

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2001—MOTION TO PROCEED

The PRESIDING OFFICER. The motion to proceed to the energy and water bill is agreed to.

TO AUTHORIZE EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PEOPLE'S REPUBLIC OF CHINA—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to calendar No. 575, H.R. 4444, a bill to authorize extension of nondiscriminatory treatment (normal trade relations treatment) to the People's Republic of China.

Trent Lott, Pat Roberts, Larry E. Craig, Christopher Bond, Chuck Grassley, Ted Stevens, Connie Mack, Orrin Hatch, Frank H. Murkowski, Wayne Allard, Kay Bailey Hutchison, Don Nickles, Bill Roth, Michael Crapo, Slade Gorton, and Craig Thomas.

Mr. BYRD. Mr. President, I will vote against the cloture motion to proceed to the China Permanent Normal Trade Relations bill.

The very nature of the discussions that have been taking place on the China PNTR issue demonstrates the complexity of trade, national security, democratic and economic issues that this nation faces in considering U.S.-China relations. One of my greatest concerns about the passage of PNTR for China is the very intensive scurrying to neatly package this deal as a "win" for America.

I will concede that, on one hand, supporters of the PNTR legislation can make legitimate claims that China has, indeed, stated that it is willing to cut its tariffs, to allow greater foreign investment, and to abide by a set of internationally approved trade rules. Certainly, the people of the United States of America embrace the hope that China and the Chinese people can enjoy a beneficial exchange of commerce. But, I am a devout believer in the principle of fair trade—I repeat fair trade—rather than the so-called free trade, and I must note that China's track record in adhering to agreements is much less than perfect.

I have little doubt that the vote today paves the way to rush to approve the PNTR measure without the deliberate, thoughtful consideration that this Congress should always provide. It has been years since this body gave U.S. trade policy the kind of consideration that we ought and that it certainly deserves. The Congress must not

continue to neglect its duty to provide meaningful debate on U.S. trade policy that could plant the seeds of lasting, mutually beneficial trade relations with China.

But, I will save my concerns about the China PNTR issue for the actual debate. The debate today is simply on the motion to proceed. Nevertheless, all Senators should be put on notice that this vote is about allowing the Senate to begin a hasty consideration of one of the most economically important relationships of our time, which also has huge national security implications. U.S.-China relations deserve better consideration from the body charged by the Constitution, as outlined in Article I, Section 8, with regulating commerce with foreign nations.

Mrs. FEINSTEIN. Mr. President, I rise today to urge my colleagues to support the cloture motion on the motion to proceed to Senate consideration of Permanent Normal Trade Relations with China based on the bilateral trade agreement negotiated between our two nations this past November. Much is at stake in this vote.

In the bilateral agreement signed this past November China made significant market-opening concessions to the United States across virtually every economic sector. For example:

On U.S. priority agricultural products, tariffs will drop from an average of 31 percent to 14 percent by January 2004 and industrial tariffs on U.S. products will fall from an average of 24.6 percent in 1997 to an average of 9.4 percent by 2005.

China will open up distribution services, such as repair and maintenance, warehousing, trucking, and air courier services.

Import tariffs on autos, now averaging 80-100 percent, will be phased down to an average of 25 percent by 2006, with tariff reductions accelerated.

China will participate in the Information Technology Agreement and will eliminate tariffs on products such as computers, semiconductors, and related products by 2005.

China will open its telecommunications sector, including access to China's growing Internet services, and expand investment and other activities for financial services firms.

The agreement also preserves safeguards against dumping and other unfair trade practices. Specifically, the "special safeguard rule" (to prevent import surges into the U.S.) will remain in force for 12 years and the "special anti-dumping methodology" will remain in effect for 15 years.

America benefits by having China follow the rules and norms of the global marketplace.

By some estimates, China is already the world's seventh largest economy. China's total worldwide trade grew from \$21 billion in 1978 to over \$324 billion in 1998. Trade makes up 33 percent

of China's Gross Domestic Product (GDP), estimated at roughly one trillion dollars in 1998.

China is already America's fourth largest trading partner. U.S.-China two-way trade, less than \$1 billion in 1978, was roughly \$85 billion in 1998.

I would also like to take a few minutes to discuss why China's accession to the WTO is so important to California.

California is the nation's number one exporting State, and well over one-fourth of California's trillion dollar economy now depends on international trade and investment. For California workers and companies, this means jobs and improved export opportunities across a broad range of manufacturing, agricultural, and service industries.

