well, it just happens that today I am talking about the greased China PNTR pig.

I am trying my best to slow it down. Here the crowd is standing on their feet, and they are shouting. They are saying: ROBERT C. BYRD tried to get his hand on that greasy pig and tried to hold that pig. But the pig gets away. He can't hold that pig. Here we are—a few Senators—trying to slow down this greasy China PNTR pig so that we can get some amendments added or, perhaps by display of our judgment on this legislation, cause some of our fellow Members to say: Whoa, whoa, here; let's wait a minute. What are we doing? Why are we in such a hurry?

May I ask, do we have a copy of the bill that came out of the Senate committee? All right. I will have it in a moment. But that is not the legislation the Senate is talking about. That is not the bill that came out of the Senate committee. While I am securing that bill, I shall submit to the chairman of the Finance Committee a copy of the amendment I am about to call up. If he will take a look at it, we may want to discuss a time limit on it.

Back to this greasy pig, other Senators and I are trying simply to get the Senate to stop, look, and listen before it rushes pellmell into a vote on this legislation.

Here it is. This is S. 2277, a bill to terminate the application of title IV of the Trade Act of 1974 with respect to the People's Republic of China.

It is a very short bill. As all Senators may see, it is two full pages. Of course, it really is not two full pages. The first page simply states the number of the bill, the title of the bill, and the Senators' names who are supporting it. There it is. Page 1, page 2, page 3; and page 3 consists only of four lines. There are three and a half lines, as a matter of fact, on page 3. There it is. This is what the Senate Finance Committee reported to this body, reported to the Calendar. This is it. This is the product of the work of the Senate Finance Committee on the subject of trading with China. But this bill is not what we are talking about. This is not what we are debating. This is not what we are attempting to amend. The bill is not before the Senate, it is at the desk. But

this is not the bill we are attempting to amend.

What we are doing here in the Senate is this. We have taken the House bill.

May I ask the chairman, has the House bill ever had consideration by the Senate Finance Committee?

(Mr. SESSIONS assumed the chair.)

Mr. ROTH. Yes. I say to my distinguished colleague that it was considered in executive session by the Finance Committee.

Mr. BYRD. So the House bill was considered in executive session by the Senate Finance Committee. That was at the time of markup, I suppose.

Mr. ROTH. Yes.

Mr. BYRD. Very well. But that bill came over from the House to the Senate. Unfortunately for those of us who would like to see the bill slowed down and perhaps amended to make it a better bill, we find there has been kind of a contract entered into, if I may put it that way. It was not a written contract. Perhaps I should say it is an understanding rather than a contract.

There seems to be an understanding among some Senators that perhaps with the House—I don't know how far this understanding goes, but Senators who have entered into this understanding will vote against any amendment—any amendment, any amendment—to the House bill. We are not going to debate the Senate bill. We are not going to act upon the Senate bill. We have taken up the House bill, and no amendments shall pass. That is it. No amendments shall pass.

I want to say to the Chair, to the distinguished Senator from Alabama who presides over the Senate, that I have been in legislative bodies now 54 years. I have been in this Congress 48 years. I have been in this body 42 years. This is something that is absolutely new to me, this method of legislating where Senators and the administration—I am talking about Senators on both sides—enter into an understanding somehow. I don't know whether they met and had a show of hands or had a debate about it. But anyway, we have been told by Senators on this floor that they will vote against any amendment, no matter what its merits. It doesn't matter who offers the amendment. It doesn't matter how good an amendment it may be. The decision has been made to reject every amendment—reject all amendments. Why? Why the hurry?

The powers that be—whoever they are—don't want an amendment because they say that would mean the bill would have to go back to the House. And they say that would cause a conference between the two Houses and that would mean a conference report. That would mean each House would have to vote on that conference report. As I gather from my grapevine information, these Senators are concerned that if the House were to vote again on this measure, it might not pass. There are some who think it would not pass the House if the House voted on it again. I think we have come to a pretty

poor pass when we won't consider amendments seriously and judge them on their merits and vote accordingly. But that is apparently what is happening here.

I feel like one of those poor rubes out there chasing the greasy China PNTR pig, trying my best to slow it down with some good amendments. But that pig is well greased, as you can understand by now. It is flying through the Senate, flying through the Senate. This pig is tearing along and Members have made a blood vow to keep hands off and just let "old porky" run; let "old porky" run.

I will, however, continue to pursue some debate on this bill and to offer at least two amendments that I believe will improve the legislation. I shall offer an amendment momentarily that is straightforward. It would require the U.S. Trade Representative to obtain a commitment by the People's Republic of China to disclose information relating to China's plans to comply with the World Trade Organization, WTO, subsidy obligations.

This is an important issue aimed at ensuring that the American people and their representatives here and in the other branches of the government truly realize what is inside the big Chinese trade fortune cookie. State-owned enterprises continue to be the most significant source of employment in most areas in China, and some reports suggest these subsidized enterprises accounted for as much as 65 percent of the jobs in many areas of China in 1995. That is two-thirds of the jobs. The most recent data that the Library of Congress could provide on this matter indicate those figures. Let me state them again: The subsidized enterprises in China accounted for as much as 65 percent of the jobs in many areas of China in 1995.

