

satisfied. None of us should be satisfied. There is more work to do, and we need to do better.

But let's look at the record since AL GORE has been Vice President: Average economic growth, 3.8 percent a year under Clinton-Gore, compared to 1.7 percent under Bush-Quayle; unemployment in 1992, a staggering 7.5 percent. In my home State, it was double digits. I will never forget the fear among the people. Today the unemployment rate is 4 percent.

The PRESIDING OFFICER. The Chair advises the Senator that her time has expired.

Mrs. BOXER. Mr. President, I ask unanimous consent for 3 additional minutes.

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

Mrs. BOXER. Home ownership is the highest ever. The \$290 billion deficit has turned into a \$232 billion surplus. Poverty is the lowest in 20 years. Real wage growth is up 6.5 percent. Under the Reagan-Bush years, there was a decline in the real wage growth of 4.3 percent. There are 22 million new jobs, the most jobs created in history under a single administration.

Now we have the other party saying the President is wrong on his budget ideas. It is their right to say that. But the American people are wise. When you oppose every policy that led to this economic growth, they are going to question you at this particular point in the debate.

Instead of having a radio address where you slam this administration after these great years of growth, why not hold out your hand? Why not hold out your hand to the other side? People are tired of this partisanship.

Let's keep these successful policies going. As Vice President GORE has said, let us do even better. Let's not be satisfied; let's make those deep investments in education and the environment. Let's do even better on paying down the debt. Let us give middle-class tax cuts, not tax cuts to the super-wealthy that are going to wreck this economic recovery. Let us save Social Security and Medicare. The other side wants to do it. Let's join hands.

Let's join hands on a real Patients' Bill of Rights and on a real prescription drug benefit as part of Medicare—and not send our seniors off to the HMOs which really do not have the patients' benefits at heart. Let's do it together before the end of this session. Let's do it now. Let's join hands now rather than throw insults over the radio.

My friends, we have a golden opportunity. I think we have shown we can work together. Let's stop the partisanship. Let's join hands. Let's finish this year on a high note, go home, and feel good that we have done these things. Let's keep up the policies of the past 8 years because they have worked. But let's do even better.

I thank my friend for giving me this time. I thank the Presiding Officer for his indulgence.

I yield the floor.

TO AUTHORIZE EXTENSION OF
NONDISCRIMINATORY TREAT-
MENT TO THE PEOPLE'S REPUB-
LIC OF CHINA—Continued

AMENDMENT NO. 4119

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Thank you, Mr. President.

Mr. President, amendment No. 4119 deals with the human rights question; it deals with the trade question; it deals with the issue of Chinese exports to the United States of goods made by prison labor.

To curb such exports, this amendment is about existing agreements that we already have with China. This amendment just says we want China to live up to the existing agreements. The United States and China first signed a memorandum of understanding in 1992, which I will refer to as MOU throughout the debate. Then we signed a statement of cooperation in 1994. This amendment would require that the President certify that China is fully compliant with the two trade agreements that China has already made with us before extending PNTR to China.

Let me provide some background on U.S.-China agreements on trade in prison labor products and discuss China's deplorable record in complying with these agreements. Actually, they haven't complied with these agreements. The MOU was intended to end the export to the United States of goods produced by prison labor in China. China agreed to the United States' request back in 1992 that it would promptly investigate any companies that were involved in using prison labor to export products back to our country. But basically the Ministry of Justice in China completely ignored the agreement.

In 1994, therefore, we signed another statement of cooperation with them in which China said: We will agree and we will set some time limits so that within 60 days of the United States' request to visit such a facility we will make that happen. We will be expeditious in making sure we follow through on this agreement.

For the last 3 years, they have not followed through on any of these agreements.

Because of the good work of my colleagues, Senator HARKIN from Iowa and Senator LAUTENBERG from New Jersey—both of whom are going to speak on the floor of the Senate—for the first time in 3 years we had Customs able to visit one of these factories. But this really was the first time that China has budged at all. Other than that, we

have seen no agreement, or no follow-through on these agreements.

When I became a member of the Foreign Relations Committee 3 years ago, I remember the first hearing we held had to do with prison labor conditions in China and this whole problem of trade with China. Basically the consensus of all of the witnesses who testified, including administration witnesses, was that the Chinese compliance with our trade agreements was pitifully inadequate. There has been virtually no compliance with these agreements.

The State Department issued a country-by-country report in 1999 and also in the year 2000. I will summarize. I could quote extensively. Both of these reports make it clear that during the last 2 years, China has not complied with these existing agreements.

Let me simply raise a question with my colleagues. Here we have two trade agreements with China—two understandings. We have basically said to the Chinese Government that people in the United States of America would be outraged if they knew that part of what they were doing was exporting products to our country produced by prison labor. This is a human rights issue. It is a labor issue. And it is also a trade issue.

It is interesting. I talked about a memorandum of understanding. In 1994, the administration used as evidence the fact that China had signed the statement of cooperation. For the first time, the President said: I am going to switch my position and I am going to delink human rights from trade because it is a great step forward that China has signed this statement of cooperation. That judgment turned out to be premature. China's Ministry of Justice ignored seven U.S. Customs' requests for investigation submitted in March of 1994, the same month that the agreement was passed.

China, for years, has refused to allow U.S. officials access to its reeducation through labor facilities—let me repeat that—reeducation through labor facilities, arguing that these are not prisons.

China, in spite of these agreements, has said: We will not allow the United States access to our reeducation through labor facilities because these are not prisons. Beijing would have us believe that these are merely educational institutions. And nothing, if we are at all concerned about human rights in the Senate, could be further from the truth.

Reeducation through labor—known as "laojiao" in Chinese—is a system of administrative detention and punishment without trial. That is what it is. The U.S. Embassy in Beijing insists that reeducation through labor camps are covered by our trade agreements, the MOU. And this is confirmed by the MOU record. Beijing disagrees and continues to claim that these reeducation

through labor facilities are not prisons. For over 5 years, China has repeatedly denied or ignored all U.S. requests to visit one of these facilities. We haven't been able to visit even one of these facilities.

What has been this administration's reaction to China's refusal to allow a visit? It has been the same as for all denied visits. We renew our request every 3 months, and the Chinese totally ignore us. This charade ought to stop. It ought to stop now. That is why I hope there will be strong bipartisan support for this amendment.

What does "reeducation through labor" mean? Let me read some excerpts from Human Rights Watch reports on this subject:

The usual procedure is for the police acting on their own to determine a re-education term. Sentences run from one to three years' confinement in a camp or farm, often longer than for similar criminal offenses. A term can be extended for a fourth year if, in the prison authorities' judgment, the recipient has not been sufficiently re-educated, fails to admit guilt, or violates camp discipline. The recipient of a re-education through labor sentence has no right to a hearing, no right to counsel, and no right to any kind of judicial determination of his case.

That is a quote from a Human Rights Watch report on this subject.

Human Rights Watch also points out that inmates may have their reeducation sentence extended indefinitely, and concludes that reeducation through labor violates many of the provisions of international law, including the International Covenant on Civil and Political Rights, which China signed in 1998. The covenant states:

Anyone who is deprived of his liberty by arrest or detention shall be entitled to take proceedings before a court in order that the court may decide without delay on the lawfulness of his detention.

Among other things, reeducation through labor bars the presumption of innocence, involves no judicial officer, provides for no public trial or defense against the charges.