For California, the growth of trade relations with China over the past two decades has been dramatic.

In 1998, China and Hong Kong together were California's fourth largest export destination, with exports topping \$6.1 billion.

In 1998, while California's total exports declined 4.17 percent, due to the Asian financial crisis, our exports to China (not including Hong Kong) increased 9.28 percent.

One third of the total U.S. exports to China come from California; all told over 100,000 California jobs have been generated thus far by trade with China.

California's top exports to China look a lot like a list of new and emerging technologies fueling California's current economic boom: Electronic and electrical equipment; industrial equipment and computers; transportation equipment; and instruments.

And China is also an important market for the traditional mainstays of the California economy: China and Hong Kong in 1998 received 4.9 percent of California's food exports and 6.4 percent of our crop exports.

No matter how you look at it, this benefits the United States.

Unfortunately, many people have confused this PNTR vote with a vote to approve China joining the World Trade Organization (WTO). It needs to be understood, however, that China will likely join the WTO within the next year regardless. That issue will be decided by the WTO's working group and a two-thirds vote of the WTO membership as a whole.

Under WTO rules, only the countries that have "non-discriminatory" trade practices (PNTR) are entitled to receive the benefits of WTO agreements. Without granting China permanent normal trading status, the United States would be effectively shut out of China's vast markets, while Britain, Japan, France and all the other WTO-member nations would be allowed to trade with few barriers.

If we do not grant China PNTR based on the November bilateral agreement—

an agreement in which the U.S. received many important trade concessions and gave up nothing—we effectively shoot ourselves in the foot.

Let us also be clear about the ultimate issue at stake here today: The People's Republic of China is today undergoing its most significant period of economic and social activity since its founding over 50 years ago. The pace is fast; the changes large. In a relatively short time, China has become a key Pacific Rim player and major world trader. It is now a huge producer and consumer of goods and services, and a magnet for investment and commerce.

Because of its size and potential, the choices China makes over the next few years will greatly influence the future of peace and prosperity in Asia. But, in a very real sense, the shaping of Asia's future also begins with choices America will make in deciding how to deal with China.

We can try to engage China and integrate it into the global community. We can be a catalyst for positive change, as our management styles, business techniques and the philosophies that underlie them take root in Chinese society.

We can work for change in China, as the benefits of trade and rising living standards bring about the goals we seek, or we can deal antagonistically with China and lose our leverage in guiding China along paths of positive economic and social development. And we can sacrifice business advantage to competitor nations.

History clearly shows us a nation's respect for political pluralism, human rights, labor rights, and environmental protection grows in direct proportion to that nation's positive interaction with others and as that nations achieves a level of sustainable economic development and social well-being. This was true in Taiwan; it was true in South Korea. Not too long ago, both were governed by dictatorships. Given a chance, it will also be true in China.

As I see it, America will face no challenge more important than this in the foreseeable future. I am convinced we will debate no issue more important than the question of China's entry into the World Trade Organization (WTO) and whether or not we will deal with the Chinese on the basis of a permanent normal trading relationship—PNTR—and I intend to speak to this issue at greater length when the Senate returns to work this September.

I urge my colleagues to support this cloture motion.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of H.R. 4444, an act to authorize extension of nondiscriminatory treatment (normal

trade relations treatment) to the People's Republic of China, and to establish a framework for relations between the United States and the People's Republic of China, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. FRIST) and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the chamber desiring to vote?

The yeas and nays resulted—yeas 86, nays 12, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—86

Abraham	Feingold	Lugar
Akaka	Feinstein	Mack
Allard	Fitzgerald	McCain
Ashcroft	Gorton	McConnell
Baucus	Graham	Miller
Bayh	Gramm	Moynihan
Bennett	Grams	Murkowski
Biden	Grassley	Murray
Bingaman	Gregg	Nickles
Bond	Hagel	Reed
Boxer	Harkin	Reid
Breaux	Hatch	Robb
Brownback	Hutchinson	Roberts
Bryan	Hutchison	Rockefeller
Burns	Inouye	Roth
Chafee, L.	Jeffords	Santorum
Cleland	Johnson	Schumer
Cochran	Kennedy	Sessions
Collins	Kerrey	Shelby
Conrad	Kerry	Smith (OR)
Craig	Kohl	Snowe
Crapo	Kyl	Stevens
Daschle	Landrieu	Thomas
DeWine	Lautenberg	Thompson
Dodd	Leahy	Torricelli
Dorgan	Levin	Voinovich
Durbin	Lieberman	Warner
Edwards	Lincoln	Wyden
Enzi	Lott	

