''How could anyone advocate taxing somebody twice and three times. I don't care if it is a millionaire or a pauper. It is not the government's money.'' And in this letter, Mr. Happy has in this, ''It is not the government's money'' in capital letters.

Let me repeat what he said: ''How could anyone advocate taxing someone two or three times. I don't care if it is a millionaire or a pauper. It is not the government's property. The taxes have been paid,'' and once again, in full capital letters, the word ''paid.'' ''The taxes have been paid. I have been considering divorcing my wife of 48 years and just living together, filing single tax returns because of the marriage penalty, or just filing separately. Why should a family who have been together for 45 years, who have paid taxes on time every year, be forced into the position of losing the property that they have spent their entire life accumulating, or be penalized because they have a marriage of 48 years? Can you answer that?''

Mr. Happy, I cannot answer it, other than the fact to tell you that there are some people here who believe in the redistribution of wealth, who believe somehow in justification of a death tax or tax upon somebody's death.

Let me just wrap this up with one other letter, and then I intend to continue this later this week, because I feel so strongly about the fact that the government should not be taxing death. Mr. Frazier writes me: ''I was encouraged by the State of the Union and the President's $1.6 trillion in tax relief. We have operated a family partnership since the 1930s,'' that is what Mr. Frazier says, since the 1930s they have operated a family ranch. ''My parents died about 5 years apart in the 1980s and the estate tax on each of their one-fifth interest was three to four times more than what they paid for the ranch when they purchased it in 1946.'' In other words, his father and mother, who only owned one-fifth interest in this ranch, each paid more taxes on their one-fifth interest than they paid when they originally bought the ranch.

''Eliminating the death tax and the marriage penalty and reducing tax rates across the board will go a long ways in providing jobs. This, in turn, will enable hard-working families in our cattle country to pass their heritage on to the next generation and to continue to provide safe, wholesome beef to consumers around the world.''

Remember, a lot of these people, they are not so interested in the business, it is the heritage of their farms, the heritages of their businesses that they want to pass to the next generation. That is something our country should encourage. Heritage has a lot of value. ''I have three sons involved in our operation and a grandson starting college next fall, and it is important that we keep agriculture viable, to keep our beef industry from becoming integrated. We need to make it possible for our youth to be able to stay on our ranches and farms.''

These are not letters that I put together over at my office. These are letters that have been sent to my office by families in America, not the multibillionaires that signed that New York Times ad who have already protected their wealth from government taxation. These are people whose lives will be devastated because the government continues on its path of considering death a taxable event.

Well, I have enjoyed my time this evening. We started out by discussing the economy and we have a multistage strategy that we must deploy in regards to our economy. We have to continue to have Mr. Greenspan lower the rates. He is going to do that to the extent that he can. We have to put a tax cut into place, and we have got to control government spending.

I moved from our economy to our energy policy this evening. I said that we need an energy policy. The previous administration did not have one; this administration in its first few days in office said, we need an energy policy, and they are willing to stand up and put everything on the table. Now, that does not mean it is going to be utilized, but it does mean we can discuss it and we, all of us as a team, Democrats and Republicans, must come together for an energy policy.

Finally, I have wrapped up with the discussion on the death tax. I intend later this week when I have an opportunity to speak again to go into more detail on the severe impact that this death tax has on American families. It is severe.

## WAKE UP, AMERICA: ENGAGEMENT WITH CHINA HAS FAILED

The SPEAKER pro tempore (Mr. FERGUSON). Under the Speaker's announced policy of January 3, 2001, the gentleman from California (Mr. ROHRABACHER) is recognized for half of the remaining time until midnight, approximately 58 minutes.

Mr. ROHRABACHER. Mr. Speaker, one month ago, the Communist regime that controls the mainland of China attacked an American surveillance aircraft while it was in international waters. After being knocked out of the sky, 24 American military personnel, the crew of the surveillance craft, were held hostage for nearly 2 weeks. The Communist Chinese blamed us and would not return the crew until the United States was humiliated before the world.

Wake up, America. What is going on here? Large financial interests in our country whose only goal is exploiting the cheap, near-slave labor of China have been leading our country down the path to catastrophe. How much more proof do we need that the so-called engagement theory is a total failure? Our massive investment in China, pushed and promoted by American billionaires and multinational corporations, has created not a more peaceful, democratic China, but an aggressive nuclear-armed bully that now threatens the world with its hostile acts and proliferation. Do the Communist Chinese have to murder American personnel or attack the United States or our allies with their missiles before those who blithesomely pontificate about the civilizing benefits of building the Chinese economy will admit that China for a decade has been going in the opposite direction than predicted by the so-called ''free traders.''