Amnesty International has concluded that it is impossible for China to claim a commitment to the rule of law while maintaining a system that sentences hundreds of thousands of people without due process. I couldn't agree more.

According to the 1999 State Department report on human rights, there are 230,000 people in reeducation through labor camps. Conditions in these camps are similar to those in prisons. What does the report say about these conditions in prisons? It describes them as "harsh, and frequently degrading for both political criminals and common criminals." The report says it is common for political prisoners to be segregated from each other and placed with common criminals. There are credible reports that common criminals have physically beaten up political prisoners at the instigation of the guards.

I am sure my colleagues will agree that reeducation through labor doesn't qualify as an institution whose sole aim is education and rehabilitation, as China claims.

Before certifying that China is in compliance with the MOU and SOC under this agreement, the President must affirm that China is permitting investigation and U.S. inspection of reeducation through labor facilities under the terms of both the memorandum of understanding and the statement of cooperation, two agreements that we have signed with China in 1992 and 1994.

I am offering this amendment because I think it addresses concerns that many Members have in the Senate about PNTR, concerns about China's appalling and worsening human rights record.

I heard my colleague from Nebraska say that the evidence is clear that opening up trade leads to more respect for human rights. The evidence is not clear on that. We have been doing record trade with China. We have a record trade imbalance. They export much more to the United States than vice versa. They export products made by forced prison labor in China. Over the last 10 years, we haven't seen more respect for human rights. Our own State Department reports that all of the human rights organizations reports point to harsh—and in some cases, worsening—conditions.

How can Senators reviewing our trade relations with China give up this little leverage that we have and think somehow it will promote human rights when, as a matter of fact, we have seen no evidence whatever that the Government is moving in that direction. We will give up what little leverage we have.

This amendment is about human rights. It is an amendment that speaks to whether or not we can depend upon China to honor trade agreements. It is an amendment that speaks to the concerns of working people, that they can't possibly compete with prison labor in China.

Senators, I offer this amendment and I call for support on this amendment for three reasons: (A) out of respect for human rights; (B) because we already have these trade agreements with China. This is the most directly relevant amendment to PNTR awaiting action. We already have trade agreements with China and they have not abided by these agreements. Tomorrow they could. In this amendment, we call upon China to live up to these agreements before we automatically extend normal trade relations. What is unreasonable about that?

Finally, I say to Democrats first, and Republicans second—Democrats first, because we are supposed to be more the party of the "people"—in all due respect, a lot of our constituents, a lot of

working people, a lot of labor people, have every reason in the world to be a bit skeptical about this new trade agreement and the new global economics when we have China exporting to our country products produced by prison labor.

I think this amendment is all about on whose side are we. Are we on the side of a repressive government that basically pays no attention to anything we say because the message we communicate is: We will, for the sake of commerce, sign any agreement; we are not concerned about these harsh conditions. But are we on the side of human rights? Are we on the side of the idea that China ought to live up to these trade agreements? Are we on the side of working people, laboring people in our own country who, by the way, will say to each one of you back in your States: Senator, we do not want to be put in a position of losing our jobs because this repressive government can export products made by forced prison labor in China and has not been willing to live up to any of the agreements they have signed with our country.

I ask my colleagues to carefully consider the following questions:

(A) How can we expect China to honor trade agreements with us when it systematically violates the two agreements we signed committing China and the United States to cooperate in curbing trade in prison labor products? They are in noncompliance with two agreements.

(B) How can we do nothing, year after year, to bar imports of Chinese forced labor products when we know that China operates the world's largest forced labor system estimated to encompass over 1,100 camps and as many as 8 million Chinese prisoners? This is the Chinese version of the Soviet gulag. It encompasses a massive complex of prisons, labor camps, and labor farms for those sentenced judicially. Do we want to turn our gaze away from this, Senators? Do we want to pretend we didn't sign these agreements? Do we want to pretend China is complying with these agreements? Do we want to pretend that it is not an important human rights question? Do we want to pretend that this is not important to working people in our country? Do we want to pretend that citizens in our country would not have real indignation if they realized that we weren't willing to at least insist China live up to these trade agreements? And we are not going to if we do not pass this amendment.

(C) How can the administration allow China to ignore agreements to halt forced labor exports, thereby abetting a dehumanizing system that imprisons and persecutes Chinese democrats—Republicans, I use democrats with a small "d"—for peacefully advocating human rights, while enabling Beijing to profit from exports of prison products?

Finally, how can the administration risk the displacement of U.S. workers while we turn a blind eye and China does nothing to bar exports to the United States of products made by prison labor. U.S. citizens are losing jobs.

Colleagues, I look forward to hearing from the other side. H.R. 4444 proposes a toothless remedy. I do not want to let anyone in this debate get away with saying we are very concerned about this question. H.R. 4444 mandates the establishment of an interagency task force on prohibiting importation of products of forced or prison labor. This task force is to make recommendations to the Customs Service on seeking new agreements.

Another task force. In all due respect, this toothless remedy has a made-for-Congress look to it. We do not want to bite the bullet, we do not want to do something substantive and important, so we do something that is symbolic—at best. Do we need another task force? We do not need another task force. We do not need an interagency task force. We already have two agreements with China—1992 and 1994. Another task force is meaningless.

Let me just point out some of the more pointed Chinese proposals which were conveyed in a message sent in May from China's Ministry of Justice to the U.S. Customs attaché in Beijing. The message admonishes the U.S. Embassy to abide by certain principles, which include:

... the rule that Chinese officials conduct investigations first, then if necessary arrange visits for American counterparts.

I quote again:

Unnecessary visits will not be arranged if we can clarify and answer questions through the investigations.

Really what the message from the Chinese Government is, is we conduct the investigations first and only afterwards permit the United States to visit suspected sites. This is in total opposition to the memorandum of understanding and the statement of cooperation. We already have the agreements. They are not in compliance with these agreements. And we want to set up a task force?

Let me simply say the view of the Chinese Ministry of Justice that we should trust China's sincerity and therefore reduce the necessity of U.S. on-site visits is nothing short of ridiculous. This is pretty incredible.

The other thing is, H.R. 4444 stipulates that the task force is to:

... work with the Customs Service to assist the People's Republic of China in monitoring the sale of goods mined, produced or manufactured by convict labor, forced labor, or indentured labor under penal sanctions to ensure that such goods are not exported to the United States.

The Chinese Government controls prison labor in China. It can curb the export of forced prison labor products

anytime it chooses. It certainly does not need the assistance of the United States. This is, frankly, ludicrous. It is just ludicrous.

The State Department, in 1997, affirmed both the memorandum of understanding and the statement of cooperation, of 1992 and 1994, to be binding international agreements. The trouble is that China does not. It continues to get away with this because we impose no penalties for these egregious and continuing Chinese violations. In contrast to the provision now in H.R. 4444, which is toothless, my amendment for the first time will provide China with a strong incentive to comply with the MOE and SOC, for, if it fails to do so, then it will put PNTR at risk. An added benefit is that it would help restore U.S. credibility by holding China accountable for violating trade agreements with the United States.

We are just insisting that China stop treating the bilateral agreements it has signed with us concerning prison labor exports as mere scraps of paper. What does this amendment ask for? It asks simply that PNTR be denied until the President can certify that China is honoring agreements it has repeatedly violated in the past. Is that too much to ask? Is that too much to ask?

Mr. President, I have a document dated May 8, 2000, from the Deputy Director General of the Prison Administration Bureau, PRC, to David Benner, U.S. Customs Attaché. I ask unanimous consent that it be printed in the RECORD, and I reserve the remainder of my time.