Members of Congress need to remember that we are here to defend the people of the United States, to use our best judgment at all times, to exercise our very best talents in behalf of the people who send us here. I am here to represent the people of West Virginia, Democrats and Republicans, old and young, black and white, rich and poor. I am here to represent them. Other Members are likewise here to represent the people of their respective States. We are here to represent them. This includes, may I say, the average American worker.

There are grave implications to Sino-American relations as a result of granting PNTR to China. I believe that the Chinese have developed a keen understanding of the American political system. I have no doubt that many Senators and U.S. businesses are naive about the increased workings of the Chinese Government and its agenda. China is not a free market economy. It is not on the verge of becoming a free market economy. It is a Communist, centrally controlled economy. The Chinese Government oversees the top-to-bottom operations of many industries

such as iron and steel, coal mining, petroleum extraction and refining, as well as the electric power utilities, banking, and transportation sectors. The whole thing, one might say.

Government control reigns from top to bottom, supreme in China. Government control.

I was in China in 1975 along with our former colleague, Sam Nunn, and our former colleague, Jim Pearson, from the Republican side. At that time I was told that no individual in China owned an automobile. There were no privately owned automobiles. Oceans of bicycles but no privately owned automobile.

There is some limited private enterprise in China. But private investment is heavily monitored and restricted by the Government. In fact, it has been suggested that the Chinese Government only sell minority shares, such as 25 percent of an enterprise, for the sole purpose of making money while still containing effective control over the operations of that enterprise.

These conditions are serious impediments to fair trade and to free trade. Yet we really do not have much detailed information about China's state-owned enterprises and the type or amount of the benefits that those enterprises receive from the Chinese Government. It is almost impossible to measure accurately the extent of subsidized operations or the touted move to privatization in China, due to the lack of reliable Chinese statistics.

My amendment today that I will shortly send to the desk would help to secure this information. What is wrong with that? This is information that is vital to many U.S. businesses and vital to American workers. My amendment is an effort to help secure that. What is wrong with that?

I hope the American people are following this debate—I am pretty sure they are not; they are not following it. No, the American people are not watching. If they were watching it, there would be more Senators here in the Chamber today. How many Senators are there here today? One, two, three—that is the whole kit and kaboodle—three Senators. So the American people are not watching it. They don't know what is happening.

My amendment would help to secure statistics that are vital to U.S. businesses and American workers.

One of the basic principles of liberalized trade is to obtain obligations to restrict Government interference, which provides an unfair advantage to national commerce. The WTO agreement on subsidies and countervailing measures restricts the use of subsidies and establishes a three-class framework on subsidies consisting of red light, yellow light, dark amber, and green light. The SCM prohibits subsidies contingent upon export performance and subsidies contingent upon the use of domestic over imported goods.

We know that a significant portion of the economy of the People's Republic of China consists of state-owned enter-

prises. We know that Chinese enterprises receive significant subsidies from the Chinese Government. We know that Chinese state-owned enterprises account for a significant portion of exports from the Chinese Government. We also know that U.S. manufacturers and farmers can not compete fairly with these subsidized state-owned enterprises. So, once again, the question remains: how can the United States ensure that Chinese subsidies do not undermine U.S. commerce and threaten American jobs? That is what we are trying to find out by way of my amendment.

The U.S.-China bilateral agreement contains report language on the commercial operations of Chinese state-owned and state-invested enterprises. That language says that China, with respect to those enterprises, must follow private market export rules; China must base decisions on commercial considerations as provided in the WTO; China cannot influence, directly or indirectly, commercial decisions; China must follow WTO government procurement procedures; and China cannot condition investment approval upon technology transfer. That is a fairly comprehensive set of guidelines. If followed, these guidelines ought to level the playing field for competitive U.S. firms. That is, of course, a very big "if." The Chinese government is pretty good at applying guidelines like these very selectively or not at all.

The United States Trade Representative states that the U.S.-China bilateral agreements meet significant benchmarks, but acknowledges that work on the subsidy protocols is not complete. I understand that the USTR has stressed that the WTO basic rule is clear—namely, China must eliminate all red light subsidies or prohibited subsidies upon entry into the WTO. Nevertheless, the USTR is wary enough to continue negotiations on subsidy agreements particular to the agricultural and industrial sectors.

In addition to the vague language in the protocol, another problem arises with regard to subsidies and the Chinese Government. The SCM agreement provides principles whereby the specificity of a subsidy can be determined, but it does so in the context of a market economy with private ownership of enterprises. The SCM Agreement does not have a specific reference to economies in which a significant share of economic activity and foreign trade is carried out by state-owned enterprises—which is the case with China. I understand that the USTR's protocol language attempts to address this in their bilateral language, but it seems to me that this is leaving U.S. businesses to the whims of an uncertain turn of fortune's wheel. In fact, China has expressed a view that it should be included in the grouping of the poorest countries in the WTO—effectively exempting China from the disciplines of the WTO subsidy codes altogether. This does not, it seems to me, presage good

compliance on the part of China with regard to the subsidy restrictions outlined in the U.S.-China bilateral agreement report language. The Chinese already say they are exempt.