We have made a monstrous mistake, and if we do not face reality and change our fundamental policies, instead of peace, there will be conflict. Instead of democratic reform, we will see a further retrenchment of a regime that is run by gangsters and thugs, the world's worst human rights abusers.

Let us go back to basics. The mainland of China is controlled by a rigid, Stalinistic Communist party. The regime is committing genocide in Tibet. It is holding as a captive the designated successor of the Dalai Lama, who is the spiritual leader of the Tibetan people. By the way, this person, the designated new leader, is a little boy. They are holding hostage a little boy in order to terrorize the Tibetan people. The regime is now, at this moment, arresting thousands of members of the Falun Gong, which is nothing more threatening than a meditation and yoga society. Christians of all denominations are being brutalized unless they register with the state and attend controlled churches. Just in the last few days, there has been a roundup of Catholics who were practicing their faith outside of state control. Now they are in a Chinese prison.

There are no opposition parties in China. There is no free press in China. China is not a free society under anyone's definition. More importantly, it is not a society that is evolving toward freedom.

President Richard Nixon first established our ties with the Communist Chinese in 1972 at the height of the Cold War. That was a brilliant move. At that particular moment, it was a brilliant move. It enabled us to play the power of one dictatorship off the power of another dictatorship. We played one against the other at a time when we had been weakened by the Vietnam War and at a time when Soviet Russia was on the offensive.

During the Reagan years, we dramatically expanded our ties to China, but do not miss the essential fact that justified that relationship and made it different than what has been going on these last 10 years. China was at that time, during the Reagan administration, evolving toward a freer, more open society, a growing democratic movement was evident, and the United States, our government and our people, fostered this movement. Under President Reagan, we brought tens of thousands of students here, and we sent

teams from our National Endowment for Democracy there. We were working with them to build a more democratic society, and it looked like that was what was going to happen. All of this ended, of course, in Tiananmen Square over 10 years ago.

Thousands of Chinese gathered there in Tiananmen Square in Beijing to demand a more open and democratic government. For a moment, it appeared like there had been an historic breakthrough. Then, from out of the darkness came battle-hardened troops and tanks to wipe out the opposition. The people who ordered that attack are still holding the reins of power in China today and, like all other criminals who get away with scurrilous deeds, they have become emboldened and arrogant.

My only lament is that had Ronald Reagan been President during that time of Tiananmen Square, things, I think, would have been different; but he was not. Since that turn of events about 12 years ago, things have been progressively worse. The repression is more evident than ever. The belligerence and hostility of Beijing is even more open. Underscoring the insanity of it all, the Communist Chinese have been using their huge trade surplus with the United States to upgrade their military and expand its warfighting capabilities.

Communist China's arsenal of jets, its ballistic missiles, its naval forces have all been modernized and reinforced. In the last 2 years, they have purchased destroyers from the former Soviet Union. These destroyers are armed with Sunburn missiles. These were systems that were designed during the Cold War by the Russians to destroy American aircraft carriers.

Yes, the Communist Chinese are arming themselves to sink American aircraft carriers, to kill thousands upon thousands of American sailors. Make no mistake about it, China's military might now threatens America and world peace. If there is a crisis in that part of the world again, which there will be, we can predict that some day, unlike the last crisis when American aircraft carriers were able to become a peaceful element to bring moderation of judgment among the players who were in conflict, instead, American aircraft carriers will find themselves vulnerable, and an American President will have to face the choice of risking the lives of all of those sailors on those aircraft carriers.

Mr. Speaker, how is it, then, that a relatively poor country can afford to enlarge its military in such a way, to the point that it can threaten a superpower such as the United States of America?

□ 2215

Even as China's slide into tyranny and militarism continued in these last 12 years, the United States government has permitted a totally indefensible economic rules of engagement to guide our commercial ties with the mainland of China.

While China was going in the right direction, permitting that country to have a large trade advantage and thus providing a large reserve of hard currency may or may not have made sense, as long as China was going in the right direction and going towards democracy. Maybe we would like to build up a freer China that way.

But it made no sense, and it still makes no sense, for the United States to permit a country that is sinking even deeper into tyranny and into anti-Western hostility to have a huge trade surplus as a resource to call upon to meet their military needs.

In effect, the Communist Chinese have been using the tens of billions of dollars of trade surplus with the United States each year to build their military power and military might so some day the Communist Chinese might be able to kill millions of our people, or at least to threaten us to do that in order to back us down into defeat without ever coming to a fight.