There being no objection, the material was ordered to be printed in the RECORD as follows:

PRISON ADMINISTRATION BUREAU,
MINISTRY OF JUSTICE,
PRC, May 8, 2000.

DAVID BENNER,
U.S. Customs Attaché, American Embassy Beijing.

Mr. BENNER: It was a pleasure to meet you on April 20, 2000 and the meeting was successful. As a follow-up, this letter presents the concerned principles and suggestions we mentioned at the meeting. We hope that your government can give us a clear reply as soon as possible.

I. BRIEF SUMMARY OF OUR COOPERATION IN THE PAST

The signing of MEMO and COOPERATION AGREEMENT shows our principles and sincerity of cooperation. In the past seven years since the signing of MEMO, we have made great efforts to arrange eight visits to eleven places for American officials. We also conducted investigations into over fifty places and provided the results to American counterpart. We have noticed that American officials have closed most of the cases related to the above places. Among these visits and investigations, no evidence at all has been found to prove the allegation of prison products exportation to the U.S. These facts well show our serious attitude and cooperation sincerity.

II. ADDITIONAL EXPLANATION AND EMPHASIS ON SOME COOPERATION PRINCIPLES

1. The objects that will be investigated are prison products being exported to the U.S. No third country should be involved.

2. Abide by the principle that Chinese authorities should hold the sovereign right to conduct investigations.

3. Abide by the rule that Chinese officials conduct investigations first, then if necessary arrange visits for American counterparts. Unnecessary visits will not be arranged if we can clarify and answer questions through the investigations.

4. So-called "PENDING" or unresolved cases should be agreed to both sides.

5. All American visitors have to be diplomats.

6. Any visits and investigations in China have to abide by concerned Chinese laws and regulations.

7. The time limit of sixty days is valid to both sides.

8. The results of the visits and investigations made by American officials have to be formally submitted to Chinese government by American government.

9. American counterparts should provide sufficient information and evidence to support the allegations and to warrant the investigations and arrangement of visits.

10. The investigation of one case must be completed and case closed before starting another or second case.

I. SOME SUGGESTIONS

1. In the past seven years, both sides have made great efforts to do tremendous work, no prison products exportation to the U.S. has been found so far. Therefore, a summary is very necessary.

2. American counterpart must trust our sincerity and investigation results, which is the most important basis upon which we cooperate with each other. Site visits are not necessary if we can clarify the allegation by our investigations. Reduction of site visits can result in higher efficiency and avoid unnecessary troubles and unexpected snags.

3. American officials should standardize the ways and norms when close cases regarding the suspected units.

4. American counterpart should be cautious and prudent towards the sources of information and its authenticity. As a matter of fact, a lot of information obtained by American officials was not accurate, some even groundless. This creates unnecessary troubles for both of us. Pertaining to the practice these years, we think it is very necessary for both sides, especially our side to verify the information and evidence obtained by American counterpart.

5. Abide by the regulation in COOPERATION AGREEMENT to conduct investigation one case by one case. This is a serious and responsible attitude and standardized and effective method.

WANG SHU-SHENG,
Deputy Director General.

The PRESIDING OFFICER. The Chair recognizes the Senator from Delaware.

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

Mr. WELLSTONE. Mr. President, I ask consent this not be charged against my side.

The PRESIDING OFFICER. The quorum call is charged to the side that suggests it.

Mr. WELLSTONE. I thank the Chair. The PRESIDING OFFICER. The clerk will call the roll.

The 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. I say to my colleagues, Senator LAUTENBERG will be speaking in just a moment, but until he comes out, I yield the floor.

The PRESIDING OFFICER. Who yields time? If no Senator yields time, time will be charged equally to both sides.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, until my colleague from New Jersey is ready, I want to again summarize this amendment for other Senators. This is the issue of Chinese exports to the United States of goods made by prison labor. This is an issue of the memorandum signed in 1992, I say to my colleague from Delaware, to deal with this problem. The Chinese Government agreed: Yes, we are going to stop this.

Then we signed another agreement, a statement of cooperation, in 1994. I have been on the floor citing State Department reports and other evidence—no question about it—that the Chinese have refused to comply with these agreements. It has been blatant. People in our country would be outraged to know this.

I say to Senators, this is a three-pronged issue. I have talked about these reeducation labor camps. I have talked about the deplorable conditions. It is a human rights issue. I have cited human rights reports. I have said this is a trade issue. They have signed these agreements and have not lived up to them. I have said this is a labor issue. It permits ordinary people—which I mean in a positive way—in the States to be a little suspicious that they could lose their jobs as a result of this.

I hope my colleagues will support this. It is an eminently reasonable amendment. It simply says the President needs to certify that China is fully compliant with these two agreements, which they have already made with us, before extending PNTR to China.

I yield 12 minutes to my colleague from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank my friend and colleague from Minnesota for offering this amendment. I ask unanimous consent to be added as an original cosponsor.

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

Mr. LAUTENBERG. Mr. President, I rise today in support of the Wellstone amendment on prison labor.

China has an extensive prison labor system, and many people are in China's prisons for expressing their opinions, practicing their religion, or engaging

in other activities we would regard as the exercise of their fundamental human rights.

Many of these political prisoners have been sentenced to what the Chinese call "re-education through labor" without even being accused of a crime, much less having a fair trial.

In the early 1990s, the U.S. had reason to believe China was using prison labor to produce goods for export, including goods intended for the U.S. market. China's government denied this until we found a document directing the use of prison labor to produce goods for export.

China had long agreed not to use prison labor to make items destined for the U.S. market. In August 1992, after protracted negotiations, the United States and China signed a memorandum of understanding on prohibiting import and export trade in prison labor products. This was followed by a statement of cooperation in 1994.

For several years, the system put in place by these agreements allowed U.S. Customs to investigate when we suspected that prison labor was being used to make goods for sale in the U.S.

Under the agreements, U.S. Customs officers—working with their Chinese counterparts—investigated suspicious sites. Cooperation under the MOU included visits to 11 sites over several years.

In 1997—this is 4 years after the agreement was signed—China stopped allowing U.S. Customs to conduct these inspections. Apparently, the Chinese felt that the U.S. should give them a clean bill of health and accept their assurances on prison labor without further inspections. They went so far as to seek a renegotiation of the memorandum of understanding.

For me, China's compliance with its freely accepted international obligations on prison labor is a critical issue in considering PNTR. China's willingness to suspend implementation of the memorandum of understanding is very troubling.

For China's accession to the World Trade Organization and the 1999 bilateral market access agreement to be meaningful, we need to have confidence that China will fulfill the letter and spirit of its international obligations.

Senator HARKIN and I recently traveled to China, and China's failure to fulfill its commitments on prison labor was a major focus of our visit. Before we left, we worked with the U.S. Embassy in Beijing and the Chinese Embassy in Washington to arrange to accompany U.S. Customs on a long-overdue prison labor site inspection visit.

When we arrived in Beijing, we were told that the Chinese authorities did not understand our request, and then we were told such a visit would not be possible. But we did not give up.

We pressed the point in our first formal meeting in Beijing, with Vice For-

eign Minister Yang. We did not make any progress on the issue, but I think the Chinese Government got the message that we were serious.

Later the same day, we met with Vice Premier Qian Qichen. We again pressed the point that China must fulfill its obligations to allow U.S. Customs to inspect suspected prison labor sites, and we asked that we be permitted to join an inspection.