I just got a note from our mutual good friend, DAVE OBEY, a Member of the House. I think I should make it known to my colleague on the floor, Senator DODD—he happens to be the only colleague I have on the floor, not counting my colleague in the chair—but, I say to my colleague on the floor, DAVE OBEY called: He simply wanted to tell you—meaning me—tell you that he is watching this debate and he hopes that you—meaning ROBERT BYRD—“will snare that pig,” that greasy pig I was talking about.

So what can U.S. businesses really expect from the protocol language in the U.S. China bilateral agreement? I have a gold watch and chain, and I'll bet my gold watch and chain that they can likely expect little to nothing with regard to potential benefits. I believe that U.S. businesses should expect to see continuing illegal subsidy programs by the Chinese to state-owned enterprises.

I also hope I shall be proven wrong in the long run.

Without doubt, subsidies have been a very difficult issue to resolve. In fact, with years of trade relations and negotiations, the U.S. has yet to reach a subsidy understanding with the European Union on agriculture or on some industrial sectors such as aeronautics.

But the United States should not leave this matter—or U.S. firms and workers—hanging, and U.S. businesses should not be expected to pay millions in litigation fees to resolve subsidy disputes.

My amendment will help address the vital issue of prohibited subsidies. It would improve the transparency of the subsidies provided by the Chinese to state-owned enterprises. It would facilitate U.S. Government and private efforts to monitor Chinese compliance by providing both an essential baseline of current subsidies and an explicit schedule for their removal. Finally, it would help provide information that strengthens the evidentiary basis for grievances by U.S. industries regarding continued subsidies and it would help spur China to reduce or eliminate subsidies to state-owned enterprises.

Should we not better understand the level of control that the Chinese government exerts over their businesses? Again, my amendment simply requires the USTR to obtain a commitment by the People's Republic of China to identify state-owned enterprises engaged in export activities; describe state support for those enterprises; and to set forth a time table for compliance by China with the subsidy obligations of the WTO. This is basic information all members of the Senate and the Administration should be eager to have.

Unfair subsidies hurt the working men and women of the United States every day. Unfair subsidies hurt scores,

hundreds of Americans working in U.S. industrial and agricultural sectors such as steel, the apple industry and beef. It cuts across all of the vital products. I hope all Members will stand up for vital American interests by voting in support of my amendment.

My amendment addresses the extensive control over the economy still exercised by the Chinese government, despite some window dressing of privatization. It might be looked upon as a reality check. The same kind of very heavy-handed government control is exerted over virtually every aspect of Chinese life. Heavy-handedness is evident all over China. Take a look at religious freedom for example, and I would like to touch briefly on that subject because it is an important barometer of the way the Chinese Government controls their society and their people.

Freedom of religion is near and dear to hearts of Americans. That freedom is at the core of our Nation's being, and we do well to cherish it. Early settlers dared much to come to these shores so that they could freely practice their religious beliefs. They left everything they knew, every comfort of home, to escape the sometimes oppressive hand and the heavy hand of governments that discriminated against them. The Pilgrims, the Puritans, the Quakers—all came to the New World seeking religious freedom. Even 171 years after the Pilgrim's Plymouth colony was established in 1620, that fire for religious freedom was codified in the Bill of Rights which were ratified by the necessary number of States on December 15, 1791. The first right—the first precious right—outlined in the First Amendment to the Constitution could not be clearer:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; \* \* \*

The proliferation of churches in the United States of all stripes, from the Roman Catholic cathedral to the independent Baptist church, the Muslim Mosque to the Mormon Tabernacle, the Shinto Shrine to the Jewish Temple—all of these are a living testament to our commitment to religious freedom.

That same freedom is repressed in China. It is not that the Chinese people are opposed to free practice of religion, so far as I can tell. According to a recent article, in fact, the decay of communism, coupled with rising unemployment and a desire for the trappings of affluent society, has sparked a religious revival in China. Twenty years ago, only 2 million Chinese identified themselves as Christian. Today, the number is estimated at 60 million—60 million—according to overseas Christian groups. But, as an atheistic Communist state, China has long feared religion as a threat to the government's monopoly over its subjects. The People's Republic of China has a long and sorry history in this century of repressing religion and religious practice. The antireligious fervor of the Cultural

Revolution is but one example. Its subjugation of Tibet and the destruction of many of the Buddhist lamaseries there is another example. The meditative group called Falun Gong, which mobilized more than 10,000 people for a mass protest in Beijing last year, has been outlawed.

In the Washington Times on Wednesday of this week, September 6, the front page headline reads: “Chinese religious rights ‘deteriorated’”. The article concerns a State Department report released yesterday, on the eve of the United Nations Millennium Summit, a gathering of religious leaders from around the world in support of peace. I would observe, and not as an aside, that the exiled Dalai Lama, religious leader of Tibetan Buddhists and other Buddhists, was not invited, out of deference to China. In this, the second annual congressionally ordered report on religious freedom around the world, respect for religious freedom in China “deteriorated markedly” during the second half of 1999 and was marked by the brutal suppression of minority religious faiths. Members of such groups have been subjected to “harassment, extortion, prolonged detention, physical abuse and incarceration.” Those words are lifted out of the text.