We have essentially been arming and equipping our worst potential enemy and financing our own destruction. How could we let such a crime against the security of our country happen? Well, it was argued by some very sincere people that free trade would bring positive change to China, and that engagement would civilize the Communist regime.

Even as evidence stacked upon more evidence indicated that China was not liberalizing, that just the opposite was happening, the barkers for open markets kept singing their song: ''Most-favored-nation status, just give us this and things will get better.'' It was nonsense then and it is nonsense today. But after all that has happened, one would think that the shame factor would silence these eternal optimists.

Perhaps I am a bit sensitive because, first and foremost, let me state unequivocally that I consider myself a free trader. Yes, I believe in free trade between free people. What we should strive for is to have more and more open trade with all free and democratic countries, or countries that are heading in the right direction.

I am thus positively inclined towards President Bush's efforts to establish a free trade zone among the democratic countries in this hemisphere. I will read the fine print, but my inclination is to facilitate trade between democracies.

When I say, ''I will read the fine print,'' I will be especially concerned with a free trade agreement, and I will be looking to that free trade agreement to make sure that we have protection that our sensitive technologies, which can be used for military purposes, will not be transferred from the countries in our hemisphere, democratic countries in our hemisphere, to China or to any other countries that are potential enemies of the United States. This will have to be in that free trade agreement.

There will have to be protections against the transfer of our technology to our enemies. This is more of a concern following new science and technology agreements that were signed by China and countries like Brazil and Venezuela recently. Dictatorships are always going to try to gain in any agreement that they have with us, and they are always going to try to manipulate other agreements and the rules of the game so they can stay in power.

When one applies the rules of free trade to a controlled society, as we have been told over and over again, more trade, and let us have free trade with China, that is going to make them more dependent on us and they will be freer and more prosperous, more likely to be peaceful people, well, if we apply the rules of free trade to a dictatorship, ultimately what happens is that it is only free trade in one direction.

On one end we have free people, a democratic people who are not controlled by their government, and thus are basically unregulated and are moving forward for their own benefit. But on the other end, the trade will be controlled and manipulated to ensure that the current establishment of that country stays in power.

Never has that been more evident than in America's dealing with Communist China. In this case, it is so very blatant.

Those advocating most-favored-nation status, or as it is called now, normal trade relations, have always based their case on the boon to our country represented by the sale of American goods to ''the world's largest market.'' That is their argument. Here on this floor over and over and over again we heard people say, ''We have to have these normal trade relations because we have to sell our products, the products made by the American people, to the world's largest market.''

That is a great pitch. The only problem is, it is not true. The sale of U.S.-produced vacuum cleaners, refrigerators, autos, you name the commercial item, are almost a non-factor in the trade relationship between our countries. They are a minuscule amount of what is considered the trade analysis of these two countries.

During these many years that we have given China most-favored-nation status or normal trade relations, the power elite there never lowered China's tariffs, and in fact increased the tariffs in some areas, and erected barriers to prevent the sale of all but a few U.S.-made products.

So while we had low tariffs, and intentionally brought our tariffs down by most-favored-nation, for over a decade, even as China was slipping more into tyranny, they were permitted to have high tariffs and block our goods from coming in.

Beijing would not permit its own people to buy American-made consumer items. They were not looking for a trade relationship with the United States for their people to be able to

buy American products. That is not what they were looking for. That is not what it was all about. They knew it, but yet our people were told over and over and over and over and over again, ''Oh, we have to have most-favored-nation status and normal trade relations in order to sell American products to the world's largest market.''

That is not what was going on. It is not what the reality was. Instead, the Communist Chinese were out to get American money, lots of it, and American money to build factories, and they wanted the Americans to build the factories with our technology and our money in their country.

By the way, many of the factories that were built there were not built in order to sell products to the Chinese people. Those factories were built to export products to the United States.

The system that developed with the acquiescence of our government, and this is no secret, what I am talking about tonight is no secret to anyone except to the American people, our government acquiesced to this for years, this policy put the American people, the American working people, on the losing end of the transformational action in the long run and sometimes even in the medium run.

The Chinese, because of our low tariffs, flooded our market with their products, and blocked our goods from entering China, and all the while we were hearing over and over again, ''We must have most-favored-nation status in order to sell American products in the world's largest market.''

They droned on year after year that most-favored-nation status was so important to selling our products in the world's largest market. I will just repeat that four or five times, because we must have heard it a thousand times on this floor, and every time said, I am sure, in complete sincerity by the people who were expressing it, but were totally wrong. A very quick look into the statistics could have indicated that.