Vice Premier Qian agreed that the time had come to resume implementation of the MOU on prison labor. He agreed that the first inspection would take place in September.

We had a debate about the interpretation of understanding. We wanted to go with Customs. At first, they said we could go to a prison, but that was not our mission. I was distressed by the fact that they chose to interpret what the understanding was after having worked on it for a month before we left the United States for China.

We saw Premier Zhu Rongji and he reaffirmed China's readiness to resume full implementation of the prison labor agreement. We urged that U.S. Customs be allowed to conduct inspections sooner than they planned.

While this trade-related agreement should have been implemented all along, without need for our intervention, I am glad our visit produced progress.

The first long-overdue prison labor site inspection by U.S. Customs took place last Friday, September 8. According to a preliminary report from our Embassy in Beijing, Chinese authorities cooperated well with U.S. Customs and other personnel inspecting a factory in Shandong Province.

I hope the implementation of the agreement will now resume in full, including rapid completion of other outstanding inspection requests.

The amendment before us would make China's implementation of the prison labor memorandum of understanding and statement of cooperation a condition for granting PNTR. In my view, this is a reasonable condition that Premier Zhu has already assured me China will fulfill and that appears to be back on track.

If the Chinese follow through, the President should have no problem reporting to Congress that China is complying with its international obligations under the prison labor agreement by the time China enters the WTO.

I believe this issue of prison labor is critical to our consideration of PNTR for China.

I urge my colleagues to support the Wellstone amendment so that we can be assured China understands that when we have an agreement, we want it complied with.

That is one of the questions that loomed large in our visit. We had an opportunity to meet some of the distinguished leadership of the Chinese Government. We met with the mayor of

Shanghai. We met with people who had an influence in provincial policy. More than anything else, I wanted to know that when we had an agreement, when we had an understanding, it was going to be followed through and it was not sufficient to produce excuses such as: Well, we didn't understand what was meant and that wasn't our interpretation; or, we are sorry we can't quite do that now.

That is not sufficient. This is an important agreement we are facing overall—this amendment first and then the overall decision on PNTR.

We need, in my view, to have a positive relationship with the Chinese Republic. It is such an enormous country with so much potential that it would be a positive step for the United States and China to work together for us to have access, not just to their marketplace. The marketplace is important, but there is something more. One billion two hundred million people reside in China, and we do not want to have an area of constant instability. We want to let them know that democracy works. What they have in place now just does not cut the mustard, as we say. So we want to have this understanding.

But in order to move ahead with it, we have to have a clear view that promises made—especially those that are so clear as to have been signed on a document—we want upheld; we do not want them skirted with purported misunderstandings.

So I congratulate my friend from Minnesota for having, as he usually does, a look at the side of the issue that says: This is what is fair and equitable. That is what counts. And when we look at the marketplace, that is important. But in order to have the kind of wholesome relationship I would like to see us have with China, I think we have to deal with this issue of prison labor right now. I hope our colleagues will support it.

I thank the Chair.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank my colleague from New Jersey. Before he came to the floor, I mentioned a report that he and Senator HARKIN had done. I really appreciate their strong voices as Senators for human rights.

Mr. President, I reserve the remainder of my time.

I will wait to respond to arguments from the other side.

Mr. HARKIN. Mr. President, this is an important amendment and one that deserves careful consideration and debate by the Senate.

Senator LAUTENBERG and I just returned from China last weekend. I'll have a great deal more to say about our trip and its impact on my thoughts about our relationships with China

later. But I do want to speak briefly to our efforts in China as they related to prison labor and directly to this amendment.

As my friend and colleague from Minnesota has pointed out, the U.S. and China entered into an official agreement on prison labor in 1992. Its intent is to prevent the importation of goods into our country made by prison labor in China—a practice made illegal here under Section 1307 of the Tariff Act of 1930.

The agreement is officially titled the "Memorandum of Understanding Between the United States of America and the People's Republic of China on Prohibiting Import and Export Trade in Prison Labor Products." It was signed on August 7, 1992.

Let me read some of the key components. Under the terms of the agreement the United States and China agree to:

Promptly investigate companies, enterprises or units suspected of violating relevant regulations and will immediately report results.

Upon the request of one Party, meet to exchange information on the enforcement of relevant laws.

Will furnish the other Party available evidence and information regarding suspected violations.

Promptly arrange and facilitate visits by responsible officials to its respective enterprises or units.

In March of 1994 we entered into an accompanying statement of cooperation on the implementation of the MOU. This statement fleshes out the details of how our two governments were to carry out the agreement.

This is an important agreement. It aims to assure that U.S. workers aren't forced to compete with hundreds of prison labor factories in China. Factories that are filled at least partially with prisoners whose only crime is seeking democracy or formation of a true labor union. Prisoners who are held in so-called "re-education facilities" for up to 3 years without trials.

Unfortunately, China's compliance with this agreement has been dismal. From 1992 to 1997 there were joint inspections, but usually only after great effort on our part and often only after long delays—not within 60 days of request as required under the MOU.

But since 1997 China has stopped all compliance with the agreement. They have denied all requests by our U.S. Customs to inspect prison labor facilities suspected of exporting products to the United States.

Let me read a portion of one of the recent letters sent by U.S. Customs to Chinese officials.

So when Senator LAUTENBERG and I went to China, we asked to accompany Chinese officials and our U.S. Customs officials on a visit to one of these 8 sites previously requested by Customs.

We raised this at every level. We first raised it prior to our visit with the Chi-

nese Embassy here in Washington. Then we raised it with the Deputy Foreign Minister Yang Jiechi, then we raised it with Vice Premier Quian QiChen.

We raised our concerns about the failure to abide by the MOU and asked that we be allowed to go along on a visit to see for ourselves that the Tariff Act of 1930 is not being violated.

At first we ran into a brick wall. We were simply told "no." Then we were told they misunderstood our request.

Then they said it was very complicated and would take more time.

Then we had a breakthrough.

They refused to let Senator LAUTENBERG and I go on a visit to one of these facilities, but they have agreed to renew their compliance with the MOU. We got that assurance personally from Premier Zhu Ronji.

We got word last Friday—inspections resumed at one site.

So the first renewed inspection was completed Friday. Now we all see if the Chinese are serious about complying with this agreement. Their track record clearly does not inspire confidence. That is why I am supporting the Wellstone amendment. It would add to our leverage to ensure long-term compliance with this important agreement.

So I urge a vote for this amendment and commend Senator WELLSTONE for bringing it forward.

As I mentioned earlier, I will have a good deal more to say about my trip to China and on the underling PNTR legislation as the debate continues.

Mr. President, I ask unanimous consent to print the memoranda of understanding and a letter to Wang Lixian in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES OF AMERICA AND THE PEOPLE'S REPUBLIC OF CHINA ON PROHIBITING IMPORT AND EXPORT TRADE IN PRISON LABOR PRODUCTS

The Government of the United States of America and the Government of the People's Republic of China (hereinafter referred to as the Parties).

Considering that the Chinese Government has noted and respects United States laws and regulations that prohibit the import of prison labor products, has consistently paid great attention to the question of prohibition of the export of prison labor products, has explained to the United States its policy on this question, and on October 10, 1991, reiterated its regulations regarding prohibition of the export of prison labor products;

Considering that the Government of the United States has explained to the Chinese Government U.S. laws and regulations prohibiting the import of prison labor products and the policy of the United States on this issue; and

Noting that both Governments express appreciation for each other's concerns and previous efforts to resolve this issue,

Have reached the following understanding on the question of prohibiting import and export trade between the two countries that

violates the relevant laws and regulations of either the United States or China concerning products produced by prison or penal labor (herein referred to as prison labor products).