NAYS—12

Bunning	Hollings	Smith (NH)
Byrd	Inhofe	Specter
Campbell	Mikulski	Thurmond
Helms	Sarbanes	Wellstone

NOT VOTING—2

Domenici	Frist
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The PRESIDING OFFICER (Mr. GORTON). On this vote the yeas are 86, the nays are 12. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from North Carolina is recognized for up to 40 minutes.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for me to yield 5 minutes of my time to the distinguished Senator from Delaware and 1 or 2 minutes, whatever he needs, to the distinguished Senator from New York, without losing my right to the floor.

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

The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I thank the majority leader for starting the process

of consideration of this historic legislation and I look forward to the debate in September. At that point, I intend to outline precisely how normalizing our trade relations with China is the single most significant step we can take in promoting the broad range of interests, from national security to human rights, that the United States has in its relationship with China and Asia as a whole. For today, however, I do not intend debate abstractions. Instead, I am going to start where I always do when I am considering legislation. And, that is the simple question of whether normalizing trade with China is good for my constituents back home in Delaware. Delaware's exports to China in many product categories nearly doubled between 1993 and 1998. Delaware's trade with China now exceeds \$70 million. The agreement reached with China as part of its accession to the WTO would mean dramatically lower tariffs on products critical to Delaware's economy.

The economy of southern Delaware, for example, depends on poultry. China is already the second leading market for American poultry products worldwide. Poultry producers in Delaware and elsewhere have built that market in the face of both quotas and high tariffs. Under the agreement with China, those quotas will now be eliminated and the tariffs will be cut in half, from 20 to 10 percent. In Delaware, chemicals and pharmaceuticals make up a significant share of my State's manufacturing base. In the chemical sector, China has agreed to eliminate quotas on chemical products by 2002 and will cut its tariffs on American chemical exports by more than one-half. Furthermore, there is not a day that I come to work that I do not remember that Delaware is also home to two automobile manufacturing plants, one Chrysler and one General Motors. In fact, I am told that Delaware has more auto workers per capita than any other State, including Michigan. As many of the auto workers in my State remember, I led the fight to ensure Chrysler's survival. And I remain one of the strongest supporters of the Chrysler and General Motors communities in Delaware.

Under the agreement with China, China has agreed to cut tariffs on automobiles by up to 70 percent and on auto parts by more than one-half. The agreement also ensures the ability of our automobile companies to sell direct to consumers, rather than through some state-owned marketing office, and the ability to finance those sales directly as they do here in the United States. I want to give each of you a website address where you can see the powerful positive effect this agreement will have on your state and on your constituents as well. You can find it at [www.chinapntr.gov](http://www.chinapntr.gov).

Beyond that, I want to emphasize two final points. The first thing I want

every member of the Senate to understand is that China is going to become a member of the World Trade Organization whether we pass this bill or not. What this vote is about is whether American farmers, American businesses, and American workers—real working men and women back home in each of our states—will receive the benefits of an agreement that three Presidents from both parties have pursued with incredible dedication for 13 years. Or, will we reject this bill and see those benefits go instead to our European and Japanese competitors? Under the bilateral agreement reached this past November, China has agreed to open its markets farther than many of our other WTO trading partners even in the developed world. Indeed, to a remarkable extent, China seems willing to go farther faster on agricultural subsidies and services than even Japan and some of our European trading partners. And, the United States is likely to be the primary beneficiary of China's historic agreement to open its markets. Voting no on this motion means that American farmers, its manufacturers and its workers will suffer the consequences and face a dimmer economic future as a result.

The second point I want to make in closing has to do with the bill that came to us from the House. We have reviewed the bill in the Finance Committee and I want to emphasize my unequivocal support for the House bill. It preserves precisely what the Finance Committee hoped to do—which is ensure that American farmers, manufacturers, and service providers would gain access to the Chinese market under the terms negotiated this past November. Beyond that, the House bill strikes a reasonable balance in terms of Congress' ongoing scrutiny of China's record on human rights and labor standards. Indeed, in my view, the commission created by the House bill for those purposes offers more to our advocacy of human rights in China than any vote under the Jackson-Vanik amendment ever did or ever would. What that means is that, because benefits of normalizing our trade relations with China, and because there is now so little time left before the 106th Congress adjourns, I will intend to oppose all amendments to the bill. Thirteen members of the Finance Committee have joined me in that pledge and I know many others that have expressed the same view to the majority and minority leaders. With that, let me close by simply urging my colleagues to support the motion to proceed, and final passage when we return in September. Let's engage in the serious debate the bill deserves and let's take action as soon as possible to secure the benefits of the agreement for our farmers, manufacturers, and workers.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise to congratulate the chairman of the Finance Committee. This measure has now had its first test. It has passed overwhelmingly, 86-12.

We have trouble getting such votes on the Fourth of July celebrations.

Here is some sense of how epic this vote will be. At the Finance Committee's final hearing on China, on April 6, the former Chief Negotiator for Japan and Canada at the Office of the U.S. Trade Representative closed his testimony thus: "this vote is one of an historic handful of Congressional votes since the end of World War II. Nothing that Members of Congress do this year or any other year could be more important."

We are asking, pleading to leave this bill untouched. We want it to go out of this Chamber directly to the President at the White House where it will be signed. We do not want a conference. We do not want another vote on the House floor.

The majority leader promised that the Senate would begin its consideration of H.R. 4444, the legislation authorizing the extension of permanent normal trade relations, PNTR, to China before the August recess. He has kept his word. We owe great thanks as well to our esteemed minority leader, Senator DASCHLE, who has been tireless on this matter, and to our great Chairman, Senator ROTH, whose efforts have brought us to this day. Today's vote puts us on course to take up and pass this important legislation early in September.

I have no doubt that the measure will prevail—and by a wide margin. It comes to us following the decisive vote in the House of Representatives on May 24—over two months ago now—237 ayes, 197 noes. And it comes to the floor with the unequivocal endorsement of the Finance Committee: on May 17, the Finance Committee reported out a simple, 2-page bill—a straight-out authorization of PNTR. The vote was nearly unanimous, 19-1.

The House saw fit to add a few more provisions, which the Finance Committee studied in Executive Session on Wednesday, June 7. Our conclusion was that there is nothing objectionable in it.

The House added the package offered by Representatives LEVIN and BERREUTER. It includes an import surge mechanism to implement one of the provisions of the November 1999 U.S.-China agreement, fully consistent with existing law. It creates a human rights commission loosely modeled after the Commission on Security and Cooperation in Europe, the Helsinki Commission. And it authorizes appropriations to address China's compliance with its WTO commitments.

Nothing major. Nothing troubling. It was the nearly unanimous view of the Finance Committee that we ought sim-

ply to take up the House bill and pass it. And the sooner the better.

I will make two observations. First, with its accession to the WTO, China merely resumes the role that it played more than half a century ago. China was one of the 44 participants in the Bretton Woods Conference, July 1-22, 1944, and its representatives were seated on the executive boards of the World Bank and the International Monetary Fund when those two organizations came into being in 1946.

That same year, China was appointed to the Preparatory Committee of the United Nations Conference on Trade and Employment, which was charged with drafting both the Charter for the International Trade Organization (ITO) and the General Agreement on Tariffs and Trade. China was one of the original 23 Contracting Parties of the GATT, which entered into force for China on May 22, 1948.

Following the establishment of the People's Republic of China, the Republic of China (Taiwan) notified the GATT on March 8, 1950 that it was terminating "China's" membership. Thirty-six years later, in 1986, China officially sought to rejoin the GATT, now the WTO. After 14 years of negotiations, it is now time.

My second broad observation is that the economic case for PNTR is unsailable. Ambassador Barshefsky negotiated an outstanding market access agreement: that much is not in dispute. It is a one-sided agreement: it was China, and not the United States, that had to make significant and wide-ranging market access commitments.

Once China becomes a member of the World Trade Organization—and China will become a WTO member with or without the support of the United States Congress—the concessions that China has agreed to in negotiations with the United States and other countries will be extended to all countries that enter into full WTO relations with China. This is simply a consequence of the operation of the "normal trade relations" principle—the old "most-favored-nation" principle, to use the 17th century term.

But until the United States grants China permanent normal trade relations, we will not be guaranteed the benefits that our own negotiators secured. This is because the process of annual renewal and review of China's trade status, conditioned as it is on freedom-of-emigration goals, violates the core principles of the WTO's General Agreement on Tariffs and Trade 1994, the General Agreement on Trade in Services and the Agreement on Trade-Related Aspects of Intellectual Property Rights—all of which require unconditional normal trade relations.

A vote in support of PNTR for China is not an endorsement of China's record on human rights. To be sure, there is much to be done. But the annual NTR

review process has simply not provided us much leverage on human rights because the sanction is too extreme—the reimposition of the Smoot-Hawley tariff rates, that would choke off our trade with China—and has never been imposed.

The United States has extended our “normal”—i.e. “normal trade relations” or NTR—tariff rates to China each year for the past 20 years. Since 1980. Without a break. This legislation simply recognizes that this long-standing policy will continue.

We will have a good debate when we return in September. And then I predict that the Senate will pass H.R. 4444 by an overwhelming margin, as we ought to do.

I again thank our dear friend from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for me to make my comments from my desk seated.

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

The Senator from North Carolina.

Mr. HELMS. I thank the Chair. Mr. President, I know some of the leaders in the business community around the country—particularly those who went to Shanghai last October to clink champagne glasses with China’s dictators and help them celebrate the 50th anniversary of Chinese communism—these business leaders are eager for the Senate to deliver to them their year 2000 Holy Grail. It is called permanent normal trade relations with China, and I imagine there is a little bit of champagne flowing after this vote in the Senate. I say to them, just wait a little bit; maybe the American people will speak up a little more loudly than they have thus far.

These business leaders would have liked the Senate to take up this legislation right now and have a perfunctory debate with no amendments and just get it over with. They are convinced they are absolutely right, and I am convinced they are not necessarily right. Some of us, in any case, have some news for them: It is not going to happen.

I, for one, have just begun to discuss this issue, and there are other Senators who believe just as I do, that the legislation warrants a lengthy and thorough debate about Communist China.

We are not going to just debate and make a bunch of speeches before rubber stamping PNTR. We are going to have some votes. I have been working with several Senators on a series of amendments designed to ensure that before the Senate holds its final vote on PNTR, we will have voted on a gamut of issues that confront U.S.-China relations.

This is not just a China trade vote, as someone has attempted to cast it. Vot-

ing on whether or not to extend permanent normal trade relations to China will send a powerful message to Beijing and the world as to how the United States views the behavior of the Chinese regime. That is why we must have a full debate and votes on issues such as China’s pitiful human rights record, China’s brutal suppression of religious freedom, China’s increasingly belligerent stance toward the democratic Chinese government on Taiwan, and China’s unbroken record of violating agreements one after another, among other matters. You can’t trust them.

I know there are some in this Senate who argue we must not offer any amendments to PNTR because that would send it back to the House and force that other Chamber to vote again on the legislation. Well, la-di-da.

I must confess, I find that argument interesting coming from the Democrat side of the aisle. Until recently, Senator after Senator on the opposite side of the aisle was coming down to the floor to fulminate against the majority leader for his efforts to expedite passage of appropriations bills by restricting the number of amendments that Senators can offer.

Now all of a sudden, when their party’s President has legislation that he wants to be expedited by the Senate, the leadership on the other side has suddenly and miraculously been transformed into champions of speed and efficiency.

Let’s hope they keep that spirit up when the Senate completes action on the appropriations bills this fall.

The fact is, there is simply no argument now for opposing commonsense amendments to PNTR. Before the House vote, supporters of PNTR were concerned that amendments would somehow endanger final passage of the legislation. Everyone thought the House vote would be razor thin and that requiring the House to vote again now, or a little later, would bring final passage into question.

But, in point of fact, PNTR passed in the House by quite a comfortable margin. There is simply no reason why the House could not pass it again with certain commonsense amendments inserted on this side of the aisle by the Senate, and that, Mr. President, is our duty.

I can imagine only one reason why Senators would oppose such commonsense amendments today. It is nothing but crass partisan politics. There is a desire to prevent House Members from having to vote again on PNTR because they fear such a vote is likely to antagonize some of the labor union forces right before the fall elections. There are those who do not want to remind big labor that even the Democratic Party is doing the bidding of corporate America now.

The partisan interests of either political party do not interest me one bit.

What interests me is having a full debate and making certain that the Senate does not send a signal to Beijing that we are willing to look the other way at Communist China’s belligerence toward Taiwan, Communist China’s proliferation to rogue states, and Communist China’s brutal abuses against their own people time and time again in pursuit of the almighty dollar.

I opposed the motion to proceed, but I must say I have been disturbed by the single-minded rush to get this vote over with. Since February, we have been barraged by Chicken Little pleas to move this legislation, as though the world will come to an end if Congress does not pass this bill this year. In all likelihood, China will not enter the World Trade Organization until next year at the earliest, and China can get PNTR only when China joins the World Trade Organization.

So what is the rush? I think I know the reason for that, and it is the most disturbing one to me. It was articulated by the distinguished minority leader who recently admonished the Senate to expedite PNTR because the longer the Senate waits, the greater the chance is that an international incident of some sort could scuttle the legislation.

Let’s ponder that just a little bit. To what kind of incident could the distinguished minority leader have been referring? Could it be he is concerned that China—you know that supposedly responsible reformist power with which we are trying to do business—might somehow cause an international incident by, say, doing business with somebody or launching an invasion of Taiwan or launching another Tiananmen Square-style crackdown in which they rode that tank over a protester, a crackdown that would live in the minds of a lot of people because it would be carried live by CNN on display for the entire world. They would show what a despicable bunch of thugs with which we are dealing in this matter.

It speaks volumes about the depths to which we have sunk when leading supporters of PNTR openly admit that they are desperate to lock in this transaction before our Communist Chinese business partners do something so unspeakable that the American people would resent our trying to do business with them.

That is why, if I have anything to do with it, we are not going to rush PNTR through the Senate. We are not going to rubber stamp the President’s plan to reward the Chinese Communists. We are going to have a debate. We are going to have votes. And some of us, maybe more than 12 of us, are going to make clear to China’s rulers that all Senators do not and will not endorse, let alone condone, their brutality.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Under the previous order, the next speaker was to be the Senator from Nevada, Mr. BRYAN.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that I may go out of order since the Senator is not here.

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

Mr. HOLLINGS. I thank the distinguished Presiding Officer.

Mr. President, there is no question, as the Senator from Delaware and the Senator from New York have said—the chairman and ranking member—this is highly important, but for a different reason.

There is no question that we are going to have trade with China. The objection I have at this particular moment is with respect to the permanent nature of normal trade relations. I want to eliminate the permanence so we will have annual reviews to see exactly how our investments, our creation of jobs, our trade is coming along with respect to national security.

Tom Donohue, down at the Chamber of Commerce, says that it is going to create hundreds of thousands of jobs. I am willing to bet him—and he can name the odds and the amounts—that we are going to lose hundreds of thousands of jobs.

This is for an investment agreement in China, so that investments will flow to China and remain undisturbed by possible U.S. retaliation, protected by their joining in the WTO. And then, when we bring up various things to protect the security interests of the United States,—at the WTO level, Cuba votes us out because it has an equal vote.

The important point to remember, and President Clinton acknowledged at the very beginning of the summer and the PNTR consideration, although he could not understand it, was what he characterized as “global anxiety.”

Let me tell him a little bit about that anxiety. Oneida Mills, in Andrews, SC, closed. They had 487 employees. Their average age was 47 years of age. The company moved to Mexico and their 478 employees were out of a job. And what does Washington tell them? They say: Reeducate. They almost sound like Mao Tse Tung. Reeducate, with high skills. Don't you understand, in the global competition you have to have high skills.

Tomorrow morning we have done just that. We have 487 high-skilled computer operators. Are you going to hire the 47-year-old computer operator or the 21-year-old computer operator? Those 487 are “dead-lined.” They are out of a job.

Earlier this week I checked the Bureau of Labor Statistics. Since NAFTA, we have lost 39,200 textile and apparel

jobs alone in the little State of South Carolina.

Anxiety—there is justified anxiety across the Nation—where we have lost over 400,000 textile and apparel jobs since NAFTA, with the outflow of the industrial strength down south and over into the Pacific rim.

They do not understand globalization, says the President. They do not understand global competition. Global competition started back at the end of World War II under the Marshall Plan in 1945. We sent over the expertise, we sent over the machinery, and we sent over the money so they could have global competition.

Our southern Governors helped hasten along and expedite global competition 40 years ago. I traveled to Germany. We now have 116 German plants in the little State of South Carolina. So we know about global competition.