Though the Chinese government sanctions five carefully monitored religious organizations, including a state-supported Christian church, the government has shown no hesitation in outlawing any religious sect or church that has shown any sign of gaining support among the Chinese people. Missionaries are not welcome; nor are Bibles. In the past year, raids on worship groups meeting in private homes have increased from twice a month to once a week, according to human rights groups in Hong Kong. Yet Beijing's state-appointed bishop recently stated: “There is no religious persecution in China.”

Just last month, on August 23, Chinese authorities raided a meeting of the Fangcheng Church in Henan Province, arresting three American citizens and over 100 Chinese church members. The Americans, Henry Chu and his wife Sandy Lin, and Patricia Lan, were visiting the church when it was raided. The Taiwanese-born American citizens were released after a protest from the U.S. embassy. They are luckier than Zhang Rongliang, the Fangcheng Church leader, who was arrested on August 23, 1999, and sentenced to 3 years in a labor camp under an anticult ordinance. It has been a long time, indeed, since a Christian church in the United States was described as a cult. And, of course, no single church or religion, or circumscribed list of churches, is officially sanctioned by the American Government.

We do not have that in this country. That is why many of our forbearers came to these shores. The Government of the United States does not sanction any particular church.

Again, in the Congress' annual renewal of China's NTR status, conditions favoring religious freedom or protesting Chinese actions against worshippers could be debated and voted upon. The United States could go on record, at least, in support of the principle of religious freedom. This annual debate on must-pass legislation, on legislation that does mean something to the Chinese Government, may well have moderated Chinese behavior. Who knows? It certainly did not fundamentally change that behavior, as proponents of PNTR have observed. But it likely did moderate Chinese actions, if only to reduce the embarrassment factor they may have faced during the annual debate. So it served a useful function, one that we will now consign to the dustheap of history. When next year's congressionally mandated report on religious freedom is issued, I for one will not be surprised to read about further deterioration in religious freedom in China, once PNTR is assured.

Mr. President, I still read the Constitution and the Bill of Rights. Even though I have it—or once had it in my lifetime—just about memorized, seeing the words themselves reinforces the beauty, the power, and the simplicity of that magnificent document for me. The Bill of Rights was added to the Constitution in order to ensure the ratification of the Constitution itself, even though the framers did not believe that those rights needed to be spelled out. For them, those rights were so fundamental that they did not need to be spelled out. Others, less intimately involved in creating the Constitution, needed the reassurance of the written word. The words are powerful: "Congress shall make no law respecting the establishment of religion, or prohibiting the free exercise thereof. . . ." I still respect those words, and I still cherish those principles. I hope that others around the world may eventually share in this great freedom. Until they do, I continue to think it is appropriate that we, our country, as a leader in supporting religious freedom, should take opportunities to urge other governments to allow unfettered worship of their Creator.

Mr. President, I am sorry that Senator WELLSTONE's amendment in support of international religious freedom was not adopted. It was a message worth sending to the Chinese people—a message that the United States still places its principles and its values above mere avarice, above mere greed for maximizing profits through increased trade. I hope that my colleagues will support my amendment, which would provide needed and difficult-to-obtain information about Chinese Government subsidies to state-owned enterprises. This information is needed by the U.S. firms and U.S. workers who will be competing against those subsidized producers. If our trade provisions in support of fair trade are to have any chance, we must have this information. I hope that we will not

put greed ahead of American jobs and interests. I urge my colleagues to support this amendment. Let us at least put up a fence before the ambulance careens over the hill, which reminds me of a poem, which I think would be nice to have in the RECORD right here.

Before I attempt to recall it, let me ask my friend from Connecticut—he has been sitting here—does he wish the floor now? I can postpone this for some other time.

Mr. DODD. Mr. President, I thank my colleague for posing the question, but I always love to hear my colleague quote poetry, under any set of circumstances.

I have some remarks to share regarding the pending matter, but there is no great hurry. I would not want to interrupt the flow of my good friend and seatmate's remarks. So I am very patient to listen to his comments.

I, too, voted for the Wellstone amendment yesterday on religious freedom. I would like to associate myself with my colleague's remarks. My remarks touch on the agreement but not as extensively as the comments of my colleague from West Virginia on the subject of religious freedom. I commend him for his comments. I would like to be associated with those thoughts.

So I am very content to listen to the poetry. I think America is enlightened. I think there are a lot more people listening to this debate, I say to my colleague from West Virginia, than would be reflected by the participation of our fellow colleagues on a Friday afternoon.

But the comments of the distinguished senior Senator from West Virginia are always profound, always thoughtful, always meaningful. His colleagues appreciate them, and the American public do as well. So I am very delighted to sit here and be enlightened further. Poetry is always something that enriches the soul.

Mr. BYRD. Mr. President, I am flattered by the comments of my colleague, my seatmate who sits right here. I appreciate his friendship, and I appreciate his many, many words of advice, our many conversations we have had together about the Senate, about our country, and about the Constitution.

