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

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on the passage of H.R. 4444.

The majority leader.

Mr. LOTT. Mr. President, I ask unanimous consent I be allowed to use some of my leader time to conclude discussion on the China PNTR.

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

Mr. LOTT. First, Mr. President, this is the last day of a very critical and helpful staff member working here with the Senate in the Finance Committee. That person is Debbie Lamb on Senator MOYNIHAN's staff. She has been his chief trade counsel and has been very helpful, obviously, to Senator MOYNIHAN and, before that, to Senator Bentsen.

I remember specifically one night we were negotiating the final contours of a bill between the House and the Senate. I wound up relying on her counsel as we made the final decisions. People may find it somewhat a surprise that the majority leader, a Republican, would be relying on the counsel on the other side of the aisle, but it does work that way and it attests to her credibility and expertise. She has done a wonderful job. We wish her the very best.

In that connection, too, I want to recognize the outstanding work that has been done by Senator MOYNIHAN and by Chairman ROTH. Here he is, sitting right behind me. They have been patient; they have been willing to spend hours here in the Senate. They waited weeks to get their opportunity to have it considered in the Senate. There was no effort made to cut off a full debate. I think every Senator believes he or she had the opportunity they needed to make their case, state their positions, and raise their concerns or why they supported it.

Also, we had numerous amendments, and all of them failed. Some of them were very attractive. In fact, I felt very strongly about a couple of them, obviously. But they waded through all of this and we are going to have a final vote in a moment. I think it is going to be an overwhelming vote. I think it is the right thing to do and I commend Chairman ROTH and Senator MOYNIHAN for their leadership.

When history is written about this session, one of the things I believe it will say is that this is a session of Congress that did spend time and wound up passing some important trade bills with relation to not only China but the Caribbean and also Africa. A lot of credit goes to the leaders of this committee.

Regardless of one's views on the merits, there is no question about the significance of the measure we consider today. Normalizing trade relations with China will not only have profound effects upon our economic well-being, but it will undoubtedly have significant implications for our relations with China and our national security.

China accounts for a quarter of the world's population. It has one of the largest economies in the world—an economy that has been growing at a remarkable rate of nearly 10 percent per year. China unquestionably is and will be a major factor in the world, especially economically.

There is also no question that China's entry into the World Trade Organization holds great opportunities for the United States. Chief among them are the economic benefits that would flow from the dismantling of Chinese trade barriers—barriers that deny benefits to our workers and businesses.

But many people in this country have legitimate questions. They question whether China will live up to its commitments, whether it will trade fairly in our market, and whether we are ignoring China's human rights abuses and its destabilizing behavior in the world.

These are not questions to be taken lightly. And that is why I have insisted that the Senate not rush to action on this bill, and that those on both sides have a full opportunity to air their views and their amendments.

The Senate has had ample time to consider the agreements reached with China, has held numerous hearings on its potential accession to the WTO, and has engaged in a full and vigorous debate on this issue. That is certainly fitting on an issue of this magnitude.

I know that many of my colleagues, like myself, have struggled with this issue in light of our larger concerns about China and its behavior in the world. We all know that China is a one-party State that denies the most basic rights to its people. We must acknowledge that it deprives its people of religious freedom, that it has flagrantly engaged in weapons proliferation, and that it has repeatedly used unfair trade practices in our market.

Whle some may argue that we should, I do not believe that we can totally separate these broader issues from the question of our trade relationship with China. But I also believe that we cannot allow our desire for reform in China to blind us not only to the benefits we receive from trade with China, but from the positive effects trade may have within that country.

On balance, I am convinced that expanding our trading relation with China is not only in our economic self interest, but in our broader national interest as well.

There are many misconceptions about the action Congress is taking with this legislation. Chief among them is the view that we are voting on whether to allow China into the World Trade Organization. The fact is that China will almost certainly enter the WTO, regardless of whether the United States approves this legislation.

What this legislation will decide is whether the commitments of WTO membership are applied bilaterally between the United States and China.

Applying WTO commitments to trade between the United States and China is in our economic interest—and for a simple reason. We already grant China the favorable access to our market required by the WTO. China, however, does not grant similar access to our products. As such, this agreement will expand our access to China's market; it will not expand China's access to ours.

Many of my colleagues have gone through in detail the market-opening concessions China will be forced to make upon entry into the WTO. Let me just highlight some of the major terms that will have a direct impact on our workers and companies:

China will be required to cut tariffs from a current average of almost 25 percent to an average of around 9 percent by 2005—with particularly sharp reductions for farm products and information technology products;

China will be required to provide our companies with full trading and distribution rights—eliminating the need to go through trading companies blessed by the Chinese government;

China will be required to greatly expand access to its market for agricultural goods, ranging from cotton, wheat, soybeans, rice and farm products across the spectrum.

China will for the first time be required to provide real access to financial services providers—allowing U.S. banks, insurers and other providers significant new access.

Why would we walk away from these new and dramatic benefits—particularly when our market is already open to Chinese imports?

Both the farming and manufacturing community in my home state—as in states across the country—have voiced strong support for increased trade with China.

They know that we cannot afford to neglect economic ties with a nation of more than 1 billion people, and a market that already is the sixth largest for U.S. agricultural exports. They know that with expanded trade China is projected to account for more than one third of the growth in U.S. agricultural exports. Whether it is cotton farmers in the delta or poultry producers in central Mississippi, our farmers need China's market.

We also stand to make huge gains in the high tech sector, where the U.S. leads, and where my state is growing in leaps and bounds. Only 2.5 percent of China's population has a computer and only 1 percent has access to the Internet—but these numbers are growing rapidly.

If we do not trade with China, you can bet that our competitors in Japan and Europe will. And it will be their workers and industries—not ours—that reap the benefits of increased access to China's market.