By the way, just to let Members know, the people of Taiwan, numbering 22 million people, buy more from us annually than the 1.2 Chinese on the mainland. The Taiwanese, with 22 million people, buy more consumer products from us than do 1.2 billion Chinese in the mainland.

What has happened? What has happened as a result of these nonsensical counterproductive policies, anti-American policies to some degree, even though our own government has acquiesced in them? It has resulted in a decline in domestic manufacturing facilities in the United States. In other words, we have been closing down our factories and putting our people out of work.

By the way, that does not mean the company is put out of business. Those factories spring up someplace else. There is this flood of Chinese products, the factory closes down, and guess where it reopens? It reopens, yes, in Communist China, using our modern technology and our capital, which is what the Chinese want to have invested in their country.

Adding insult to injury, our working people, some of them, whose jobs are being threatened by imports, our working people are being taxed in order to provide taxpayer-subsidized loans and loan guarantees for those corporate leaders wishing to close down their operations in the United States and set up on the mainland of China.

Even if China was a free country, that would not be a good idea. I do not believe we should be doing that even for democratic countries. But for us to do that to a Communist dictatorship or any kind of dictatorship, to have the American taxpayer subsidize these investments, taking the risks on the shoulders of the American taxpayer in order to build the economy of a vicious dictatorship, this is insane. This is an insane policy. This is not free trade between free people. It has nothing to do with free trade. It is subsidized trade with subjugated people.

Companies that were permitted to sell their product to the Chinese in these last 10 years, and there have been a few, companies like Boeing who have attempted to sell airplanes to China, have found themselves in a very bad predicament. As part of the deal enabling them to sell planes now to Communist China, they have had to set up manufacturing facilities in China to build the parts, or at least some of the parts for the airplane.

Thus, over a period of time, what the Chinese have managed to do is to have the United States just build factories and pay for them. Or, as part of an agreement to sell the airplane, we have set up an aerospace industry in China that will compete with our own aerospace industry.

I come from California. I come from a district in which aerospace is a mighty important part of our economy. I just want to thank all the people who have permitted this policy, this blackmail of American companies, to go on under the name, under the guise of free trade. It is going to sell out our own national interest 10 years down the road when these people will have a modern aerospace industry building weapons and being able to undercut our own people. Gee, thanks.

Making matters worse, many of the so-called companies in China that are partnering with American industrialists, and American industrialists, when they are going to build in China, are often required to have a Chinese company as their partner as a prerequisite to them investing in China, in short order these so-called partners end up taking over the company. So many of American companies have been there and have been burned.

Guess what, we look at these private Chinese companies that were partners with our American firms, we look at them, and what do we find out? They are not private companies at all. Many of them are subsidiaries of the People's Liberation Army. That is right, the Communist Chinese army owns these companies. These are nothing more than military people in civilian clothing. Their profits end up paying for weapons targeting America, and we are paying them to build the companies that make those profits.

Perhaps the most alarming betrayal of American national security interests surfaced about 5 years ago when some of America's biggest aerospace firms went into China hoping to use Chinese rockets to launch American satellites.

□ 2230

They were trying to make a fast buck. It did not cost them a lot more to launch satellites here.

Yes, the Chinese were insisting that any satellites we put up for them be put up on their rockets. I personally thought that, as long as we made sure there was no technology transfer, that was an okay policy. As long as we just launched our American satellite which helped them set up a telephone system or something in China, that is fine if they never got ahold of it, and that would be okay.

I was guaranteed, along with the other Members of this body, there would be incredible safeguards. The last administration briefed us on the safeguards. Then as soon as we approved of letting these satellite deals go through and our satellites be launched on Chinese rockets, the administration trash canned all of the safeguards. I do not understand it. I do not understand why people did this.

But when all was said and done, the Communist Chinese rocket arsenal was filled with more reliable and more capable rockets, thanks to Loral, Hughes and other aerospace firms. Communist Chinese rockets, which were a joke 10 years ago, when Bill Clinton became President of the United States, they were a joke, one out of 10 failed, exploded before they could get into space. Today they are dramatically more likely to hit their targets, and they even carry multiple warheads. Where before they had one warhead and nine out of 10 would explode, now about 9 out of 10 get to their target, and some of them are carrying multiple warheads.

The Cox report detailed this travesty. We should not forget the Cox report. Unfortunately, there has been innuendo after innuendo as if the Cox report has in some way been proven wrong. There are no reports that indicate that what the gentleman from California (Mr. COX) and his task force proved has in some way been discredited. In fact, there was a transfer of technology to the Communist Chinese that did great damage to our national security and put millions of American lives at risk that did not have to be put at risk.