So if we can just think, as we do this poem—I always run the risk, of course, of having a lapse of memory. But after 50 years of quoting poetry, although I have had a few lapses of memory, I always take them as they come. It is something that is natural, nothing to be embarrassed about. Sometimes I start over and get the poem right.

But I am thinking of this legislation that is before us, and I am thinking of what is going on here. I have referred to a cabal. It isn't that, of course, but there certainly is an understanding abroad here, among Senators on both sides—certain Senators I think are probably working with the administration—that there will be no amendments, no amendments will pass, they will vote down every amendment.

Well, a few of my colleagues and I are trying to improve this legislation. We are not offering any killer amendments. But we are offering them because we think the bill would be improved.

This action on my part, and on the part of my colleagues who are attempting to improve the bill, might be likened to putting a fence around the edge of a cliff while an ambulance runs in the valley. The ambulance represents this legislation, which, if passed, in the long run, I fear, will result in increased unfair trade and constitute an injury to the American worker and to the American businesspeople.

"Twas a dangerous cliff, as they freely confessed,

Though to walk near its crest was so pleasant;

But over its terrible edge there had slipped A duke and full many a peasant.

So the people said something would have to be done,

But their projects did not at all tally; Some said, "Put a fence around the edge of the cliff."

Some, "An ambulance down in the valley."

But the cry for the ambulance carried the day,

As it spread through the neighboring city; A fence may be useful or not, it is true,

But each heart became brimful of pity For those who slipped over that dangerous cliff;

And the dwellers in highway and alley Gave pounds or gave pence, not to put up a fence,

But an ambulance down in the valley.

"For the cliff is all right, if you're careful," they said,

"And, if folks even slip and are dropping, It isn't the slipping that hurts them so much,

As the shock down below when they're stopping."

So day after day, as these mishaps occurred, Quick forth would these rescuers sally To pick up the victims who fell off the cliff,

With their ambulance down in the valley.

Then an old sage remarked: "It's a marvel to me

That people give far more attention To repairing results than to stopping the cause,

When they'd much better aim at prevention. Let us stop at its source all this mischief," cried he.

"Come, neighbors and friends, let us rally; If the cliff we will fence we might almost dispense

With the ambulance down in the valley."

"Oh, he's a fanatic," the others rejoined, "Dispense with the ambulance? Never!

He'd dispense with all charities, too, if he could;

No! No! We'll support them forever. Aren't we picking up folks just as fast as they fall?

Shall this man dictate to us? Shall he? Why should people of sense stop to put up a fence,

While the ambulance works down in the valley?"

But a sensible few, who are practical too, Will not bear with such nonsense much longer;

They believe that prevention is better than cure,

And their party will soon be the stronger. Encourage them then, with your purse,

voice, and pen,

And while other philanthropists dally,



They will scorn all pretense and put up a stout fence  
 Round the cliff that hangs over the valley.  
 Better guide well the young than reclaim them when old,  
 For the voice of true wisdom is calling,  
 "To rescue the fallen is good, but 'tis better  
 To prevent other people from falling."  
 Better close up the source of temptation and crime  
 Than to deliver from dungeon or galley;  
 Better put a strong fence round the top of the cliff  
 Than an ambulance down in the valley."

Mr. President, I yield the floor.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. 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. DODD. Mr. President, the Chamber is not packed this afternoon, but I hope our colleagues who are back in their offices on Capitol Hill, and maybe our good friend DAVID OBEY from the House, were enlightened by the poetry of warning by our senior colleague from West Virginia, about putting a fence at the top of the cliff rather than the ambulance down in the valley.

I am always impressed and I never cease to be amazed by my seatmate from West Virginia. I have been here for 20 years and not a day goes by that I don't learn something new from and benefit immensely by my friendship with the Senator from West Virginia. Today is no exception. That was a tour de force. He recited from memory at least 10, 12, maybe 14 stanzas. I thank him immensely for his comments regarding the pending matter, the granting of permanent normal trade relations status with the People's Republic of China.

I begin these brief remarks, if I may, by commending the two senior members of the Finance Committee who have jurisdiction over the pending matter, Senator ROTH of Delaware and Senator MOYNIHAN of New York. Both of these gentlemen have made significant contributions to the wealth and strength of our Nation. This will probably be the last piece of business the Senator from New York will be directly involved in before his retirement from the Senate. It is appropriate that his closing efforts, legislatively, should involve a piece of legislation as monumental and important as the pending matter.

Senator MOYNIHAN has made unique and valued contributions to our Nation's wealth during his years of public service. As a member of the executive branch—as a staff member there, a servant of various administrations and, most recently, of course, during his tenure in this wonderful body. So I wish him well and commend him once again for his latest endeavor. I commend Senator ROTH as well who has worked on this legislation.

I rise to share a few thoughts about this bill, a bill that will confer, as we all know now, permanent normal trading relations with the People's Republic of China. In so doing, this bill would also trigger the implementation of the bilateral trade agreement entered into between the United States and China last November related to China's accession to the World Trade Organization. After many months of delay, I am very pleased that the Senate finally has arrived at this discussion that we have conducted over the past several days and will continue next week. I regret it has taken this long. I think the matter should have come up earlier. But I am pleased we are finally getting a chance to debate the merits and consider amendments on this very important piece of legislation.

