

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).