Yet, even with all this staring Congress in the face, we have continued to give Most Favored Nations status to China and even now vote to make them

part of the World Trade Organization. Why? One explanation, well just bad theory. Expanding trade, of course, they believe will make things better. But expanding trade did not make things better. Expanding trade with a dictatorship, as I have mentioned, just expands the power base and solidifies the bad guys in power.

Of course the other explanation of why all this is going on, why we end up seeing our national security trashed is pure greed on some individuals' parts.

Our businessmen have been blinded, not by the dream of selling U.S.-made products to China as they would have you believe in the debates here on the floor of the House, but rather blinded by the vision of using virtually slave labor for quick profits on the mainland of China.

With little or no competition, no negotiators, no lawyers, no environmental restrictions, no unions, no public consent, it sounds like a businessman's dream to me. Yes, it is a businessman's dream if you just blot out the picture of a grinding tyranny and the human rights abuses that are going on and the horrible threat to the United States of America that is emerging because of the things that are going on and the things that are being done.

Because you are a businessman, because you are engaged in making a profit as we are free to do in the United States does not exempt you from being a patriot or being loyal to the security interests of the United States of America.

Today's American overseas businessman quite often is a far cry from the Yankee clipper captains of days gone by. In those days, our Yankee clipper ships sailed the ocean, cut through those seas, the Seven Seas. They were full going over, and they were full coming back. They waived our flag. Our flag was flying from those clipper ships, and our flag stood for freedom and justice. Those Yankee clipper captains and those business entrepreneurs were proud to be Americans.

Today, America's tycoons often see nationalism, read that loyalty to the United States, as an antiquated notion. They are players in the global economy now, they feel. Patriotism they believe is old think.

Well, we cannot rely on the decisions of people like this to determine what the interests of the United States of America is to be. Yet, the influence of these billionaires and these tycoons, these people who would be willing to invest in a dictatorship or a democracy, they could care less which one, they do not care if there is blood dripping off the hand that hands them the dollar bills, those individuals influence our government. Their influence on this elected body is monumental, if not insurmountable at times.

I believe in capitalism. I am a capitalist. I am someone who believes in the free enterprise system, make no mistake about it. But free is the ultimate word. People must be free to be involved in enterprise. We must respect the basic tenets of liberty and justice that have provided us a country in which people are free to uplift themselves through hard work and through enterprise.

Today, more often than not, we are talking about how people are trying to find out ways of manipulating government on how to make a profit, not how to build a better product that will enrich everyone's life and make a profit by doing that, which is the essence of the free enterprise system.

More and more people are not even looking again to this great country and considering this great country for the role that it is playing in this world and how important it is and how we should never sacrifice the security of this country. Because if this country falls, the hope for freedom and justice everywhere in the world falls. No, instead they have put their baskets, not in the United States of America, put their eggs in the basket of globalism. Well, globalism will not work without democratic reform.

China will corrupt the WTO, the World Trade Organization, just as it has corrupted the election processes in the United States of America. You can see it now 20 years from now, maybe 10 years from now, the panels of the WTO, you know, made up of countries from all over the world, Latin America, Africa, Middle East. There are members of those panels making these decisions, they will not have ever been elected by anybody, much less the people of the United States of America, yet we will be expected to follow their dictates. Communist China, they will pay those people off in a heartbeat. Why not? They did it to our people.

Remember the campaign contributions given to Vice President Gore at the Buddhist Temple? Remember the money delivered to the Clinton's by Johnny Chung? Where did that money come from? We are talking about hundreds of thousands of dollars. Where did it come from? It originated with Chinese military officers. These military officers were wearing civilian clothes. They were top officers in that part of the People's Liberation Army that produces missiles. That is where the money came from, all this while our most deadly missile technology was being transferred to Communist China. One wonders why the Communist Chinese leaders are arrogant and think that American leaders are cowards and corrupt when we let this happen.

Our country has, in short, had a disastrously counterproductive policy. We have, over the last 10 years, built our worst potential enemy from a weak, introverted power into a powerful economic military force, a force that is looking to dominate all of Asia. When I say worst potential enemy, that is not just my assessment. That is what the Communist Chinese leaders themselves believe and are planning for.

Why do you think Communist Chinese Boss Jiang Zemin recently visited Cuba? He was in Cuba with Fidel Castro who hates our guts when he released the hostages, the American military personnel that he was holding hostage. What do you think that was all about? He was telling the whole world we are standing up to the United States of America, and they are our enemy. He was involved with an activity that was declaring to the world his hostility towards the United States.