PNTR, as it is called, and China's entry into the WTO are extremely important milestones, in my view, toward the full assimilation of the world's most populous nation into the global economic system. China's membership in the World Trade Organization will also serve, in my view, as an important cornerstone of U.S.-China relations in the 21st century.

The requirement that China adhere to the World Trade Organization's global trading rules and standards should have and will have profound and long-lasting implications not only for China, but for the United States and the world community. Not only will this agreement alter the landscape of U.S.-Chinese trade relations and produce, I hope, a fairer and more competitive global trading environment, over time, I think this agreement and this entry by China into the WTO will also have a most profound impact on China's social, economic, and political systems.

Over the last three decades, successive American Presidents, from Richard Nixon to the present occupant of the White House, Bill Clinton, have worked hard to fashion a constructive relationship with the People's Republic of China. As we all know, this has proved more difficult at some times than others because the Chinese have made it so—too often because of their unilateral decisions and actions. The goal has always remained the same however—to move China toward a more open and prosperous system, to enter the family of democracies and freedom that are emerging throughout the world, and to become a society built on a foundation consistent with the international community's norms and values. The Clinton administration's proposal to grant PNTR status to China and support its membership in the World Trade Organization are very much in keeping with the longstanding tradition that has gone back over several decades.

Historically, the trade relationship between China and the United States has been disproportionately tilted in China's favor due to its mercantilist trading policies. Granting PNTR and

allowing China to enter the World Trade Organization, I hope, will restore the competitive balance in that relationship and generate what could be enormous opportunities for American exports, job creation, and investments in the world's third largest economy.

The commercial benefits to the United States from World Trade Organization accession are clear, compelling and very wide-ranging.

American farmers, American workers, American businesses, both large and small, will benefit from China's new status.

In order for the United States to agree to support China's membership in the WTO, Chinese authorities were required to make across-the-board unilateral trade concessions to the United States to bring our trading relationship into better balance.

Among other things, the Chinese have agreed to slash tariffs on U.S. agricultural and industrial imports, expand the rights of U.S. companies to distribute American products throughout China, and grant U.S. companies broad access to China's banking, telecommunications, and insurance sectors.

The bilateral agreement which codifies these concessions includes as well important safeguards against unfair competition by China that will allow U.S. authorities to respond quickly to products and specific import surges that may threaten the viability of certain vulnerable import-sensitive domestic industries.

The U.S. technology industry also stands to gain, in my view, from this agreement as China begins participation in the information technology agreement. Under this ITA agreement, all tariffs on computers, telecommunications equipment, semiconductors, and other high-tech products will be totally eliminated.

U.S. high-technology companies have emerged as one of the driving forces of our recent economic boom. With China's participation in the information technology agreement, these companies may continue a trend of expansion and success on the international scale that will result in more domestic jobs in the industry.

China has made important concessions on trading and distribution rights as well. Manufacturers in the United States have been severely hampered over the past number of years by China's restrictions on the right of foreign firms and U.S. firms to import and export and to own wholesaling outlets or warehouses in China. For the very first time, under this agreement, these rights will be granted to U.S. firms.

Further distribution rights are being provided for some of China's most restricted sectors, including transportation, maintenance, and repair. As a result, American firms operating in China will not only be able to import a greater number of goods, but they will also be allowed to establish their own distribution networks.



While it is not easy to put an exact dollar figure on these concessions, experts estimate that the annual U.S. exports will increase by as much as \$14 billion a year—nearly double the current value of our exports. And more than 400,000 high-paying export-related American jobs will be sustained by expanded exports to the People's Republic of China.

These are important benefits and serve to highlight the wide-ranging impact that China's changed trading status will have on the American economy as a whole.

At this juncture, I also want to briefly mention how granting the PNTR to China would affect my own State of Connecticut.

In 1998, Connecticut's merchandise exports to China totaled \$302 million, making it one of the most trade-dependent States in the United States. Nearly two-thirds of all firms exporting to China from Connecticut in 1997 were small- and medium-sized companies—not the large corporations in my State. Clearly, an open China will provide a venue for increased sales of Connecticut-made products and an increase in jobs available to Connecticut workers in companies both large and small.

Connecticut's burgeoning high-tech industry, for example, will be able to take advantage of China's participation in the information technology agreement and the elimination of tariffs on these goods which is, in effect, a tax. Chemical products, which are one of Connecticut's largest exports to China, will enjoy reduced tariffs, and quotas will be totally eliminated by the year 2002. Insurance companies, which have long ties in Connecticut, will benefit from greater geographic mobility within China, and an expanded scope of admitted business activities. And lifesaving medical equipment made in my home State may begin entering the Chinese market at reduced tariff levels. Those tariffs will be phased out entirely over the next several years.

The enthusiasm for the benefits that will flow from our bilateral WTO accession agreement with China must, however, be tempered by the fact that there are a number of non-trade issues with respect to China that are deeply worrisome and need the attention of this body, of the legislative branch, of the executive branch, and the American people.

I support the pending legislation. But I also want to make it very clear that I side with the critics of China who believe there is a great deal more that the Chinese Government needs to undertake in order to reach the standards of behavior expected of civilized nations and countries.