The Parties agree:

1. Upon the request of one Party, and based on specific information provided by that Party, the other Party will promptly investigate companies, enterprises or units suspected of violating relevant regulations and laws, and will immediately report the results of such investigations to the other.

2. Upon the request of one Party, responsible officials or experts of relevant departments of both Parties will meet under mutually convenient circumstances to exchange information on the enforcement of relevant laws and regulations and to examine and report on compliance with relevant regulations and laws by their respective companies, enterprises, or units.

3. Upon request, each Party will furnish to the other Party available evidence and information regarding suspected violations of relevant laws and regulations in a form admissible in judicial or administrative proceedings of the other Party. Moreover, at the request of one Party, the other Party will preserve the confidentiality of the furnished evidence, except when used in judicial or administrative proceedings.

4. In order to resolve specific outstanding cases related to the subject matter of this Memorandum of Understanding, each Party will, upon request of the other Party, promptly arrange and facilitate visits by responsible officials of the other Party's diplomatic mission to its respective companies, enterprises or units.

This Memorandum of Understanding will enter into force upon signature.

Done at Washington, in duplicate, this seventh day of August, 1992, in the English and the Chinese languages, both texts being equally authentic.

For the Government of the United States of America:

ARNOLD KANTER,
*Under Secretary of State
for Political Affairs.*

For the Government of the People's Republic of China:

LIU HUOQIU,
Vice Foreign Minister, PRC.

STATEMENT OF COOPERATION ON THE IMPLEMENTATION OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES OF AMERICA AND THE PEOPLE'S REPUBLIC OF CHINA ON PROHIBITING IMPORT AND EXPORT TRADE IN PRISON LABOR PRODUCTS

As the Chinese government acknowledges and respects United States laws concerning the prohibition of the import of prison labor products, and the United States government recognizes and respects Chinese legal regulations concerning the prohibition of the export of prison labor products;

As China and the United States take note and appreciate the good intentions and efforts made by both sides in implementing the "Memorandum of Understanding" signed in August 1992;

The Chinese government and the United States government agree that conducting investigations of suspected exports of prison labor products destined for the United States requires cooperation between both sides in order to assure the enforcement of the relevant laws of both countries. Both sides agree that they should stipulate clear guidelines and procedures for the conduct of these investigations. Therefore, both sides agree to

the establishment of specialized procedures and guidelines according to the following provisions:

First, when one side provides the other side a request, based on specific information, to conduct investigations of suspected exports of prison labor products destined for the United States, the receiving side will provide the requesting side a comprehensive investigative report within 60 days of the receipt of said written request. At the same time, the requesting side will provide a concluding evaluation of the receiving side's investigative report within 60 days of receipt of the report.

Second, if the United States government, in order to resolve specific outstanding cases, requests a visit to a suspected facility, the Chinese government will, in conformity with Chinese laws and regulations and in accordance with the MOU, arrange for responsible United States diplomatic mission officials to visit the suspected facility within 60 days of the receipt of a written request.

Third, the United States government will submit a report indicating the results of the visit to the Chinese government within 60 days of a visit by diplomatic officials to a suspected facility.

Fourth, in cases where the U.S. government presents new or previously unknown information on suspected exports of prison labor products destined for the U.S. regarding a suspected facility that was already visited, the Chinese government will organize new investigations and notify the U.S. side. If necessary, it can also be arranged for the U.S. side to again visit that suspected facility.

Fifth, when the Chinese government organizes the investigation of a suspected facility and the U.S. side is allowed to visit the suspected facility, the U.S. side will provide related information conducive to the investigation. In order to accomplish the purpose of the visit, the Chinese side will, in accordance with its laws and regulations, provide an opportunity to consult relevant records and materials on-site and arrange visits to necessary areas of the facility. The U.S. side agrees to protect relevant proprietary information of customers of the facility consistent with the relevant terms of the Prison Labor MOU.

Sixth, both sides agree that arrangements for U.S. diplomats to visit suspected facilities, in principle, will proceed after the visit to a previous suspected facility is completely ended and a report indicating the results of the visit is submitted.

Both sides further agree to continue to strengthen already established effective contacts between the concerned ministries of the Chinese government and the U.S. Embassy in Beijing and to arrange meetings to discuss specific details when necessary to further the implementation of the MOU in accordance with the points noted above.

Done at Beijing, in duplicate, this fourteenth day of March, 1994, in the English and the Chinese languages, both texts being equally authentic.

EMBASSY OF THE
UNITED STATES OF AMERICA,
February 22, 2000.

Mr. WANG LIXIAN,
*Director for Foreign Affairs, Ministry of Justice,
Beijing, 100020, China.*

DEAR MR. WANG: In accordance with the provisions of the Memorandum of Understanding prohibiting Import and Export of Prison Labor Products and the Statement of Cooperation, the U.S. Embassy renews our

request for investigation of the following factories for evidence of prison labor exports. The request to investigate these facilities was first made February 28, 1994 and was again made on February 24, 1998, March 8, 1999 and July 7, 1999.

The below listed investigations were requested five years ago and again last year. The Ministry of Justice has not responded with information on these cases. Therefore, we would like to renew our request that your ministry investigate the following facilities to determine if these sites are involved in prison labor exports:

Nanchong Laodong Factory, Sichuan.
Fuyang General Machinery Factory, Anhui.

Dingxi Crane Works, Gansu.
Jilin forging and Pressing Equipment Plant, Jilin.

Jingzhou Xinsheng Dyeing and Weaving Mill, Hubei.

Lanzhou Valve Plant.
Shaoguan Xinsheng Industrial General Plant.

In my letter of February 24, 1998 I enclosed background information which should assist in identifying these facilities. I have maintained copies of identifying information if this would be of assistance to your office. I feel that we have made significant progress in clearing up some of these old prison labor investigations and I look forward to continued cooperation.

I would also like to call to your attention my letters of April 24, 1998 and October 7, 1998, which requested investigation of the Zhengzhou Detention Center which was alleged to be manufacturing Christmas lights for export to the US and the Dafeng County Reform Through Labor Camp and the Tilanqiao Prison Labor Facility which were alleged to have manufactured ADIDAS soccer balls which were exported to the United States and other countries. The Ministry of Justice has not responded to these investigative requests within the sixty day time limit as agreed upon in the Statement of Cooperation. Please inform us of the status of these investigations.

If you have any questions or need further clarification please do not hesitate to contact me. Thank you.

Sincerely yours,

DAVID J. BENNER,
Attache.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I am opposed to the use of forced prison labor in the manufacture of goods for sale in international markets. And, I firmly believe that any allegation, whether with respect to China or any other nation, regarding the use of prison labor ought to be vigorously investigated under section 307 of the Tariff Act of 1930, which bars imports of prison-made goods into the United States.

That said, I nonetheless rise in opposition to the proposed amendment. I do so for three reasons.

First, the amendment is unnecessary. Under section 307 of the 1930 act, the Secretary of the Treasury and the Commissioner of Customs already have ample authority to investigate allegations that Chinese enterprises are

using prison labor. No new authority is needed, and no new certification is necessary.

Second, there is nothing about China's accession to the WTO or the passage of PNTR that limits in any way the ability of the United States to investigate allegations of the use of prison labor in the manufacture of goods destined for the U.S. market and to bar imports of such goods if the allegations prove true.

The WTO contains a provision that expressly permits the United States, as well as other WTO members, to bar entry of goods made with prison labor from their markets. Just to be entirely clear about what the WTO allows, let me quote from the relevant title of the WTO agreement. It states that:

nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures . . . relating to the products of prison labor.

In other words, we will retain the leverage we need following China's accession to the WTO to encourage China's compliance with its international commitments in respect of prison labor, particularly the 1994 bilateral agreement it signed with the United States.

Third, the House bill before us, H.R. 4444, already addresses the issue of prison labor and does so more constructively. The bill creates an executive branch task force to assist the U.S. Customs Service in the effective enforcement of our laws barring imports of goods made with prison labor.

As I said at the outset of my remarks, I join those who have been very critical of the Chinese Government for its failure to be more cooperative—on a more consistent basis—in rooting out and ending these practices. But, the proposed amendment would not advance our argument with the Chinese; it would, instead, prove counterproductive, by killing the chances of the passage of PNTR.

In light of that fact, I ask my colleagues to join me in opposing this amendment.

Again, let me reiterate, it is my deep concern that any amendment would kill this legislation, would kill PNTR. For that reason, I oppose the amendment, and urge my colleagues to do the same.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I reserve a little bit of time for my colleague, Senator HARKIN. But let me just say to my colleague from Delaware, as to the argument that it is not necessary to have any new agreements, there is nothing new here. We have existing trade agreements. We signed an agreement in 1992 and in 1994. The Chinese Government agreed not to export products to our country made by prison labor.

They have not lived up to those agreements. This amendment just says we call on them to live up to the existing trade agreements before we go forward with PNTR. It is really that simple.

The bitter irony is they are in violation of one law; they are not supposed to be exporting products made by prison labor. And we are in violation of another law: We are not supposed to be importing those products.

My second point is, my colleague cites H.R. 4444. It is just a toothless remedy. This has a "made-for-Congress" look. We are going to set up a task force, and we are going to assist the Chinese Government in living up to these trade agreements. The Chinese Government does not need any assistance. They control the prison labor camps. They can live up to the agreements today. They can live up to the agreements tomorrow. They do not need a task force set up. So I cannot let my good friend from Delaware get away with this.

I just think it boils down to this: They have the largest forced prison labor system in the world; these are the functional equivalent of gulags. I could use, frankly, stronger terms, I say to my colleague from Delaware, to describe them.

Do we really want to be implicated in this? Do we want to be beneficiaries of these gulags? Do the citizens of our country—we are now speaking and voting in their name—want to be beneficiaries of this forced prison labor system, the largest in the world, these gulags, where we get products at a lower price because it is on the backs of people who are political prisoners, who have done nothing more than speak out for their freedom? I think not.

If we are concerned about it, we will support this amendment. There is no way around that, I say to my colleagues. This is a straight up-or-down vote on whether or not this is a concern to us.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

If no one yields time, the time will be divided equally.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes.

Mr. WELLSTONE. Mr. President, I informed the distinguished chair of the Finance Committee that I would be ready to yield back time. I wonder if I could take 2 minutes and then I will yield back.

We will have a vote on the Thompson-Torricelli amendment, and there are going to be Senators who will come out and say: This is not about trying to scuttle this overall trade agreement.

We will go to conference committee. We will get this worked out. And there is such strong sentiment for this overall agreement, this is a good thing to do.

I want to say to Senators, I hope when we vote on the amendment I have offered with Senator LAUTENBERG—and I believe Senator HARKIN will want to be an original cosponsor—there will be the same sentiment. If you think it is the right thing to do to vote for this amendment, if you think it is the right thing to do to say to China: We already have these trade agreements with you in regard to prison labor conditions and we are just asking you to live up to those agreements before, in fact, we finally go forward with PNTR—if you think this is an important human rights issue, if you think we should not be implicated in any way, shape, or form in the functional equivalent of these gulags, if you think this is a labor issue, if you think this is a trade issue—it is a very compelling issue—then please don't vote against what you think is right.

We can't have Senators being selective on this and voting one way on one amendment. Senators can say: We will not vote for any amendments, period. I have heard that. But now different people are voting for some amendments and not others.

I say to my colleagues: Vote for what you think is right. If you think this amendment I have offered is wrong, it is not the right thing to do based upon your sense of justice or right or anything else, then vote against it. Otherwise, please vote for this amendment. Don't make the argument that I am voting against all amendments when, in fact, Senators are obviously going to be voting for some amendments.

I yield the remainder of my time.

Mr. ROTH. Mr. President, I yield the remainder of my time, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment of the Senator from Minnesota. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?—

The result was announced—yeas 29, nays 68, as follows:

[Rollcall Vote No. 238 Leg.]

YEAS—29

Ashcroft	Byrd	Edwards
Bayh	Campbell	Feingold
Boxer	Collins	Gregg
Bunning	Dorgan	Harkin

Helms
Hollings
Hutchinson
Inhofe
Kennedy
Lautenberg

Leahy
Mikulski
Reed
Santorum
Sarbanes
Sessions
Smith (NH)
Snowe
Specter
Torrice
Wellstone

NAYS—68

Abraham	Feinstein	McCain
Allard	Fitzgerald	McConnell
Baucus	Frist	Miller
Bennett	Gorton	Moynihan
Biden	Graham	Murkowski
Bingaman	Gramm	Murray
Bond	Grams	Nickles
Breaux	Grassley	Reid
Brownback	Hagel	Robb
Bryan	Hatch	Roberts
Burns	Hutchison	Rockefeller
Chafee, L.	Inouye	Roth
Cleland	Johnson	Schumer
Cochran	Kerry	Shelby
Conrad	Kerry	Smith (OR)
Craig	Kohl	Stevens
Crapo	Kyl	Thomas
Daschle	Landrieu	Thompson
DeWine	Levin	Thurmond
Dodd	Lincoln	Voinovich
Domenici	Lott	Warner
Durbin	Lugar	Wydén
Enzi	Mack	

NOT VOTING—3

Akaka	Jeffords	Lieberman
-------	----------	-----------

The amendment (No. 4119) was rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4132

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise in support of the Thompson amendment.

I have been listening to the debate on the THOMPSON amendment for the last day or so. I am very concerned that his amendment has been portrayed as a bill killer.

I support PNTR. I want to open trade with China. This is very important for the future of both of our countries. But I am also very concerned about the proliferation of weapons of mass destruction. I cannot see any situation in which the security of the United States of America would take second place to a trade issue, even a most important trade issue. Nevertheless, I would never, ever I put the security of our country in a secondary position.

To say that we cannot go back to the House and resolve our differences because we would vote on a responsible amendment that would require a reporting of the proliferation of weapons of mass destruction is just beyond my comprehension. This is the United States Senate. To say we cannot amend a bill that has been passed by the House would be the height of irresponsibility.

I am also speaking today in favor of normal trade relations with China because I want our countries to have a mutually good relationship. The idea that we would have a good relationship on trade but one that gives a wink and

a nod to proliferation of weapons of mass destruction to people intent on hurting the United States of America is not a fair trade. I couldn't possibly exercise my responsibility as a Senator and vote against the Thompson amendment.