But what has really occurred—with the fall of the wall—is that 4 billion workers have entered the workforce of the world, willing to work for anything. With NAFTA and WTO, and the rise of the Internet, you can transfer your technology on a computer, you can transfer your finances on a satellite. With the Internet, you don't have to go to Mexico, you don't have to go to the Pacific rim; you can operate your plant from a New York office. That is a wonderful operation. As a result, as the Wall Street Journal said, this agreement is for investment in China and not in the United States.

There is global anxiety. There should be global anxiety. And we are trying to go and develop a competitive trade policy. Every country in Europe, every country in the Pacific rim has controlled trade, and we, as children, run around still babbling “free trade, free trade,” giving away our industrial strength.

We have come from that beginning, that at the end of World War II, 41 percent of our workforce was in manufacturing. Now it is down to 12 percent. And as Akio Morita, a founder of Sony, cautioned in a speech back in the 1980s: That a world power that loses its manufacturing capacity will cease to be a world power. And that is where we are. In Washington, we are not discussing paying the bill. They all say, “pay down the debt,” but the debt has gone up. I have the figures right here.

The debt has gone up exactly \$12 billion. Here it is, the public debt to the penny, since the beginning of the fiscal year. There is not any surplus. And otherwise we need to understand the deficit and the balance of trade, where we do not have anything to export.

We have a \$350 billion deficit in the balance of trade. And little Japan has out manufactured the great United States of America. As we waste our economic strength on spending over \$175 billion a year more than we take in, as we have done, since President

Lyndon Johnson last balanced the budget. We have drained the tub of industrial strength with this naive “free trade, free trade, free trade.”

No. I am a competitor. I understand the global competition. We like the investments that we have. We like the global competition. But the United States has not begun to fight.

I would be glad to yield when I see someone come to the floor. I just hate to see this valuable time wasted.

I ask unanimous consent that I be able to continue until we see the next speaker.

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

Mr. HOLLINGS. I thank the distinguished Presiding Officer because I think I am going to get him to join me.

I have had a dynamic debate with the Senators from Washington for over 30-some years because they have Boeing, the outstanding export industry of the United States.

Now, they believe in controlled trade, as I do, because they use all the technology and research from our Department of Defense on the one hand, and they use the financing of the Export-Import Bank on the other hand. I believe in that Export-Import Bank, and the subsidization of the Boeing sales, because we have to meet the competition of Airbus. So I support that. But they should not come telling me about free trade because we do not finance textile sales; we do not finance much textile research.

So we can look back to last December—a year ago—at the demonstration in Seattle. There was an anarchist group that came up from Eugene, OR, but I am talking about the responsible AFL-CIO demonstration there. That particular demonstration was led by the Boeing machinists—the premium single export industry in the United States. Why? Because much of that Boeing 777 is required to be made in China in order to sell in China. That is not free trade. That is requiring local content provisions.

So as they require it there, they require it otherwise in Europe. That is why we have tried, for 50 years, to set the example to have no subsidies, no tariffs, no content requirements, have absolutely free trade. The dynamic of the global competition is one of control for the security interests of the nations involved.

I believe if I was running Japan, I would do it the same way, or if I was running China. It works. In 10 years, they have gone from a \$6 billion-plus balance of trade with the United States to \$68 billion. They are cleaning our clock. With this particular PNTR, will we ever wake up? Our friend John F. Kennedy wrote the book “While England Slept.” I am tempted to write the book “While America Slept.” Kennedy's book was how the great British empire that brought Germany to its

knees, the conqueror, the victor was brought to its knees by the vanquished. That is exactly what is happening to the United States of America. We are going the way of England.

They told the Brits at the end of World War II, they said: Don't worry, instead of a nation of brawn, you will be a nation of brains; instead of producing products, you will provide services, a service economy; instead of creating wealth, you will handle it and be a financial center. England has gone to hell in an economic hand basket. London is nothing more than an amusement park. Their army is not as big as our Marines, and they have lost their clout in world affairs. Money talks.

So not only are we losing our middle class—as Henry Ford said, “I want to pay that worker enough to buy what he is producing,” which helped begin not only the wonderful development of a middle class in America, the strength of our democracy—but our clout in international and foreign policy.

I thank the Chair for its indulgence. We will continue in September to try to get everyone's attention, so we can compete.

I yield the floor.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Maine.

Ms. COLLINS. 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. WELLSTONE. 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. WELLSTONE. Mr. President, I think Senator BRYAN is going to speak so I will take only 2 minutes.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I may take more time later on tonight, but since it is not clear exactly how the schedule is going to proceed, let me thank Senator LOTT for his commitment to a good, thorough, substantive debate on whether or not we should or should not enter into a review of normal trade relations with China.

I could speak for many hours about this, but I will have a number of amendments. One of them will reflect the work of a very important religious group, the U.S. Commission on Religious Rights and Religious Freedom, which we will talk about, criteria that should be met, and focus on the right of people in China to practice their religion without persecution. Another will be a human rights amendment. Another will deal with prison labor conditions in China. Another will deal with the right of people to form unions in China. Finally, there will be a very important amendment for people to organize in our own country.

Part of what is going on here is the concern within this sort of broad international framework that quite often the message for people in this country is, if you organize, we are gone. We will go to China or another country and pay 12 cents an hour or 3 cents an hour. The message to people in these countries is, if you should dare to form a union, then you don't get the investment. I want to focus on the right to organize and labor law reform in our own country.

I am an internationalist. We are in an international economy. I do not want to see an embargo with China. We will trade with China. I do not want to have a cold war with China. I want to see better relations. I think the real question is what the terms of the trade will be, who will decide, who will benefit, and who will be asked to sacrifice. I hope this new global economy will be an economy that works, not only for large multinationals but for human rights, for religious rights, for the right of people to organize, for the environment, and for our wage earners. My amendments will be within that framework.

I yield the floor.

Mr. JEFFORDS. Mr. President, as we consider preceding to legislation to grant permanent normal trade relations to China, I would like to alert my Colleagues to an important development. It is my understanding that a frail, elderly Tibetan woman will soon see her only son, who is in prison in Tibet. My colleagues on the Finance Committee may remember my raising my deep concern over the case of Ngawang Choephel, a former Fulbright student at Middlebury College in Vermont who is serving an 18 year sentence in Tibet on charges of espionage. As we debate entering a new relationship with China, based on mutual commitments to adhere to an international set of principles and regulations, I was increasingly angered by the refusal of the Chinese government to grant Ngawang's mother, Sonam Dekyi, permission to visit him in prison, a right guaranteed her by Chinese law. I spoke out about this case during the Finance Committee's mark-up of this legislation.

I am pleased to inform my colleagues that thanks to the skillful intervention of the Chinese Ambassador, the Honorable Ambassador Li, Sonam Dekyi will soon be in Tibet for a rendezvous with her son. Many of my colleagues have expressed their support for Sonam Dekyi's request, and I want to make sure they are aware of the Chinese government's decision to allow this meeting. Sonam will be in Lhasa all next week, and we are hoping that she will be allowed several lengthy visits with her son. Because Sonam is in poor health and travel to Tibet is very difficult for her, we are hoping that her visits will be of appropriate length and

quality. I will be happy to share with my colleagues Sonam's report of her visit upon her return to India.

I continue to be worried about the health of Ngawang Choephel, and I will continue my efforts to obtain his release. But at this moment I wish to express my appreciation to the Chinese Ambassador for helping to make this humanitarian mission happen. I know that many Vermonters share my joy at this development and my hope that this is indicative of further progress in matters of great concern to our two countries.

The PRESIDING OFFICER. The Senator from Nevada.

(The remarks of Mr. BRYAN pertaining to the introduction of S. 2963 are printed in today's RECORD under “Statements on Introduced Bills and Joint Resolutions.”)

The PRESIDING OFFICER. The Senator from Utah.

#### ADJOURNMENT OF THE TWO HOUSES OVER THE LABOR DAY HOLIDAY

Mr. HATCH. I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 132, the adjournment resolution, which is at the desk, which will provide for returning Tuesday, September 5, 2000.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 132) providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. HATCH. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The resolution (S. Con. Res. 132) was agreed to, as follows:

#### S. CON. RES. 132

*Resolved by the Senate (the House of Representatives concurring).* That, in consonance with section 132(a) of the Legislative Reorganization Act of 1946, when the Senate recesses or adjourns at the close of business on Thursday, July 27, 2000, Friday, July 28, 2000, or on Saturday, July 29, 2000, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, September 5, 2000, or until noon on Wednesday, September 6, 2000, or until such time on either day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, July 27, 2000, or Friday, July 28, 2000, on a motion offered