If you wish to be a part of the World Trade Organization, implicit in that request is that you are willing and anxious to also become a member nation of civilized society recognizing the diversity of your people and the basic funda-

mental freedoms that are guaranteed—not by a document, a constitution, or a declaration of independence but those guaranteed by the creator of all of us.

As China seeks to become a part of the family of civilized society, then it must also begin to act accordingly with respect to the treatment of its own people.

First and foremost, China must improve upon its human rights performance, especially with regard to its citizens and religious freedoms. This point was extremely well articulated by my colleague from West Virginia. He went on at some length in describing how valuable and important religious freedom has been as a free people, citing the very first amendment to our Constitution which guaranteed people this right. I will not go on at length about this point, except to say, once again, that I wish to be associated with the comments of the Senator from West Virginia in his earlier discussion on religious freedom and the absence of it, or almost a complete absence of it, in the People's Republic of China.

In my view, China must also address the pervasive corruption that exists at all levels of Government—corruption that is damaging the country economically and politically and could jeopardize its membership in the WTO if they persist in these practices.

China must also begin to act responsibly in its relationships with other nations if it is to become the world leader that it aspires to be.

China must cease its threatening stance towards Taiwan and agree to enter into a productive dialog to resolve this question in a manner that is consistent with the wishes of the people on Taiwan and mainland China. They must try to resolve their dispute in the manner of a civilized society.

Particularly worrisome is China's aggressive buildup of nuclear arms and its willingness to assist other nations to acquire a nuclear capability that they don't currently possess.

In response to this concern, it is my understanding that Senators THOMPSON and TORRICELLI may offer the China Non-proliferation Act as an amendment to this bill. I think that it is important to let the Chinese authorities know that in no uncertain terms that we object strongly to their continued proliferation of weapons of mass destruction, and believe that such behavior poses a direct and immediate threat to U.S. national security interests as well as international peace and stability.

Having said that, I am also convinced that an amendment on the pending legislation is not the right vehicle for attempting to accomplish that objective. In my view, the political realities are that an amendment such as this would not carry. That would be a much worse message in many ways. My belief is that the overwhelming majority of my colleagues, regardless of party or ideology, believe that the proliferation practices of China must stop. But a

vote by this body that would come up short or be so narrowly decided could be a confusing message to China that we may not care about this issue as much as I think most Members do.

Such a misinterpreted message would probably do more harm than good. Therefore, I urge my colleagues who are considering such an amendment to seek another, more appropriate, vehicle to which the amendment could be offered. That is the time when I think this body can speak with a more singular voice on an issue with far greater unanimity than might be reflected in an amendment on this particular trade proposal.

I know that not everyone supports this legislation or China's entry into the World Trade Organization. They bring up good arguments and I have mentioned some of them—religious freedom, workers rights, human rights, corruption, and nonproliferation issues.

I ask myself a question—Are we more likely to achieve the desired goals of moving the Government of the People's Republic of China closer to the kind of social, economic, and political behavior that we seek by adopting this legislation and including China in the WTO? Or by not doing that and allowing the status quo to persist? Is that going to create a greater deterioration in those very values that we seek? I come to the conclusion that we are more likely to achieve those desired goals by adopting this legislation than by not doing so. Some are opposed to it because they believe that it will unfairly enhance China's ability to attract foreign investment and manufacturing facilities to the detriment of the U.S. economy and the American workers. Others would link U.S. support for China's WTO membership to improvements in China's respect for human rights, religious tolerance, nuclear non-proliferation, as I mentioned.

There is no doubt that certain sectors of American industry have fared less well than others under the increased competition brought on by international trade. That will continue to be the case irrespective of whether China gains admission to the World Trade Organization or whether the United States makes permanent the trade status China has already had for more than two decades.

On the other hand, WTO membership would require that China operate under the jurisdiction of international trade standards and agreements as dictated by that organization. China's non-compliance with those standards would subject its government to an international arbitration and dispute settlement mechanism—a profound change in the treatment of Chinese trade violations. For the first time China would be held accountable to all WTO members. This I think, provides the U.S. with stronger safeguards to protect their workers.

Furthermore, membership in the WTO would compel the Chinese government to comply with international

labor regulations, thus increasing opportunities for American workers by eliminating many of the incentives that currently induce firms to move production and jobs to China.

What about using PNTR status and WTO membership to pressure Chinese authorities into making significant improvements in other nontrade related policy areas? As I said earlier, while I have already registered my concerns about China's record in these areas, I am doubtful that directly linking PNTR status to changes in China's policies in these areas will produce overnight positive changes. I think all of us seek.

There is sufficient historical experience to suggest that linkage will not cause Chinese authorities to improve their behavior in these areas one iota. Quite the opposite seems to be the case. Over the last quarter of a century, Chinese authorities have responded very consistently and negatively to attempts by others to unilaterally dictate to them how they should govern their citizens. At such times, the very issues we have cared about most—human rights, religious freedom, Taiwan's security—have suffered. Rather, it has been during periods of U.S. engagement with Chinese authorities, when we have carried out a respectful dialogue between our two governments, that we have seen demonstrable improvements in China's policies in these areas.