Why, when you have a country like this who are professing hostility to the United States and doing such as this, why are we permitting them to buy up ports that will effectively give them control of the Panama Canal, which is what they did a year and a half ago.

The Panama Canal, the last administration let the Chinese, the Communist Chinese, through bribery, tremendously expand its power in Panama and, through bribery, let it get control of the port facilities at both ends of the Panama Canal. Why would we let such a thing happen?

In many ways, we are repeating history. In the 1920s, Japanese militarists wiped out Japan's fledgling democratic movement. That it did. In doing so, it set a course for Japan. Japan then was a racist power which believed it, too, had a right to dominate Asia. Japanese militarists also knew that only the United States of America stood in their way. This is deja vu all over again as Yogi Berra once said.

The Communist Chinese, too, are militarists who seek to dominate Asia. They think they are racially superior to everyone. They are unlike their Japanese predecessors, however, willing to go slow, and they have been going slow. But make no mistake about it, they intend to dominate Asia, all of it. And even know, their maps claim Siberia, Mongolia and huge chunks of the South China Sea.

The confrontation with our surveillance plane must be reviewed in this perspective if the damage to the United States and the imprudence and arrogance on the part of the communist Chinese are to be understood.

China's claim on the South China Sea includes the Spratley Islands. I have a map of the South China Sea with me tonight. Hainan Island. Our airplane was intercepted, knocked out of the sky somewhere in here. But what we are not told about and what the media is not focusing on and no one has been talking about is this plane was precisely in the waters between Hainan Island and the Spratley Islands.

For those who do not know what the Spratley Islands are, they are just a series of reefs that are under water at high tide and at low tide above water. They are just a short distance, as you can see, this is here, this is the Philippines; and right about 100 miles offshore, the Spratley Islands. Yet they are several hundred miles from China. Yet the Chinese are trying to claim these islands. That is what this was all

about. Not only are these islands, the Spratley Islands, the home of natural gas and oil deposits, but they are also in a strategic location.

□ 2245

The Spratly Islands, having them in China's power, having them being recognized as part of China, would, of course, be a disaster to the Philippines whose oil and gas that belongs to, but also it would give the Communist Chinese sovereignty rights which would permit them to bracket the South China Sea. China, Hainan Island, the Spratlys would bracket the South China Sea, from this land point to this land point. Thus, we have a situation where when China claims, which it does, a 200-mile zone, that would leave China with a stranglehold on the South China Sea which is one of the most important commercial areas on this planet. It would have a stranglehold on Japan and Korea.

What do you think our friends in the Persian Gulf, for example, would think about it if they understood that this was a power play, that what we had with the surveillance aircraft was a power play? The reason why the Communist Chinese were demanding an apology then, they were demanding an apology because supposedly we were in their airspace. If we apologized, that was a recognition of their sovereignty in bracketing with the Spratly Islands on one side and Hainan Island on the other side, bracketing the South China Sea. If we ended up apologizing to the Communist regime, it would have been taken as a legal recognition, a small one, of their sovereignty and their 200-mile limit. That is what this was all about. That is why they were playing hardball with us.

The American people and our allies are not being told that that is what the stakes were. This is a long-term effort on the part of the Communist Chinese to dominate the South China Sea and expand their power so they could call it maybe the Communist China Sea rather than the South China Sea. It behooves us to face these facts. That is what it was all about. That is why they wanted an apology and that is why they should not have gotten an apology.

I applaud this administration for wording its letter in a way that was not and could not in any way be interpreted as a recognition of the Chinese sovereignty over that airspace. An accommodationist policy toward Communist China, ignoring this type of aggression, ignoring human rights and democracy concerns while stressing expanded trade, and even through all this you have a bunch of people saying, ''Oh, isn't it lucky we have trade relations or we would really be in trouble with the Communist Chinese.'' Give me a break. But ignoring those other elements and just stressing trade as part of a so-called engagement theory has not worked.

The regime in China is more powerful, more belligerent to the United States and more repressive than ever before. President Bush's decision in the wake of this incident at Hainan Island to sell an arms package to Taiwan including destroyers, submarines and an antiaircraft upgrade was good. At least it shows more moxie than what the last administration did.

I would have preferred to see the Aegis system be provided to our Taiwanese friends. But at least we have gone forward with a respectable arms deal that will help Taiwan defend itself and thus deter military action in that area.