If the economic benefits are clear, what is it that we give up by approving permanent trade relations with China? Most concretely, we end the automatic annual review of China's trade status under the Jackson-Vanik amendment. I do not take this lightly. We must acknowledge that gaining permanent trading status in our market has been a major objective of China's. And we should not dismiss out of hand the salutary effects that have resulted from a yearly review of China's actions and status.

But we must also question how much leverage this review continues to provide—particularly given that China's most favored nation status has never been withdrawn in the 20 years since relations with the PRC were normalized in 1979. And we must consider as well what benefits and favorable effects are likely to accompany a closer trading relation between our countries.

Trade will not solve all of our problems with China, and it will not change China's behavior overnight. But economic forces are powerful—often beyond anything we can imagine. China's commitments under the WTO agreements will require it to loosen its grip—perhaps not dramatically at first, but in real and observable ways—over the economic life of its people.

As wealth grows among China's middle class, as they see the benefits of open markets and freedom, as they share in the unbelievable exchange of ideas that the new economy and the Internet bring, change will come to China. And we must be there, to engage, to influence, and to foster ideas that will hopefully lead to a new flowering of democracy and freedom—and over the long run to a more peaceful and stable world.

I want to stress one thing. The passage of this bill must not—and I can tell you that as long as I have anything to say about it, it will not—mark a lessening of our commitment to scrutinize China's behavior, to combat proliferation, and to advance the cause of human and religious rights.

Our friends and allies around the world should not misinterpret what happened with our vote on the Thompson amendment—a vote that was caught up in the back and forth of how best to consider the measure. This country is united in its determination to combat weapons proliferation in China and around the world. Our commitment has not wavered, and we have not seen the last of this issue on the Senate floor.

We must recognize the legitimate fears and concerns of many citizens regarding trade with China. They know China has abused our market in the past and has failed to live up to its end of the bargain in recent trade agreements.

Ensuring Chinese compliance with its commitments will not be easy. But it is essential that we are unwavering in our vigilance to see that our workers and our companies get the benefits they are promised. This agreement maintains our ability to use our trade laws fully to combat Chinese unfair trade practices, and to take trade measures necessary to protect our national security. We must respond swiftly and forcefully where the need arises.

This will be one of the most closely scrutinized trade agreements in history, as it should be. The American people know that we can compete and win with fair and open markets, but they will not long tolerate the systematic flouting of our agreements and the abuse of our market. This will be a test—not only of our own resolve to make trade agreements work for our citizens, but of the ability of the WTO and the international system to deliver on the promises it has made.

This has been a remarkable year for trade legislation.

I want to congratulate Chairman ROTH and Senator MOYNIHAN once again for their extraordinary efforts to get our trade agenda back on track—passing this year both the Africa-CBI trade enhancement act and now this critical piece of legislation. It is a record of accomplishment for which we can all be proud.

But it is not a time to rest or sit back. We saw in Seattle the consequences of indecision, mixed messages and lack of resolve in the cause of freer and fairer trade.

Making the case for freer trade and open markets will never be easy. The concrete dislocations and challenges that come with increased global trade are often easier to see and to seize upon than the more diffuse gains from new markets and new economic growth. It is up to us as policy makers and public officials to ensure that our workers and our businesses see the gains from trade, that they receive the benefits of the agreements we make, and that our security and our economic well-being are enhanced as we seek further engagement in the global economy.

I know there are legitimate concerns about this legislation and that there are those having to struggle with whether or not we can trust China's compliance. They are legitimate concerns about human rights violations, religious persecution, and nuclear weapons activities. But I also believe it would be a tremendous mistake to ignore the advantages of this trade legislation. There are a billion people in China. These are markets that are not now open to us. Just last night, I looked over what would come out of this legislation. The fact is, they will have to open markets. China will be required to cut tariffs from the current average of almost 25 percent to an average of 9 percent by 2005, with a particularly sharp reduction for farm products and information technology.

China will be required to provide our companies with full trading and distribution rights; it will be required to greatly expand access to its markets for agricultural goods, ranging from cotton, wheat, soybeans, rice, and farm products across the spectrum. For the first time, China will be required to provide real access to financial services providers.

This is legislation that is good for America, that is good for the working people in our country. It will take a lot of vigilance. I think we need to make sure of its compliance. But it is the right thing to do. I will vote for this legislation and I hope it will be accepted overwhelmingly.

Have the yeas and nays been ordered, Mr. President?

The PRESIDING OFFICER. They have not.

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will read the bill for the third time.

The bill (H.R. 4444) was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

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 83, nays 15, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—83

Abraham	DeWine	Kennedy
Allard	Dodd	Kerrey
Ashcroft	Domenici	Kerry
Baucus	Dorgan	Kohl
Bayh	Durbin	Kyl
Bennett	Edwards	Landrieu
Biden	Enzi	Lautenberg
Bingaman	Feinstein	Leahy
Bond	Fitzgerald	Levin
Boxer	Frist	Lincoln
Breaux	Gorton	Lott
Brownback	Graham	Lugar
Bryan	Gramm	Mack
Burns	Grams	McCain
Chafee, L.	Grassley	McConnell
Cleland	Gregg	Miller
Cochran	Hagel	Moynihan
Collins	Harkin	Murkowski
Conrad	Hatch	Murray
Craig	Hutchison	Nickles
Crapo	Inouye	Reed
Daschle	Johnson	Robb

Roberts	Shelby	Thurmond
Rockefeller	Smith (OR)	Torricelli
Roth	Snowe	Voinovich
Santorum	Stevens	Warner
Schumer	Thomas	Wyden
Sessions	Thompson	

NAYS—15

Bunning	Hollings	Reid
Byrd	Hutchinson	Sarbanes
Campbell	Inhofe	Smith (NH)
Feingold	Jeffords	Specter
Helms	Mikulski	Wellstone

NOT VOTING—2

Akaka	Lieberman

The bill (H.R. 4444) was passed.

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.

Mr. ROTH. Mr. President, today ends an historic debate on permanent normal trade relations with China. The vote we just cast was certainly the most important of this year and likely the most consequential of the past decade.

We have had a vigorous debate on PNTR as well as the full range of issues my colleagues have raised through amendment.

Because of PNTR's significance, however, I opposed all amendments to PNTR regardless of merit. And many of the amendments did have merit. Indeed, I would have supported some of them under other circumstances.

In the case of PNTR, however, a vote for any amendment would have forced a conference with the House and additional votes in both the House and Senate on a conference report. Had we chosen that route, we would likely have run out of time before we could have passed PNTR in this Congress.

And had we failed to pass PNTR this year, the only certain effect would have been to punish our workers, farmers, and businesses by placing them at a huge competitive disadvantage to their fiercest foreign competitors in gaining access to China's burgeoning market.

That is because PNTR does not determine whether China enters the World Trade Organization. China will enter the WTO regardless of what Congress had done on PNTR; and China's entry will definitely take place this year according to Michael Moore, the Director-General of the WTO.

What PNTR does is allow American firms equal access to China's market when China joins the WTO.

Let us remember that in joining the WTO, China has committed itself to abandoning central control and throwing its market wide open to the United States an all the other WTO members, all within roughly five years. Let me note here that for our part, the U.S. market will not be opened further to China; our market is already open to the Chinese.

In keeping with its obligations as a member of the WTO, China will have to extend permanently and unconditionally its greatly lowered tariffs and its expansively opened market to every other member of the WTO. In other words, China will have to maintain PNTR with all member economies of the WTO. There is only one exception to this rule: when another WTO member chooses not to extend permanent normal trade relations to China, China need not extend PNTR to that country.

Of course, there is only one member of the WTO that even considered denying China PNTR—the United States. In part, that's because there has been a belief that in denying the Chinese PNTR we would somehow force them to change their behavior in any number of areas, from human rights to Taiwan to proliferation of weapons of mass destruction.

But would denying China PNTR actually have changed Chinese behavior? Frankly, there is little logic to this argument. After all, the only certain result of denying China PNTR is that we would have deprived U.S. farmers, workers and businesses access to China's lowered tariffs and more open market—access that every other member of the WTO will enjoy.

How is it that putting Americans at a competitive disadvantage to the French, the Germans, the Japanese and the Canadians would have compelled Beijing to act in ways the United States would prefer?

I submit that in denying PNTR—and thereby undermining American economic access to China—we actually would have lost leverage over China rather than gain it. Only by engaging China economically, by permitting Americans to work within China and thereby pressuring her from the inside to restructure her institutions and advance the rule of law, do we stand the best chance of making Beijing more cooperative.

That's why most of China's human rights dissidents have supported China's entry into the WTO and PNTR. As Wang Dan, a leader of the demonstrations in Tiananmen Square, said, China's entry into the WTO ''will be beneficial for the long-term future of China because China thus will be required to abide by the rules and regulations of the international community.''

Meanwhile, the Taiwanese, the people most threatened by China, also support China's WTO accession and PNTR. Taiwan's current and previous Presidents have both publicly affirmed their support for the United States fully normalizing trade relations with China. And as President Clinton stated in a letter he sent in response to an inquiry I made last week, the U.S. will make sure that Taiwan gains entry to the WTO just as soon as China does.

On the question of U.S. national security, the Americans most knowledgeable about the matter, including Presidents Ford, Bush and Carter, as well as virtually every living former Secretary of State and Defense, National Security Advisor and Chairman of the Joint Chiefs of Staff agrees that PNTR will advance American interests. They recognize, as General Colin Powell put it, that if Congress rejects PNTR, the result will be ''to make [China] more isolated, truculent and more aggressive . . .''

The vote over PNTR was thus about more than just economics. It was also about America's response to China's emergence as a leading power, a phenomenon which I believe presents us with potentially our most serious foreign policy challenge. But it also presents us with enormous opportunities. We can only respond to that challenge adequately and seize those opportunities through a sensible overall China policy. The clear objective of that policy should be to encourage China's constructive and responsible behavior and discourage its aggressiveness and irresponsibility.

I believe our China policy must have five central elements, and PNTR forms the core of the first—that of expanding our economic relationship with Beijing. We should seek such an expanded relationship because a China integrated into the global economy is more likely to behave in ways compatible with American interests and international norms. Thus, we should encourage China's development and participate in its economic growth by supporting China's accession to the World Trade Organization and by passing PNTR, as we have done.

The more China is integrated into the international economy, the more subject Beijing is to the harsh realities of the marketplace. Should China choose a path toward blatant aggression and destabilizing domestic repression, foreign investment will dry up and firms will move to other countries where the risks are lower and the returns are higher.

Moreover, we have a better opportunity to influence China to act in ways we prefer when we enmesh it in the sort of economic relationships fostered by granting China PNTR.

In addition, economic growth nurtured by participation in the global economy tends to lead to greater demands for democratic reform. Other Asian countries, such as South Korea, Taiwan and Thailand, have amply demonstrated the political evolution that accompanies economic development. By encouraging trade with China, we are also encouraging a process that is likely to lead to the sort of political liberalization that is in America's interest.

The second element of any coherent China policy must include preparedness to deal with China if its participation in world affairs proves disruptive. Strengthening our current array of bilateral security ties in Asia is thus essential. Those ties include not only the

full security alliances we have with Japan, Korea, Thailand, the Philippines and Australia, but also the productive security arrangements we maintain with Singapore, Malaysia, Brunei, Indonesia, New Zealand and other Asia Pacific nations.

Closer cooperation on security and diplomatic initiatives with nations in the Asia Pacific that share our interests on China can serve to prod Beijing to accept the moderating influence of global economic integration. It also provides a hedge in the event Beijing instead chooses an aggressive path.

Third, we must enforce current law regarding Chinese actions and be willing to challenge China on issues of concern. That is why we should continue to work to improve China's human rights policies and convince Beijing to abandon its repugnant use of forced abortions and grotesque practice of harvesting organs. We can pursue these ends, in part, by ensuring the success of the Levin-Bereuter Commission on human rights created by H.R. 4444, further supporting Radio Free Asia and condemning China at the annual human rights conference in Geneva and at other international fora.

We should respond to China when it persecutes Christians, Muslims and those of other faiths by using the authority granted by the International Religious Freedom Act.

We should continue to support Taiwan under the terms of the Taiwan Relations Act. The TRA affirms that any effort to determine Taiwan's future by other than peaceful means would, ''constitute a threat to the peace and security of the Western Pacific and be of grave concern to the United States.'' The TRA also commits the United States to making available to Taiwan such defense articles and services in such quantities as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.

We should push China to negotiate with the Dalai Lama regarding Tibet, supporting the Dalai Lama's call for ''Cultural autonomy'' within the Chinese system. And we should support the actions of the Special Coordinator for Tibetan issues within the State Department, a position created as a result of Congressional pressure in 1997.

We should investigate credible allegations that Chinese goods have been produced by prison labor and enforce section 307 of the Tariff Act of 1930, which bars imports of prison-made goods into the United States.

We should work with the International Labor Organization to make sure that China lives up to its acceptance of the ILO's Declaration of Fundamental Rights and Principles at Work, which among other things, affords the people of signatory countries the right to organize and bargain collectively.

We should work to counter Chinese proliferation of weapons of mass destruction and their means of delivery through strict enforcement of the Arms Export Control Act, Chemical and Biological Weapons Control and Warfare Elimination Act of 1991, the Export Administration Act of 1979, the International Emergency Economic Powers Act and the Nuclear Proliferation Prevention Act of 1994.

And we should use the WTO's robust dispute settlement system to ensure that China meets its obligations to open its markets and abide by the rules of international trade.

The fourth element of a coherent China policy is the continuation of high-level, regular dialogue with Beijing. Mistrust is bound to grow when we don't meet, particularly when the list of critical bilateral, regional and global issues requiring discussion is so long. Keep in mind that even in the darkest days of the Cold War, we held a consistent series of summit talks with Soviets.

Finally, we must nurture aspects of the relationship where we share interests and can cooperate. China has the potential to play a key role in settling the serious threat posed by North Korea to the South, as well as to the 37,000 American troops we have on the ground there. I cannot imagine the Chinese playing a constructive role on any matter of mutual concern—from controlling transnational crime and narcotics trafficking to protecting the environment—if we only threaten and sanction them.

In sum, to meet the challenge and reap the opportunities of a rising China, we must encourage economic relations with Beijing based on the China's accession to the WTO and passage of PNTR, strengthen security and diplomatic ties with our friends in the rest of the Asian Pacific, enforce current law regarding Chinese actions and be willing to confront China when necessary, continue high-level dialogue, and cooperate with China on matters of mutual concern.

In addition, the Congress should not shy away from criticizing Chinese actions that run counter to internationally-recognized norms or American interests. For my part, I will do everything in my power as Chairman of the Finance Committee to see that China not only lives up to its WTO obligations, but also begins the process of internal change that is essential if Beijing is to meet those obligations.

PNTR is not a panacea, and there will be many bumps on the road in relations between the United States and China. But PNTR is a key component of a coherent strategy for addressing the complex set of issues associated with the rise of China. That is why I am pleased PNTR passed overwhelmingly and with bipartisan support.

Mr. HARKIN. Mr. President, the Senate has just voted on one of the most significant and controversial bills of this Congress. I would like to take this opportunity to share my views on the issues involved and explain the process I went through in making my decision on how to vote on providing normal trade relations status to China.

I thought about this matter a great deal and examined the issues very carefully. I listened to the arguments made by my colleagues in this Chamber and to the intense public debate over the past months. Just this last month, along with my colleague, Senator LAUTENBERG, I visited China. It was the first time I had been back since 1981. We were able to gain some valuable insights into the questions before us.

Having listened to the debate on China PNTR, especially in the media, one may have gotten the idea that this is a clear-cut question. If you listened to the proponents, you would think PNTR is a magic elixir for the American economy. If you listened to the opponents, you would think PNTR spells utter disaster.

After thoroughly looking into this matter, I concluded the claims of both sides were exaggerated. Passing PNTR was not a slam-dunk or a no-brainer, but neither was it a sellout or a surrender on the critical problems we face with China. It was a matter of judging how the scales tipped: not which side was absolutely correct but which of the alternatives seemed, on balance, the best course to take. This was not an easy decision for me. However, I believe the balance did tip, although not overwhelmingly, in favor of passing this legislation granting China normal trade relations status.

I would like to discuss briefly what the vote was really about and why I voted for PNTR.

We had a good deal of discussion over the past several days on the details and implications of this legislation and on the agreement between the United States and China regarding China joining the WTO. There is no need for me to spend any time going over that again. It is important, though, to be clear on what the vote was really about.

The vote on PNTR was not about whether China is going to join the WTO; China will. Nothing Congress can say, one way or the other, will make one bit of difference.

This vote on PNTR was really about whether the United States will benefit from the WTO's trade rules and enforcement procedures which hold China accountable to negotiated trade agreements. If we did not grant PNTR to China, other nations, our competitors, would be able to take advantage of WTO trade rules and enforcement procedures but we would not.

Why is that so? Because the WTO rules state that if we want the WTO to help us enforce fair trade rules, then we cannot treat one WTO member differently from another. We have to provide China the same continuous normal

trade status we provide other WTO members. We cannot single out China for an annual review of normal trade status and still hold China to WTO rules and enforcement.

So that is what this debate really boiled down to—whether we should continue our annual review of normal trade relations with China or grant permanent normal trade relations; that is, would we gain more from a new trade relationship with China than we would lose by ending our annual review?

I firmly believe that the more we can do to bring China's behavior under the rule of law, the better off we are, the better off the Chinese people will be, and the better off the rest of the world will be. That includes our ability to use the WTO to settle trade disputes involving China.

Now, to be sure, we have had frustrations in the WTO dispute settlement process. It is far from perfect. But overall it is in our best interests to have a multilateral means to settle trade disputes with China according to the rule of law instead of trying to go it alone. That approach clearly has not been effective.

U.S. trade negotiators did obtain substantial concessions from China in exchange for WTO membership. These concessions promise to lower tariffs, reduce trade barriers, and create new opportunities for selling U.S. goods and services in China. At the same time, the United States does not have to provide any new access to our markets. So the agreement should benefit U.S. workers, farmers, businesses, and our economy in general.

But let's be realistic. The November 1999 agreement is far from overwhelmingly. It only requires China to go part of the way toward really opening up its borders and its markets. As my colleague from North Dakota, Senator DORGAN, has repeatedly pointed out, even under the agreement, China's markets will be far less open than ours.

For example, according to the Congressional Research Service, the average U.S. tariff on all goods coming into the United States from China is 4.2 percent. That is the average U.S. tariff on all goods coming from China to the United States —4.2 percent. But after this agreement goes into effect, China's average tariff on U.S. industrial goods will be 9.4 percent, over twice as much. For agricultural products, China will only reduce its tariffs from an average of 22 percent to 17 percent. U.S. agricultural tariffs are only 6 percent on average, one-third those of China.

Or take automobiles. The U.S. tariff on autos is 2.5 percent. Under this agreement, China will have a 25-percent tariff on U.S. autos—10 times higher than ours.

I realize tariff rates are not the whole story and that China agreed to substantial opening of its markets. However, I am skeptical that our negotiators obtained as much as they could have. The United States had a lot of leverage in these negotiations. China needs our consent to join the WTO. And China had a lot at stake. The United States is the world's largest economy. We import nearly $100 billion from China. We run over an $80 billion trade deficit with China.

They need access to our market. Our negotiators should have used our leverage and China's needs to get a better deal on the core trade issues and on other issues involving human rights, workers' rights, and the environment. That our negotiators did not get better tariff reductions and better agreements on worker and human rights I believe is a deeply regrettable missed opportunity. I believe our negotiators were simply in too much of a rush to get this deal done rather than address those core issues.

In particular, let's be realistic about the benefits of PNTR for American agriculture. Some of the rhetoric I have heard regarding agriculture is wildly optimistic. We have heard that U.S. farmers will soon be feeding over a billion Chinese—a virtually unlimited market. The truth is, these claims are overstated.

Farmers are ill served by the myth that China is a boon market just waiting to buy up large quantities of farm commodities and food products. China is strongly determined to remain largely self-sufficient in food production, and it is adopting technology and following policies to meet that objective.

For example, I visited a hog farm in China in 1981, and I visited one again last month. In 1981, the hogs and their management did not even compare to those here in America. The changes I saw this August were dramatic. The hogs I saw in August were every bit as lean as ours. Their sows are having litters of 12 to 14 pigs. They are saving 90 percent of them. Their cost of production is low because wages are low. And the Government owns all the land.

I discussed the potential for agricultural trade with the Vice Minister of Agriculture and other Chinese officials. They made it clear they do not expect to buy much corn or pork from the United States. In fact, they are planning to increase their exports of corn. They exported corn last year. But they did believe there would be somewhat of an increasing market in China for U.S. beef and citrus as well as some pork organ meats and similar such products.

Certainly there will be opportunities for U.S. farmers and U.S. food and agribusiness companies, but, again, we have to be realistic.

While I strongly believe we should sell as much food to China as we can, it is irresponsible to give farmers false hope that China is going to reverse the current depression in commodity prices or bail out the failed Freedom to Farm policy. More than irresponsible, it is just plain wrong.

That isn't just my own opinion. In Doane's Agricultural Report in August, Dr. Robert Wisner, a professor of agriculture economics at Iowa State University, who spent 3½ weeks in China in June assessed the prospects for food and agricultural trade with China. He wrote:

> For the longer term we can be cautiously optimistic about U.S. soybean and soybean product exports to China. But optimism about U.S. corn, wheat and livestock product exports should be more tempered.
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> * * * * *
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> While the jury is still out on the question Who will feed China? the Chinese answer is, ''China will feed China!''

I will add, in fact, they already do.

I now want to discuss the importance of human rights in our consideration of PNTR. As I see it, a key issue in PNTR is whether in relinquishing our annual review, the U.S. will lose important leverage that could be used to change China's behavior on human rights, workers rights, and child labor. Let us first be honest about this. China has a long way to go on religious freedom, freedom of movement, freedom of expression and association, political rights and the rights of workers. The China section of the U.S. State Department's annual report on human rights for this year and for several years running are absolutely appalling. But I don't have to rely on that report. As I said, I visited China last month.

True, the human rights situation in many parts of China is not as bad as when I first visited in 1981. I could see some improvements, especially in the large cities. But the fact is, the state of human rights in China is still unacceptable. While in Hong Kong, we learned of a lawyer who was arrested and thrown in jail. His offense: He had set up a small table outside a factory to advise workers of their rights under Chinese law. To the best of my knowledge, he is still languishing in prison today.

There is also the case of the young man, Ngawang Choepel, who studied music in the U.S. at Middlebury College in Vermont. He was arrested by the Chinese authorities several years ago while studying music in Tibet and charged with espionage and counterrevolutionary sedition. I was told this young man was convicted of spying for the Dalai Lama. He was sentenced to 18 years in prison.

I responded to the Chinese that this was a ridiculous charge. But even if it were true, I asked them, how many tanks does the Dalai Lama have; how many troops does he command; how many ships does he own? To me, this was a strong indication of the weak foundation upon which the Chinese political system rests.

We also know that forced labor and prison labor still exist in China. I had

been told by both Chinese and U.S. Government officials that there are no serious child labor problems in China. But now, after meeting with reputable worker and human rights organizations in Hong Kong, I know there are certainly serious child labor problems inside China. Estimates indicate China has from 10 to 40 million child laborers. When we left Shanghai and went to Hong Kong, the very next day after we were told by both U.S. authorities and Chinese authorities that child labor was not a very serious problem, this was the headline in the Sunday Morning Post, August 27, 2000, Hong Kong: ''Children Toil in Sweatshop.''

This was in an area north of Hong Kong, mainland China, where kids as young as 12 years old were working making toys. This is again a part of the article: ''Childhood Lost to Hard Labor.''

Also from the article:

> Lax age checks open door to underage workers at Shenzhen factory producing toys for fast food chain.

They were producing toys for a company and that company was selling its toys to McDonald's. McDonald's gives these toys away, when you buy a Happy Meal for your kids. It is the kids who are making the toys. Yet we are told that there are no serious child labor problems in China. Here was photographic proof, reporting proof that only a few miles across the border from Hong Kong, we had child laborers toiling to make these toys, working 16 hours a day and more.

This is a quotation from the story:

> The youngsters admit they lie about their ages to get jobs in the factory, where workers estimate up to 20 percent of the employees are under the legal age of 16. But they say only rudimentary checks are done on their ID cards by the factory to make sure they are old enough to work. Asia Monitor Resource Centre, a labor monitoring body, said it was common for people to use fake ID cards to get work. Child labor is a common problem in China. It exists in rural small farms and big factories run by transnational enterprises.

Again, we do have the problem of child labor and prison labor, forced labor in China. So, clearly, there are serious human rights problems in China that cannot be denied or swept under the rug. But they raise the questions: What are the best ways to address those problems and to bring about real progress on human rights in China? And how should human rights considerations affect our decision on PNTR?

Before I go into these questions, I will take a moment to emphasize my long and strong commitment to human rights. My record speaks for itself. I have been working on human rights issues since I first took office in the House of Representatives 25 years ago and as a private citizen before then. In fact, the first legislation I authored in the House in 1975 resulted in the enactment of section 116(d) prohibiting U.S. foreign assistance to the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights.

I have worked to end child labor and prison labor and religious persecution in the former Soviet Union, Haiti, Central America, Chile, East Timor, India, and other nations. I have worked very hard to free political prisoners and to end political violence.

What have I learned from all these years? Frankly, I have learned there is no standard cut-and-dried approach when it comes to advancing human rights. Of course, there are established minimum standards for human rights, as outlined in the U.N. Declaration of Human Rights, which China has signed.

I am not talking about weakening those standards, never. But there is no set formula for achieving observance of the standards. We must tailor our methods to the particular situation and the particular society.

In the case of China, I am convinced that granting PNTR will not hinder our efforts to improve human rights there. I believe, in fact, it will actually help us in that endeavor.

Some have claimed that passing PNTR will cause us to lose our leverage on human rights. The simple fact is, we have never effectively used the annual trade status review to influence human rights in China, and it is highly unlikely we would do so in the future. Annual renewal of normal trade status has become almost perfunctory. Even in the wake of Tiananmen Square, President Bush renewed China's normal trade status and Congress did not reverse that decision.

As I said, I believe passing PNTR and creating a U.S.-China relationship in the WTO should actually help to improve human rights in China. How much? It is far too early to tell. However, based on my examination of the issues and my experience in China, I concluded that the best way to move China forward is to be engaged with China. And in order to be fully engaged with China, we had to grant PNTR.

The simple fact is, we cannot simply wall China off. When I visited the Great Wall in China this summer, it reminded me how impossible such an effort would be. China could not be walled off centuries ago, and it cannot be walled off today.

Trade and economic ties alone, however, will never magically transform China's human rights policies. But I can tell you, there is a big crack in China's great wall against human rights reform. One day before long, that wall, too, will come down. Look at recent developments in China. There has been a huge influx of new products and services, but more importantly, the people of China are being exposed to new ideas and new influences regarding human rights, political rights, and religious freedom.

Now we have the Internet. I can say one thing I learned in China. The Chinese Government may be able to censor TV and to censor the radio and the newspapers, but no matter how hard they try, they will not be able to control or censor the Internet. Nearly every single person Senator LAUTENBERG and I talked with in China told us that we should support PNTR. We even met with dissidents and human rights activists in Hong Kong, people under no coercion from the Chinese Government, who had fled China, who can't even go back to China, who urged us to support PNTR. They said that anything that helps to open up China, that brings in people and ideas, is helpful.

Throughout my over 25 years in working on human rights, I have seen that they are right. We must expose countries to the influence of the rest of the world if we want them to change their policy on human rights.

I noticed the editorial in the Washington Post this morning about the ''Catholic 'Criminals' in China.'' I am sure it has been printed in the RECORD earlier today. It talked about an 81-year-old Catholic bishop who had been thrown in jail—again. We didn't meet with this bishop. We tried, but we could not. We met with Bishop Aloysius Jin Luxian, the Bishop of Shanghai, an 85-year-old Catholic bishop who spent 27 years of his life in Chinese prisons. He is a trained Jesuit. He has been to America more than once, to Europe several times, and while he would not politically comment on PNTR, he told us in no uncertain terms that exposure to the rest of the world would be a positive thing for religious freedom in China.

I believe he is right. We must expose countries to the influence of the rest of the world if we want them to change. I also think this is true of relations with Cuba. Our policy against Cuba, trying unilaterally to isolate it, has been counterproductive. If we want Fidel Castro to change, we have to open the doors and let people trade and visit and move around freely. Our official policy is the best thing Castro has going for him.

So I conclude that PNTR will help move China toward a greater respect for human rights because it will open them up to new ideas and influences.

Even though I concluded that China PNTR offers opportunities for businesses, workers, and the economy, many people—myself included—have legitimate concerns about the impact of this bill on America's working men and women. Many labor leaders were worried that passing PNTR would cause job shifts to China.

This is a legitimate concern. It is true that for a number of years jobs have been shifting to countries—including China—that pay lower wages

and tolerate poor working conditions, even abuses of worker rights. But I cannot see how denying China PNTR would have done anything to prevent jobs from moving to other countries. Some 20 years of annual reviews of China's trade status have done nothing to reverse this trend. Again, as I said, PNTR will not make the United States any more open than we have been in the past to imported products.

Instead of focusing so much just on the issue of extending PNTR to China, we have to take a broader focus and chart a new, bold course to counter the adverse effects of globalization.

We first need to look in our own back yard, examine our own laws—especially tax laws—to see whether they discourage businesses from staying and investing in American workers. We have to eliminate any tax provisions that encourage companies to move jobs and production overseas.

We also should fully utilize U.S. laws that classify unfair labor practices as unfair trade practices, which, of course, they are. Section 301 of our trade law treats the systematic denial of internationally recognized worker rights as an actionable, unreasonable, and unfair trade practice. No case has yet been brought under this provision of section 301. So we do not know exactly how it may apply. But it is time for the United States to enforce this law to the maximum extent possible.

I am encouraged by the statements of Vice President AL GORE. I will quote from a statement he made at an APEC business summit in Malaysia:

> And as we open the doors to global trade wider than ever before, let us build a trading system that lifts the fortunes of more and more people. Let us include strong protections for workers, for health and safety, for a clean environment. For at its heart, global commerce is about strengthening our shared global values. It is about building stronger families and stronger communities, through strong and steady growth around the world.

On July 9 of last year, before the Washington Council on International Trade, Vice President GORE said:

> We also must ensure that when it comes to trade, labor rights and environmental protection are not second-class issues any longer.

He has also said:

> I will insist upon and use authority in those agreements to enforce workers rights, human rights and environmental protections. We need to make the global economy work for all—and that means fighting to make sure that trade agreements contain provisions that will protect the environment and labor standards as well as open market in other countries.
>
> We need to use trade to up standards around the world and not drag down standards here at home.

In future trade negotiations, future trade agreements, labor rights, human rights, and environmental protections must be an integral part of those agreements.

There is no good reason why the WTO doesn't currently protect the rights of workers. Some will argue that labor rights are not trade related. I say nonsense. Intellectual property isn't directly related to trade, but the WTO has strong rules protecting intellectual property. Why should protecting intellectual property be any more important than protecting children against child labor or guaranteeing workers the right to organize? I don't understand why the WTO protects CDs but not child workers.

The WTO protects the intellectual property because it is produced by human effort and it has value. If someone abuses intellectual property rights, that decreases or destroys the value of the intellectual property. That is why the WTO protects it.

But what about workers? Work is also produced by human effort and it has value. But let's say an American worker loses a job because that job has been shifted to a country where worker protections don't exist, wages are a few cents an hour, and there is rampant forced labor and child labor. Hasn't the value of that worker's labor been lessened or destroyed in the exactly same way as intellectual property is devalued when it is abused? What is the difference between stealing the products of someone's creativity and stealing the fruits of someone's labor? There is none.

Globalization is the face of the 21st century. We must keep up the pressure to include enforceable labor rights in future trade agreements and particularly in new WTO rules. As the world's leading industrialized Nation, the United States has the responsibility, the authority, and the influence to lead this effort.

Again, I firmly believe we need a strong course of action to help American workers in the face of globalization. However, that was not what this bill was about. This bill was just about PNTR for China. It doesn't remove any protections for American workers or further open the United States to imports. And it should, as far as I can tell, provide some new economic opportunities for American workers.

So, on balance, I believe that passing this bill was the right choice for the United States and China. But no one should be under the illusion that PNTR and China's joining the WTO will automatically open up China's markets or its society. In a sense, passing PNTR is just the beginning of a long, hard journey for the United States.

Our work to bring China into the WTO and to pass PNTR won't amount to a hill of beans if China is not held to its commitments. We simply cannot afford to drop the ball by failing to stand up and vigorously enforce WTO rules and the agreements China has made. Joining the WTO is also the beginning of a long, hard journey for China.

We must never let up in the fight to include enforceable labor rights and environmental protections in future trade agreements. And in the face of rapid globalization, it is critical that we reform U.S. labor and tax laws so America's working men and women don't have the deck stacked against them.

As I said, trade alone is not enough to improve human rights in China or elsewhere. Just last month, I stood in Tiananmen Square, and right off of there is a big McDonald's, a symbol of Western economic influence in China. However, right near the McDonald's on Tiananmen Square, members of the Falun Gong gather each morning to do their exercises and meditation. They are not disturbing the peace, being violent; they are simply meditating and doing their exercises right in the shadow of McDonald's. Like clockwork, every morning, the police come by and arrest them. So adding more McDonald's restaurants and ensuring freer trade doesn't mean China will suddenly respect individual rights.

We have to keep up the fight for human rights—and that includes the rights of workers—using all the tools available to us.

When Senator LAUTENBERG and I were in China last month we raised the issue of prison labor at every level. We hammered away at that issue, and repeatedly asked to visit and inspect a prison labor facility. At first we ran into a brick wall, but eventually we had a breakthrough. Chinese officers still refused to allow us to visit a prison labor site ourselves, but they agreed to renew their compliance with the 1992 and 1994 agreements against sending products of prison labor to the United States. In fact, we got that assurance from Premier Zhu Rongji himself.

I am pleased to report that just a week and a half ago, U.S. Customs agents were able to visit a prison labor site in China.

We must also expect and demand that United States companies that do business in China respect human rights and the rights of workers.

If I may refer back to this article with the children in the sweatshop making toys to supply MacDonald's, when I got back to Washington, I immediately arranged to meet with MacDonald's executives in my office. They were quick to tell me that they first learned of this child labor scandal when they read about it in the papers, and that the child laborers were not employed by McDonald's, but by a subcontractor of a toy vendor. In fact, McDonald's has a voluntary code of conduct and zero tolerance policy prohibiting child labor and substandard employment practices. McDonald's has since cut off ties with that toy vendor and is responding to this child labor problem. All of this underscores the urgent need to rewrite our trade agreements so that exploitative child labor

and other abuses of the rights of workers are considered unfair trade practices and a basis for trade enforcement action in the WTO.

In conclusion, Mr. President, I voted for China PNTR, with the full realization that a tremendous amount of work still remains unfinished. That's why, having cast this vote, we must make a commitment to redouble our efforts to include workers' rights and environmental protections in future trade agreements, and strengthen our own laws and tax code to encourage greater investment in our American workers, and in education and job training.

Mr. WELLSTONE. Mr. President, though we are in disagreement, I thank my colleague from Iowa for his fine words on the floor of the Senate.

IMMIGRATION AND NATIONALITY ACT AMENDMENTS—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

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. 490, S. 2045, a bill to amend the Immigration and Nationality Act with respect to H–1B Non-Immigrant Aliens:

Trent Lott, Chuck Hagel, Spencer Abraham, Phil Gramm, Jim Bunning, Kay Bailey Hutchison, Sam Brownback, Rod Grams, Jesse Helms, John Ashcroft, Gordon Smith, Pat Roberts, Slade Gorton, Connie Mack, John Warner and Robert Bennett.

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 2045, a bill to amend the Immigration and Nationality Act with respect to H–1B Non-Immigrant Aliens, shall be brought to a close.

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

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

The PRESIDING OFFICER (Mr. L. CHAFEE). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 97, nays 1, as follows:—

[Rollcall Vote No. 252 Leg.]

YEAS—97

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

NAYS—1

Hollings

NOT VOTING—2

Akaka Lieberman

The PRESIDING OFFICER. On this vote, the yeas are 97, the nays are 1. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2001—CONFERENCE REPORT

Mr. BENNETT. Mr. President, I submit a report of the committee of conference on the bill (H.R. 4516), and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk reads as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H.R. 4516 making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 27, 2000.)

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, parliamentary inquiry: What is the floor situation right now? Is the floor open?

The PRESIDING OFFICER. The Senate is considering the conference report on H.R. 4516 under a time agreement.

Mr. HARKIN. Further parliamentary inquiry: What is the time? I am sorry.

The PRESIDING OFFICER. The Senator from Iowa does not have time under the agreement.

Mr. HARKIN. How much time is there?

The PRESIDING OFFICER. The managers have 2 hours equally divided. Senator MCCAIN has 1 hour; Senator THOMAS has 1 hour; Senator KENNEDY has 30 minutes; Senator WELLSTONE has 30 minutes; Senator DORGAN has 30 minutes; and Senator CAMPBELL has 30 minutes.

Mr. HARKIN. Mr. President, again, I still want to understand the parliamentary situation confronting the Senate right now. We are on the conference report on Treasury-Postal appropriations and legislative branch appropriations; is that not correct?

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. There has been a unanimous consent entered into that set a time limit on this bill and the number of speakers, and their time is also set.

The PRESIDING OFFICER. That is correct.

Mr. WELLSTONE. Mr. President, will the Senator yield for a second? If the Senator needs time, I will give some of my time to the Senator.

Mr. HARKIN. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Utah.

Mr. BENNETT. Thank you, Mr. President.

Again, to clarify the situation, I understand that we are now engaged in 6 hours that will lead ultimately to a vote on the conference report on the legislative branch appropriations bill; is that correct?

The PRESIDING OFFICER. The Senator from Utah is correct.

Mr. BENNETT. I understand that I have 1 hour under my control.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENNETT. I hope that hour will not be necessary. I am prepared to deal with it. I am prepared to stay on the floor during the hours that are allocated to other Members of this body. But I hope we can move this more rapidly than the 6 hours.

This is my fourth year as chairman of the Legislative Branch Subcommittee and the second year that I have had the privilege of serving with Senator FEINSTEIN as the ranking member.

I want to begin this report by thanking Senator FEINSTEIN for her assistance in working on the conference report in the House. She, as you know, Mr. President, is a former mayor. That experience gives her a unique insight into some of the issues that we face in this subcommittee. So I pay tribute to her and to her staff and to the professional way in which she has handled her responsibilities.