More recently, U.S. engagement has resulted in China joining a number of major multilateral arms control regimes, in assisting us to defuse a nuclear crisis on the Korean Peninsula, and in participating constructively in international efforts to contain the escalating arms race between India and Pakistan.

I am not one who believes that China's accession to the WTO is going to convert the state-controlled Chinese society into a Jeffersonian democracy overnight. However, I would argue that China's adherence to the discipline of WTO's rules and standards have a greater likelihood to accelerate the pace of market economic reforms that are already underway in China. And, as a by-product of those reforms, the grip of the Chinese state on the day to day lives of the Chinese people will become weaker and weaker. Individual freedom may gradually fill the vacuum created by the withdrawal of state control. Whether that process will ultimately transform China's political system is impossible to predict with any certainty. Certainly isolating China isn't going to facilitate such a transformation.

I am not the only one who holds that view. A number of prominent human rights activists in China have spoken out publicly in support of the pending legislation and in favor of China's admission to the WTO. I am thinking of such individuals as Martin Lee, the internationally known leader of Hong Kong's Democratic party, His Excel-

lency the Dalai Lama, Dai Qing, a leading political dissident and environmentalist who was imprisoned for ten months following the 1989 Tiananmen Square Massacre, and Bao Tong, a senior advisor to ousted President Zhao Ziyang—both of whom were imprisoned for their opposition to the Tiananmen crackdown. None of these individuals have suggested that we deny China admission to the WTO until it becomes a democracy.

In fact, if we refuse to grant PNTR status to China or oppose its admission to the WTO, we will have delivered an enormous setback to the Chinese reformers and entrepreneurs who have been the driving force for the positive political and economic changes that have occurred in China over the last twenty years. We will also have given an enormous gift to our economic competitors in Europe and Asia by giving them a foothold in perhaps the most important emerging market in the global economy of the 21st century—a foothold that will be difficult for our own Nation to regain. American jobs would be the ones that suffer and American workers the ones who pay the price.

Denying China PNTR would also only exacerbate an alarmingly high existing trade deficit with the United States, in my view. In 1997, the U.S. trade deficit with China soared to nearly \$50 billion, making it second only to Japan as a trading deficit partner. Sadly, that number has only increased over time. By 1999, it had climbed almost \$20 billion more, to \$69 billion, and it continues to grow.

In closing, I believe the legislation we are considering today is in our national economic interest because it will enhance international growth and competition. It will strengthen the global trading system and foster adherence to rules and standards under which we want all nations to operate.

I also believe it is in our foreign policy interests, as well. China's obligation to open its markets and to abide by internationally prescribed trade rules is an important step toward Chinese adherence to other important international norms and standards which must, over time, lead to democratic transformation of that society, as I have seen occur in nearly every other corner of the globe in the past decade and a half.

No one in this body is naive enough to believe this is going to happen overnight, that these changes we talk about are necessarily going to occur at the pace we would like to see. But, at the very least, we must begin making strides in that direction.

For those reasons, while I will support various amendments that I think are an important expression of how my constituents feel in Connecticut and how the American public feels on a number of very important non trade-related issues, when this debate is concluded, I happen to believe it would be in the best interests of my Nation that

we grant this status to China in the hopes that the improvements we all seek in this land of more than 1 billion people will occur sooner rather than later.

I yield the floor.

Mr. ROTH. Mr. President, I ask unanimous consent that at 12 noon on Monday, September 11, the Senate resume consideration of Senator BYRD's amendment regarding subsidies. Further, I ask unanimous consent that there be 60 minutes of debate equally divided in the usual form with no amendments in order to the amendment. Finally, I ask unanimous consent that following the debate time, the amendment be set aside, with a vote to occur on the amendment at a time determined by the majority leader after consultation with the Democratic leader.

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

Mr. ROTH. Mr. President, I also ask unanimous consent that when Senator BYRD offers an amendment relating to safeguards, there be 3 hours for debate equally divided in the usual form, with no amendments in order to the amendment. Further, I ask consent, following that debate time, the vote occur on the amendment at a time to be determined by the majority leader after consultation with the Democratic leader.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Delaware.

#### THE DEMOCRATS ARE NOT STALLING

Mr. DASCHLE. Mr. President, earlier today the distinguished Senator from Idaho, Senator CRAIG, came to the floor to respond to an article that appeared in the newspaper, USA Today. I want to take just a moment to respond to the article, as well as to some of his comments. He responded, I think, as I would if I had read the article. It is entitled, "Senate Democratic Leader Plans Stalling Tactics," and makes reference to the fact that we are running out of time at the end of the year and it claims to know that I have a simple strategy for winning the final negotiations over spending bills—and I am now reading from the article: "Stall until the Republicans have to cave in because they can't wait any longer to recess," and noted there are a lot more vulnerable Republican Senators than there are Democratic Senators.

As often is the case—I don't blame this reporter, and I am not sure I know who the reporter is—I think that was taken from a comment that I made in my daily press conference, where I simply noted that those who were in the majority oftentimes are the ones who pay a higher price the longer we are in session, the closer we get to the election, noting that we have experienced that rude realization ourselves on at