But after the Hainan Island incident, the very least we should be doing is canceling all U.S. military exchanges with Communist China. I mean, I do not know if they are still delivering us those berets or not, but that is just ridiculous to think that we are getting our military berets from Communist China. We should cancel all military exchanges.

The American people should be put on alert that they are in danger if they travel to the mainland of China. And we should quit using our tax dollars through the Export-Import Bank, the IMF and the World Bank to subsidize big business when they want to build a factory in China or in any other dictatorship.

Why are we helping Vietnam and China? Why are we helping those dictatorships when nearby people, the people of the Philippines, whom I just mentioned, who are on the front line against this Communist aggression, who China is trying to flood drugs into their country. The Chinese army itself is involved in the drug trade going into the Philippines.

The Philippines are struggling to have a democracy. They have just had to remove a president who is being bribed. Bribed by whom? Bribed by organized crime figures from the mainland of China. When those people in the Philippines are struggling, why are we not trying to help them? Let us not encourage American businesses to go to Vietnam or to Communist China, when you have got people right close by who are struggling to have a democratic government and love the United States of America. The people of the Philippines are strong and they love their freedom and their liberty, but they feel like they have been abandoned by the United States. And when we help factories to be set up in China rather than sending work to the Philippines, and they do not even have the money to buy the weapons to defend themselves in the Philippines. That is why it is important for us to stand tall, so they know they can count on us. But they can only count on us if we do what is right and have the courage to stand up.

The same with China and India. India is not my favorite country in the world, but I will tell you this much, the Indians are struggling to have a free and democratic society. They have democratic institutions, and it is a struggle because they have so many varied people that live in India. But they are struggling to make their country better and to have a democratic system and to have rights and have a court system that functions, to have opposition newspapers. They do not have any of that in China. Yet instead of helping the Indian people, we are helping the Communist Chinese people? This is misplaced priorities at best.

Finally, in this atmosphere of turmoil and confrontation, let us never forget who are our greatest allies, and that is the Chinese people themselves. Let no mistake in the wording that I have used tonight indicate that I hold the Chinese people accountable or synonymous with the Chinese Government or with Beijing or with the Communist Party in China. The people of China are as freedom-loving and as pro-American as any people of the world.

The people of China are not separated from the rest of humanity. They too want freedom and honest government. They want to improve their lives. They do not want a corrupt dictatorship over them. And any struggle for peace and prosperity, any plan for our country to try to bring peace to the world and to bring a better life and to support the cause of freedom must include the people of China.

We do not want war. We want the people of China to be free. Then we could have free and open trade because it would be a free country and it would be free trade between free people instead of this travesty that we have today, which is a trade policy that strengthens the dictatorship.

When the young people of China rose up and gathered together at Tiananmen Square, they used our Statue of Liberty as a model for their own goddess of liberty. That was the statue that they held forth. That was their dream. They dreamed that her torch, the goddess of liberty, would enlighten all China and they dreamed of a China democratic, prosperous and free. Our shortsighted policy of subsidized one-way trade crushes that goddess of liberty every bit as much as those Red Army tanks did 12 years ago.

Let us reexamine our souls. Let us reexamine our policies. Let us reach out to the people of China and claim together that we are all people of this planet, as our forefathers said, we are the ones, we are the people who have been given by God the rights of life, liberty and the pursuit of happiness. That is not just for Americans. That is for all the people of the world. And when we recognize that and reach out with honesty and not for a quick buck, not just to make a quick buck and then get out, but instead to reach over to those people and help them build their country, then we will have a future of peace and prosperity.

It will not happen if we sell out our own national security interests. It will not happen if we are only siding with the ruling elite in China. We want to share a world with the people of China. We are on their side.

Let me say this. That includes those soldiers in the People's Liberation Army. The people in the People's Liberation Army come from the population of China. They and those other forces at work in China should rise up and join with all the other people in the world, especially the American people, who believe in justice and truth; and we will wipe away those people at the negotiating table today that represent both sides of this negotiation, and we will sit face-to-face with all the people in the world who love justice and freedom and democracy, just as our forefathers thought was America's rightful role, and we will build a better world that way.

We will not do it through a World Trade Organization. We will do it by respecting our own rights and respecting the rights of every other country and every other people on this planet.

I hope that tonight the American people have heard these words. The course is not unalterable. This is a new administration. And in this new administration, I would hope that we reverse these horrible mistakes that have compromised our national security and undermined the cause of liberty and justice.

I look forward to working with this administration to doing what is right for our country and right for the cause of peace and freedom.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ABERCROMBIE (at the request of Mr. GEPHARDT) for today and until 1:00 p.m. April 25 on account of official business.