In early 1969, newly elected President Richard Nixon asserted:

One-fourth of the world's people live in Communist China. Today they are not a significant power, but 25 years from now they could be decisive. For the United States not to do what it can at this time, when it can, would lead to a situation of great danger. We could have total detente with the Soviet Union, but that would mean nothing if the Chinese are outside the international community.

Today, President Nixon's words sound remarkably prescient. China is undeniably a major world power, thanks in large part to leaders such as Presidents Nixon and Bush and Reagan, Secretary Jim Baker, Secretary Henry Kissinger, China is not outside the international community but neither is China fully a member in good standing of the family of responsible nations.

The major issues our two nations must confront are difficult and complex: China's military buildup, arms sales and proliferation, the future of Taiwan, bilateral trade, and human rights. All of the previous Presidents in my lifetime have recognized the unfolding importance of China, and they have all pursued policies aimed at constructive engagement with the Chinese Government.

The question at issue with our vote on PNTR and our vote on the amendments that condition the Senate's approval of PNTR must be, what are the underlying goals of our relationship with China and what are the primary issues that should guide American policymaking and actions.

My answer is, our policies should be focused on cultivating a stable and peaceful Asia. We should look to economic competition and mutual prosperity to bring this about, and we must at all times consider the security interests of the United States.

As the distinguished chairman of the Foreign Relations Committee, JESSE HELMS, pointed out yesterday, the Chinese proliferation of weapons of mass destruction poses a direct threat to the national security of the United States. I share his view that it would be irresponsible for us not to address that threat.

The Federal Government has no greater responsibility nor higher duty to the people of our country and to our allies than to provide for the common defense of the United States of America.

The bipartisan amendment offered by Senators THOMPSON and TORRICELLI is a responsible vote. It does not scuttle PNTR, as some have warned. This is the responsible action of the Senate. It

would be my fervent wish that we could vote our conscience on this very important issue, and not in any way respond to the scare tactics that have been put forth that this will kill the bill, but instead do what is right for both of our countries; that is, open, normal trade relations, and secure the United States from weapons proliferation by China or any other country or rogue nation that would seek to harm our people or our allies anywhere in the world.

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

The PRESIDING OFFICER (Mr. THOMPSON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TORRICELLI. 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. TORRICELLI. Mr. President, it has been obvious for some time now that when permanent normal trade relations for China comes to a vote in the Senate, it will, indeed, pass overwhelmingly. My colleagues proceeding with this debate in recent days have detailed at length the enormous potential economic benefits to the U.S. economy. Other colleagues have appropriately discussed the human rights record in China, problems with religious freedom, and the rights of workers in China. They are all legitimate points and each belongs in a debate on PNTR with China, but the debate is not complete.

The relationship of the United States with the People's Republic of China is not only about economics; it must include human rights, religious rights, and workers rights. But it is not just about those rights; it is also ultimately about the security of the United States.

Our relationship with the People's Republic of China, a nation of 1.3 billion people, an immense land of economic, geopolitical significance, goes beyond that, perhaps, of any other trading partner of our country. Indeed, how we define this relationship in this vote and in this debate has enormous ramifications in the next generation.

Indeed, just as the debate in those first few months and years after the Second World War changed permanently the security and economic relationship between the United States and Western Europe and the remainder of the world, this debate will permanently alter our relationship with the People's Republic of China, and it is not right and it is not appropriate that it be done on a single plane. Economics is important, but it is not everything. That is why Senator THOMPSON and I have offered our amendment to address the continuing problem of the proliferation of weapons and technology from the People's Republic of China.

It was, of course, our hope that this vote could have been taken independently of PNTR. It was our desire not to complicate PNTR but to have a separate debate and separate vote. Regrettably, that proved not to be possible. So we return today with this amendment actually on the bill.

As I understand the arguments now for the bill, the most compelling is that PNTR will integrate China into the international economy, that it will encourage China to follow international trading rules. It is a strong argument, but even with passage of PNTR, even if the proponents are correct that China will then adhere to international trading rules, that does not automatically make China a member in good standing of the global community. Trading rules do not govern all international conduct. A nation is not a nation in good standing in the world simply because it trades according to these rules; it is by all the rules by which it chooses to live.

Truly to participate in the global community, China will, as has been argued on this floor, have to reform its human rights practices, the way it treats its workers, the way it relates to Taiwan, and how it deals with sensitive military technology that threatens all peoples everywhere.

Despite many assurances that it will reform its behavior, China has continued to be one of the most persistent and serious violators of international nonproliferation agreements. Ultimately, that is the question every Senator must ask themselves: If, indeed, PNTR is passed and China continues to violate trade agreements, you can go to your local townhall meeting and complain to the autoworkers and you can explain it to the Chamber of Commerce, but if China continues to violate proliferation agreements which leads to the spread of nuclear technology and missiles to a variety of dangerous neighbors that one day leads to warfare involving our Nation or others, to whom will you apologize then? Where will the explanations lie? That is the question before the Senate.

Last month, the Director of Central Intelligence delivered to the Congress the intelligence community's biannual "Unclassified Report on the Acquisition of Technology Relating to Weapons of Mass Destruction."

The DCI report clearly states that China has increased its missile-related assistance to Pakistan, and it continues to provide missile-related assistance to countries such as Iran, North Korea, and Libya. What is especially troubling about China's activities is that this sensitive assistance is going to the most dangerous nations in the most volatile areas of the world, with the greatest potential to do harm.

Indeed, looking at this map I have here—from Algeria to Libya to Syria to Iran—what is it that China could do

more? What would be worse? What other nation would have to receive nuclear or missile technology before it would offend Members of the Senate? In the entire list of rogue nations, almost no one is absent.

Just a couple of months ago, Chinese sales to Iran led to the test by Iran of a Shahab-3 medium-range ballistic missile. It is believed that components of Iran's missile program are from Beijing.

The People's Republic of China companies were sanctioned in 1997 for transfers to Iran, contributing to chemical weapons proliferation. Yet the DCI's August 2000 report said Iran continues to seek production technology, expertise, and chemicals for its chemical weapons program.

So it is missiles and chemicals.

Pakistan is a country located, perhaps, in the most volatile region of the world, which in recent years exploded a nuclear device and has come to the brink of war with India on several occasions since its new nuclear status.

The DCI reported last month that the PRC provided "extensive support" to Pakistan's weapons of mass destruction program, and in the second half of 1999 Iran had "ongoing contacts" that could not be ruled out, despite a 1996 promise by the PRC to stop assistance to unsafeguarded nuclear facilities.

In unpublished press accounts, U.S. intelligence agencies have reportedly concluded that China has stepped up its shipment of specialty steels, guidance systems, and technical expertise to Pakistan. Chinese experts have also been sighted around Pakistan's newest missile factory, which appears to be partly based on Chinese design.

Libya is a country with a history of promoting regional instability, sponsoring state terrorism, including the destruction of our own aircraft and our own citizens.

The August 2000 DCI report publicly confirmed the PRC's assistance to Libya for the first time. The Defense Department reportedly discovered in December 1999 that the PRC plans to build a hypersonic wind tunnel in Libya for missile designs for the Al-Fatah missile program.

According to reports in the Washington Times, the director of Libya's Al-Fatah missile program is planning to travel to China to attend China's premier training center for missile scientists and technicians.

North Korea's missile program is now believed to be achieving the potential to reach the United States with a ballistic missile, potentially by the year 2005—a direct security concern of the United States, leading this Congress to authorize and appropriate billions of dollars for missile defense, leading all of us to a sense of new vulnerability.

The DCI first publicly confirmed in 1999 that the PRC is supplying components to North Korea. The August 2000

report states that North Korea acquired missile-related raw materials and components "especially through firms in China" in the second half of 1999.

These countries—Iran, Pakistan, Libya, and North Korea—are just the countries China has proliferated to in recent years. In the past, proliferation by the People's Republic of China has also included sending weapons technology to Iraq, Syria, and Algeria.

I cannot imagine any accusation against a foreign government that could or should raise more serious concerns in this body. How, indeed, could any Member of this Senate ever explain to the American people granting the greatest economic gift in the world, a normalized trade relationship with the United States, the greatest economy in the world, without at least, at a minimum, seeking enforcement of previous agreements for arms control and nonproliferation?

Until China ceases to allow this type of sensitive equipment, technology, and expertise to flow through its borders, it must understand that it can never have normalized political and economic relationships with the United States or, indeed, be accepted into the family of nations on an equal status with all other nations.

Opponents of our amendment contend that the current nonproliferation laws are effective; that Chinese proliferation is under control; that unilateral sanctions never work. They could not be more wrong.

As the reports I have just cited demonstrate, Chinese proliferation behavior is not improving. It is not getting better. And the DCI's report delivered to this Congress proves it. Existing nonproliferation laws are simply not working. This provides a real incentive, in actual quantifiable costs, for sharing technology with dangerous nations.

Our nonproliferation laws must be strengthened. This amendment—and only the Thompson-Torricelli amendment—offers that opportunity. Under this amendment, the President of the United States would submit a report to Congress by June 1st of each year identifying entities in key proliferating nations that have contributed to the development or acquisition of nuclear, chemical, or biological weapons, or ballistic or cruise missiles by foreign countries—every year a report identifying the entities.

The President would be required to impose measures against companies in key supplier nations that have been identified as proliferators, and the President would also be authorized to impose measures against any supplier countries as he sees fit. The President is given the discretion, but he is also given the responsibility. And this Congress is given the information that it needs to know whether or not the Nation is being safeguarded.

Over the past several months, we have substantially revised this legislation to address a number of concerns by the administration and by our colleagues. This amendment was not drafted by Senator THOMPSON or by myself alone. The administration raised legitimate concerns that it dealt only with specific technologies, only with the nations about which we should be concerned. It has been re-drafted to deal specifically with those concerns.

The revised bill now applies to all countries identified by the Director of Central Intelligence as key suppliers of weapons of mass destruction. The list currently includes China, Russia, and North Korea. Countries could be added or removed from the list over time based on the DCI's guidelines. So there are no unintended consequences of other states.

There were objections originally that the President did not have enough discretion in applying the sanctions; that the sanctions in the bill were too broad; and that they were applied with a standard of evidence that was too low. Every one of those problems was changed to meet the administration's objectives.

The bill is now drafted so that any sanctions against supplier countries are totally within the discretion of the President. The list of measures available to the President are the same as in the original bill. But now the President is authorized—not mandated—to apply these sanctions.

So those within the Senate who had concerns that we were taking away Presidential discretion, forcing him to act when the facts may not warrant it, prohibiting him from negotiating by not having this discretion, have had their concerns addressed. The President is given authorization. He is not mandated.

The only mandatory measures remaining in the bill would be applied against specific entities or countries that are determined by the President to be proliferators. Only if the President determines they are a proliferator will any entity be sanctioned.

If a company is determined to be a proliferator, the President must deny all pending licenses and suspend all existing licenses for the transfer to that company that are controlled for export under the Arms Export Control Act, the Export Administration Act of 1979, or the Export Administration Regulations. Isn't that how the Senate would have it? If a company has been identified, if they have been multiple violators, if they have been cited by the President, shouldn't that company then be denied the benefits of these various export acts?

There is also an across-the-board prohibition on any U.S. Government purchase of goods or services from, and U.S. Government assistance or credits

to, the proliferator. Would any Member of the Senate argue with this? To use the taxpayers' money, U.S. Government resources to buy from a company that has been repeatedly cited as a proliferator by the U.S. Government? Certainly they should not be entitled to the benefits of trade with the Government itself.

Is it too much to ask that we impose the sanctions on companies that are already identified, already established as having been engaged in this conduct? But for some Members of the Senate, this was not enough. So we gave the President one further set of powers, waiver authority, which allows the President to waive the imposition of measures required under this legislation if he determines that the supplier country was taking appropriate actions to penalize the entity for such acts of proliferation and to deter future proliferation. The President also can waive the sanctions if he determines that such a waiver is important to the national security of the United States.

How little would be enough? It isn't mandatory. It is optional. It requires multiple instances. It must be an entity already identified by the President. It must be a technology already identified by the Government. It isn't mandatory. The President can waive it. He can cite larger national interests.

I believe there is a positive impact with the passage of this amendment.

Now I ask the Senate another question: What is the impact of failing to enact it? Who could ever believe that this Senate considers proliferation issues to be serious, that we are concerned that there is a price to selling these weapons of mass destruction or these technologies to other nations, if we cannot at a minimum pass this authorizing sanction on an optional basis, to be used if the President wants to use it?

Imagine the message in Beijing or North Korea or Iran or Iraq. Are we so desperate for trade, is this economy so desperate for that one more dollar immediately, not to offend a potential investor or buyer, that we would compromise our own good judgment?

I don't believe we would lose a dollar of trade with this amendment. I don't believe we lose a product, a job. But even if we did, even if I were wrong and we did, is the price too high to send a message that in our proliferation policy there is more than words?

Words will not defend us. It is not at all clear that our missile defense shield will ever protect us. This might. It can't hurt. It at least can set a serious tone that we will not be dealt with with impunity. Trade with us; get the benefits of our market. But we will look the other way while you send dangerous technologies to nations that kill our people or threaten the peace.

In a recent editorial, the Washington Post noted:

China's continuing assistance to Pakistan's weapons program in the face of so many U.S. efforts to talk Beijing out of it shows the limits of a nonconfrontational approach.

The Post went on to say:

The United States should make clear that . . . Chinese missile-making is incompatible with business as usual.

A Wall Street Journal editorial stated:

If there is an assumption in Beijing that it can be less observant to U.S. concerns now that its WTO membership seems assured, the Chinese leadership is making a serious mistake.

Are they? The Wall Street Journal was too optimistic. Whether they are making a serious mistake will be judged by the vote on this bill, win or lose. How many Senators consider proliferation issues and national security to be more than words but a policy with strength, with cost, with sanction, if our security is violated?

If we pass PNTR alone and do not pass legislation addressing these important national security concerns, I fear for the message that is sent and the priorities of this Senate. This Senate will always be sensitive to business investment, trading opportunities, and economic growth. It is our responsibility to assure that America is prosperous and strong and growing. We will meet that responsibility.

But it is the essence of leadership to understand that no one responsibility stands alone. As we govern the national economy, we possess responsibility for the national security. No economy can be so big, no economy can grow so swiftly, there can be no number of jobs with national income that can reach no level that makes for a secure American future if missile technology spreads to Iraq and Iran, if nuclear weapons begin to circle the globe and unstable regimes.

Where, my colleagues, will your economy take you then? Balance, my friends. The Thompson-Torricelli amendment offers balance. We are pleased by our prosperity, but we are not blinded by it. We are blessed to live in a time of peace, but we understand how we earned it—by strong policies of national security. That is what the Thompson-Torricelli amendment offers today.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:49 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).