Mr. HOLDEN (at the request of Mr. GEPHARDT) for today on account of official business.

Ms. ROYBAL-ALLARD (at the request of Mr. GEPHARDT) for today and the balance of the week on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CROWLEY) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. TIERNEY, for 5 minutes, today.

Mr. BERMAN, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mrs. MALONEY of New York, for 5 minutes, today.

Mr. VISCLOSKY, for 5 minutes, today.

Mr. BECERRA, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. MCGOVERN, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Mr. CROWLEY, for 5 minutes, today.

Mr. WEINER, for 5 minutes, today.

Mr. SHERMAN, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

Mr. DOOLEY of California, for 5 minutes, today.

Ms. ESHOO, for 5 minutes, today.

(The following Members (at the request of Mr. RADANOVICH) to revise and extend their remarks and include extraneous material:)

Mr. DEAL of Georgia, for 5 minutes, today.

Mr. RADANOVICH, for 5 minutes, today.

Mr. KNOLLENBERG, for 5 minutes, today.

Mr. SWEENEY, for 5 minutes, today.

Mr. BILIRAKIS, for 5 minutes, today.

Mrs. MORELLA, for 5 minutes, today.

Mr. ROYCE, for 5 minutes, today.

Mr. RAMSTAD, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

Mr. WELDON of Florida, for 5 minutes, April 26.

Mrs. KELLY, for 5 minutes, May 1.

Mr. KIRK, for 5 minutes, today.

Mr. FERGUSON, for 5 minutes, today.

Mr. SOUDER, for 5 minutes, today.

Mr. PAUL, for 5 minutes, on April 25.

## SENATE BILLS REFERRED

Concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 7. Concurrent resolution expressing the sense of Congress that the United States should establish an international education policy to further national security, foreign policy, and economic competitiveness, promote mutual understanding and cooperation among nations, and for other purposes; to the Committee on International Relations; in addition to the Committee on Education and the Workforce for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. Con. Res. 23. Concurrent resolution expressing the sense of Congress with respect to the involvement of the Government of Libya in the terrorist bombing of Pan Am Flight 103, and for other purposes; to the Committee on International Relations.

## BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on April 5, 2001 he presented to the President of the United States, for his approval, the following bills.

H.R. 132. To designate the facility of the United States Postal Service located at 620 Jacaranda Street in Lanai City, Hawaii, as the ''Goro Hokama Post Office Building.''

H.R. 395. To designate the facility of the United States Postal Service located at 2305 Minton Road in West Melbourne, Florida, as the ''Ronald W. Reagan Post Office of West Melbourne, Florida.''

## ADJOURNMENT

Mr. ROHRABACHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 57 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 25, 2001, at 10 a.m.

## BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT PRIOR TO SINE DIE ADJOURNMENT

Mr. THOMAS, from the Committee on House Administration, reported that the committee did on the following date present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On December 15, 2000:

H.R. 1653. To complete the orderly withdrawal of the NOAA from the civil administration of the Pribilof Islands, Alaska, and to assist in the conservation of coral reefs, and for other purposes.

H.R. 2903. To reauthorize the Striped Bass Conservation Act, and for other purposes.

H.R. 4577. Making consolidated appropriations for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4656. To authorize the Forest Service to convey certain lands in the lake Tahoe Basin to the Wahoe County School District for use as an elementary school site.

H.R. 4942. H.R. Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 5016. To redesignate the facility of the United States Postal service located at 514 Express Center Road in Chicago, Illinois, as the ''J.T. Weeker Service Center''.

H.R. 5210. To designate the facility of the United States Postal Service located 200 South George Street in York, Pennsylvania, as the ''George Atlee Goodling Post Office Building''.

H.R. 5461. To amend the Magnuson-Stevens Fishery Conservation and Management eliminate the wasteful and unsortmanlike practice of shark finning.

H.R. 5528. To authorize the construction of a Wakpa Sica Reconciliation Place in Fort Pierce, South Dakota, and for other purposes.

H.R. 5630. To authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability, and for other purposes.

H.R. 5640. To expand homeownership in the United States, and for other purposes.

H.J. RES. 133. Making further continuing appropriations for the fiscal year 2001, and for other purposes.

## BILLS PRESENTED TO THE PRESIDENT SUBSEQUENT TO SINE DIE ADJOURNMENT

Mr. THOMAS, from the Committee on House Administration, reported that the committee did on the following date present to the President, for his approval, bills and a joint resolution of the House of the following titles: