

the expansion of Israeli control of Palestinian lands. Public support among Palestinians for the peace process is rapidly being eroded in face of this increased activity, causing Palestinian negotiators to take a firmer stance in negotiations over land confiscation and settlement activity. Negotiators are making it clear that if settlement activity does not halt, the peace process very well may.

Some see this as a sign of Palestinian intransigence; others have accused us of trying to cause a crisis in order to force the United States to become directly involved in the talks. Both assertions are wrong. For Palestinians, Israeli settlement activity is a critical issue because it makes attainment of our foremost goal more difficult.

We seek to establish an independent state comprised of the West Bank and Gaza Strip. This goal represents an enormous lowering of aspirations on the part of Palestinians. It places under Palestinian sovereignty less than one-fourth of the pre-1948 Mandate of Palestine—and less than half of the territory the United Nations recommended allocating to the Palestinians in 1947. The expansion of Israeli settlements, and the continuing confiscation of Palestinian land, undermine the very reason Palestinians have chosen to enter the peace process: to regain control of our territory.

The U.S. and the international community have repeatedly condemned Israeli settlements as obstacles to peace. It is important to emphasize, however, that the obstacles posed by settlements are not abstract or rhetorical. With each new Israeli settlement or expansion of an existing settlement, new housing units are built, military installations to guard the settlement are expanded and new “by-pass” roads devour limited land. With the loss of land, Palestinian towns and villages become less economically viable and more isolated from one another. Most important, the ever-expanding patchwork of settlements and roads risks making it impossible for Palestinians to create a secure, contiguous, governable state. Palestinians do not aspire to become a Middle Eastern Bantustan.

Palestinians’ commitment to the peace process is resolute, but it is not absolute. We have made every effort to understand and respond to Israel’s concerns. We recognize, for instance, that security is of paramount importance to Israel. The Palestinian Authority is doing all in its power to prevent violence against Israelis. In testimony before Congress last year, Martin Indyk, then-U.S. assistant secretary of state, praised the Palestinian Authority for its commitment to counter-terrorism. Palestinian actions, Indyk said, are “beginning to pay real dividends in terms of improving the security of the Israeli people.” The Palestinian Authority has taken these steps even at the risk of alienating and angering some segments of our population, because we understand the consequences for peace if we do not. We know we will never achieve lasting peace unless Israelis believe they will be secure.

Israel, however, has not taken comparable steps to address the Palestinians’ greatest concern by halting settlement activity. In November, Israeli Prime Minister Ehud Barak ordered the dismantling of a dozen so-called “illegal outposts,” (tiny Israeli settlements that were not authorized by the government) in the West Bank. Barak was applauded by peace advocates in Israel and the West. Palestinians, however, saw no cause for celebration. The fact is, Barak allowed 30 newly built outposts to remain. More dis-

turbing, more than 5,000 new houses for Israeli settlers are being constructed in the West Bank with Israeli government approval and another 3,000 have been authorized. Meanwhile, Israeli authorities have repeatedly authorized confiscation of even more Palestinian land. In Gaza—which many people incorrectly believe is under full Palestinian control—6,200 Israeli settlers remain and Israel has full or partial control of more than 42 percent of the land. The 1,000,000 Palestinians in Gaza are confined to a very small area and are deprived of potable water and employment opportunities.

The Israeli government and people must understand that just as they cannot make peace without security, we cannot make peace in the face of the relentless expansion of Israeli settlements. To talk of peace on the one hand, and to continue destroying Palestinian houses and confiscating Palestinian private property on the other, undermines the process of peace the Palestinians and Israelis both want and need. It is time for Prime Minister Barak to unequivocally declare and strictly enforce a total and permanent freeze on all Israeli settlement activity and cease the confiscation of Palestinian land. To do so would go a long way toward securing the hopes and dreams of both our peoples.

SAY NO TO THE CHINA TRADE DEAL

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 6, 1999, the gentleman from Michigan (Mr. BONIOR) is recognized for 60 minutes as the designee of the minority leader.

Mr. BONIOR. Mr. Speaker, I am joined this evening by the distinguished gentlewoman from Ohio (Ms. KAPTUR), and I hope to be joined by others, to talk about the China trade deal.

Mr. Speaker, to listen to the lobbyists for permanent MFN, most-favored-nation trade status for China, to listen to them, China today is the last frontier of American business. People have been lusting over the Chinese market since Marco Polo. After all, it is where one-fifth of the population on the face of the Earth lives, it is where the largest market in the universe is. So there has been this constant theme in western civilization of explorer, conqueror, and perhaps “plunder” is too strong of a word, but economically plunder I do not think is.

But the reality of all of this is that the Chinese are a very clever people, they are a very bright people, they are a very industrious people, and despite the history of the attempts to change their market to a western market, they have persisted over centuries in fighting that very thing.

□ 2100

We are told it is a market of more than 1 billion customers waiting to be sold, everything from American made SUVs to cheese-flavored dog food. Take one look behind all of this hype and one will discover a different China.

Now, why the gentlewoman from Ohio (Ms. KAPTUR) and I and others are here fighting this issue is because we believe, with all of our heart and our soul, that the issues and the effort that went into making America great was not by itself the free market. The free market unfettered, Darwinian in nature, will not by itself open up the opportunities for American workers and Americans in our society. It was only thus because people were willing 100 years ago, a century ago in our country, to fight for the things that they did not have.

What did they not have? They did not have the right to come together to organize, to form collectively organizations and unions to bargain for their sweat, for their labor, for benefits, so they could have decent wages, health care, pensions, worker’s comp, unemployment comp, weekends, holidays, name it.

What we enjoy and take for granted today they did not have and it did not exist, and it happened because people were willing to march, protest, even die, go to jail for these fights. So people were willing to do that.

What else were they willing to do? They were willing to expand our democratic process so that people of color, people of other genders, could participate.

My grandmother came to this country, and one of the first things she engaged in was for the right of women to vote. She was a suffragette. It did not happen automatically. It happened because she and others were concerned enough that went to the streets, they demonstrated, they petitioned, they created a movement called the Progressive Movement of the United States of America that not only gave women the right to vote and created the atmosphere for people to come together collectively in unions to fight corporate power and to provide for their families, and, of course, at this very time in our Nation’s history during the progressive movement at the turn of the century we had people taking on the big multinationals and the trusts, the banks, the railroads, and a whole body of law came out of that with respect to antitrust and consumer protection and all of these things that we enjoy today.

Now, why do I preface all of my remarks around this? I do this because these things do not automatically happen because of a free market. They happen because people come together and they form coalitions and they fight for these things and they march and they protest and they sometimes are beaten and, as I said, sometimes they die for them.

We did not have universal suffrage in the United States of America until 1965, and we have it today because of a gentleman who serves with us today by the name of JOHN LEWIS and others

like him who had the courage and the guts to march in the streets, to protest, to fight for the things that they believe in, to get beaten, thrown in jail, to stand up for the rights of African Americans to vote, particularly in the South in this country, where they were denied with such vehemence and such brutality.

These are struggles today that are going on in China, and the question we have to decide for ourselves, as Members of this institution, next week when we vote on this, is that who will we stand with? There is an old labor phrase, which side are you on? And there is a song, which side are you on? Which I cannot sing here because the last guy that came here and sang a song ended up getting beat, and I am not going to replicate that.

It is a very poignant and basic thought. I mean, which side are you on? Are you on the side of Wei Jengsheng, who spent years and years in prison fighting for democracy? Are you on the side of Harry Wu, who fought for the same thing? Or are you on the side of the multinational corporations who see, as their goal, the pot of gold at the end of the rainbow, this market of a 1,200,000,000 people, and all these other values that we care so deeply about they kind of can be pushed to the side? We call them side agreements or side issues or sidelines concerns. That is what this debate is about today: Labor rights, human rights, environmental concerns, religious rights.

If one lives in China today and they try to organize on any one of those four levels, religiously, politically, environmentally or trade union wise, they will end up in jail, in prison. There are tens of thousands of people who are exactly there today because they attempted to do that.

Now, my friends on the other side of this issue, and I have dear friends who I respect and like and admire and it pains me deeply to be opposing them because we share, I think, some of the same values, we would be on the same sides, but they will tell me, they will come to me and they will argue and say, listen, if we only open up the market in China we will have a better chance to educate all of these individuals on these issues of environmental concerns and religious, human rights, labor concerns.

My respective retort to them is this: If that indeed is the formula which they espouse, we have given China over the last part of this decade those very same opportunities through most favored trade status, and it has only gotten worse on all of these scores. On the environment, 5 of the 10 dirtiest cities in the world are in China. Eighty percent of the rivers in China do not have any fish in them because of the toxic pollutants. China produces more fluorocarbons, which eat away at our ozone

layer, which causes not only the Chinese but the whole planet incredible environmental degradation and concern.

Two million Chinese die every year of air and water pollution, and I could go on and on and on. So by opening up the market, we have not done a thing about the environmental issue. By opening up the market, they have not done a thing about the issue of religious freedom, where Catholic bishops languish in jail for 30 years, and it is not just Catholics. It is Muslims. It is Protestant pastors. It is a whole host of people who do not agree and who try to organize. It is the Falun Gong. If one tries to form a political organization to challenge the Communist Party and autocratic rule, they will end up in prison like they did when they challenged at Tiananmen Square. Of course, if one opposes the government on labor grounds, they will certainly end up in prison because they understand the labor issue is really kind of the key to all of this. If people can organize for their economic well-being, they will strike back. So the labor leaders are the first ones to get punished and to be isolated.

The China lobbyists tell us, do not talk to us about these issues because we can expand the economy, we can create jobs. Well, the problem is that we are moving to the lowest common denominator. China is a country where the workers average only \$30 a month.

This is a report that we are going to talk about. The gentleman from Ohio (Mr. KUCINICH) is here. The gentleman from Ohio (Mr. BROWN) is here with me. The gentlewoman from California (Ms. LEE) is here with me, from Oakland and Berkeley. We are going to talk about this issue. It is called Made in China, the issue of labor, and it is a report done by Charlie Kernaghan by the National Labor Committee and it talks about the sweatshops in China.

If one reads this report, it is absolutely and abundantly clear what the problem is. The problem is that the national multinationals go into China with the blessings of the Chinese Government. They set up these multinational, very sophisticated, very efficient, very new facilities and they pay people pennies, three pennies, and I am not going to steal the thunder of the gentleman from Ohio (Mr. KUCINICH) because I know he is going to talk about that, as will my friends, the gentlewoman from Ohio (Ms. KAPTUR) and the gentleman from Ohio (Mr. BROWN) will talk about it; three cents an hour. Some plants pay a little bit more, 22 cents an hour, but the upshot of it is they get slave wages. They are indentured servants to multinational corporations.

Now, let me give an example. It has been estimated that Wal-Mart uses 1,000 contractors in China. They will contract with somebody to set up a fac-

tory and they may employ 200, 300, 400, 500, 600, 700 people. Researchers found that Wal-Mart was making Kathie Lee handbags at a factory where a thousand workers were being held under conditions of indentured servitude. Workers were forced to work 12, 14 hours a day, seven days a week, 30 out of 31 days in a month and their pay, as I said, three cents an hour. It is just not Wal-Mart.

Nike has 50 contractors in China, employing more than 110,000 workers. Young women making shoes for Nike in Hung Wah work from 7:30 in the morning until 10:30 at night for an average of 22 cents an hour.

In China, RCA TVs are made by women, some of them 14 years of age, girls, for a base wage of 25 cents an hour. If that is not bad enough, they are fined \$10 pay by the company for mistakes they make on the assembly line.

Keds are being made in China by 16-year-old girls who use their bare hands to apply the toxic glue.

I can go on and on and on, but I think one gets the idea here. These people are paid slave wages. They are indentured servants. They live in dormitories, crowded rooms with barbed wire fences around the workplace. They work 30 out of 31 days, often times 15 hours a day, under the most brutal conditions and then they send these shoes here and they sell them for \$100, \$120. We all know that story.

The gentlewoman from Ohio (Ms. KAPTUR), I do not know if she is going to talk about it tonight, but Huffy Bike is another example of just where you just want to scream at why can they get away with this?

Now, let me just conclude by saying this, and then I will yield to my colleagues to elaborate on this, because I think it is just very critically important.

We have seen this play before. This is nothing new. We have all come to this floor. We had a debate in 1993 on NAFTA, the North American Free Trade Agreement. What is going on here is very quite similar to what happened back then, and what happened back then was this: They passed the North American Free Trade Agreement with the idea that, and they would say this to you, and actually Harley Shaiken has an op-ed piece today in the Los Angeles Times. He is a professor at Berkeley, lays this out very well; they made the same promises then as they are making today. They said labor wages would increase, environmental protection would increase, human rights would increase.

Seven years later, our trade deficit with Mexico has exploded. The 1.2 million workers in the maquiladora, which has doubled since we passed NAFTA, are making on an average 18 percent less in real wages than they made back in 1993; environmental protection, no

such thing. Environmental degradation, we passed the NADBAG to take care of that, not provided any funds to speak of. So the toxics and the pollutants in the Rio Grande which seep into our country and cause hepatitis for people on our side of the border who live on the Rio Grande, as well as the Mexican population, has increased.

□ 2115

So none of this was built in. None of it is in force. As a result, we are suffering. Yes, Americans lost jobs. We lost hundreds of thousands of jobs as a result of NAFTA, good-paying manufacturing jobs. Of course, people got jobs in this country who had lost their jobs to Mexico. On the average, though, they are being paid about half of what they were paid before.

What is happening with this China trade deal is the same thing. Corporations will use that leverage to say to our workers, listen, if you do not take a cut in wages, do not take a cut in benefits, do not freeze this and that, then we are out of here. We are going to China, because we can pay people 3 cents an hour or 22 cents an hour and ship the stuff back here and make a real handsome profit. So our workers are left high and dry. That is what this is about, an export platform for the Chinese.

I just want to say to my friends and colleagues tonight that I have seen this before. We are kind of rushing into this thing again. We are going to have a very tight, close vote on this issue. I am glad that we are having a great debate on this, because it is something the country needs to focus in on.

I was reading this book by Marianne Williamson, the title of which I forget. She talks about the principles in American democracy. The first principles she talks about are the right to freely associate, to freely express yourself, to form organizations; just to have a sense of freedom about who you are and what you say and how you go about your business. Those are kind of the principles that are at stake here.

People say, well, it is for China, it is not for us. But it really is for us, because the longer we deny the Wei Jingshengs, the Harry Wus, the tens of thousands that are in prison today in China, to live the promise of my grandmother and my grandfather, who sat down in those strikes at the auto companies in the 1930s, the longer we deny them the promise to have that opportunity to strike a blow for liberty and justice and freedom of association and decent wages and good environmental protection, and the right to form political parties, the more that is going to play back on us in terms of our own standards, which will continually decrease.

Our wage gaps will widen in this country. We will bifurcate who we are as a society, those who have and those who are struggling to have.

We live, Mr. Speaker, in a globalized world. The rules of the game have changed. The question is, what will they be? I submit respectfully, Mr. Speaker, that those who are advocating for this treaty and that trade deal are advocating a policy that masquerades the past as the future. We cannot use the same formula that was used 100 years ago in a globalized atmosphere.

It is kind of like the Bobby Knight of trade deals: abuse, abuse, abuse; and okay, we will do it one more time, but do not abuse; abuse, abuse, abuse; okay, we will give you another chance, but do not abuse. It does not work. It sends a terrible message. It sends a terrible signal.

I want to thank my colleagues for joining me tonight.

I yield to the gentlewoman from Toledo, Ohio (Ms. KAPTUR) for any comments she might make.

Ms. KAPTUR. Mr. Speaker, I want to thank our leader here this evening for his superlative commitment to the cause of decency and values that we stand for as a free people.

In joining the gentleman this evening, along with our very respected colleagues, the gentleman from Ohio (Mr. BROWN) and the gentleman from California (Mr. SHERMAN), the gentlewoman from California (Ms. LEE) and the gentleman from Ohio (Mr. KUCINICH), I am really proud to join these men and women, and the gentleman from Michigan (Mr. BONIOR) tonight in expressing in more than a minute why this is really a vote about values, and that if permanent trade status is granted in this vote to China, we essentially are placing a stamp of approval on current conditions and saying that this is the system that we want to enlarge in the future.

How can we want to enlarge a system that is based on utter exploitation of people? One cannot operate a company in China unless they have an agreement with the government, with one of the state-owned companies. There was an article in USA Today this week that said that the first 19,000 cars that were sold in China in a General Motors facility that was built there were sold to the owners of the State companies, they were not sold to the workers.

So if that is the kind of system that we want to build for those that have the most, then, by golly, that is what the current system is producing. If we look at the workers in those plants, they are not earning enough to buy what they make.

That is the reason that, under this system that people want to approve permanently, we are amassing greater and greater trade deficits with China every year, more of our dollars going in their coffers than their currency coming here.

Mr. BONIOR. How much is it? I recall about 10 years ago we had about a \$6

billion trade deficit with the Chinese, 6 or 7.

Ms. KAPTUR. This year it will be somewhere between \$70 and \$100 billion. That is the deficit. That is how many more of our dollars go into their coffers. We are the largest funder of the Chinese increasing defense spending and purchases of weaponry and advancement in their Navy, their Army, their Air Force, all of the technology that they are buying, some of it for making some saber-rattling moves towards Taiwan.

The point is that the system that we are currently supporting, and some of the proponents of this want to lock in permanently, would give the very forces that have created this system the kind of go-ahead that frankly I as a liberty-loving person cannot support.

We hear the proponents say, well, but if you do this, you will bring freedom. How do we bring freedom when 110,000 Nike workers inside China who work for contract shops, 50 of them, that we could not even get into or drive by because they are hidden in country, those workers earn pennies an hour. If they earn over 35 cents an hour they are doing well. They work 7 days a week. They have mandatory overtime. If they do not do it, in other words, if they do not work from 7:30 in the morning until 11 at night, three shifts, they lose two day's wages. They are penalized if they do not do the mandatory overtime.

Who can survive in that kind of system? To me, it would make sense that if the United States is taking all these goods, we take over one-third of Chinese exports globally.

Mr. BONIOR. Between 33 and 40 percent.

Ms. KAPTUR. Yes. If we want to exact change in China, why not use our marketplace as the lever? Why go through this complicated process of giving them permanent trade status globally, knowing the kind of indentured servitude that is going on in that country? And I might add there also, particularly with women, because 80 percent of the people who are exploited in that country are women. There is forced abortion. Girls in that country do not have rights to education as women in societies that are free have.

In many ways, I also feel like I am speaking out for them, because I know they cannot speak out in their own country. Yet, this is the kind of system that we are going to hold up and say, well, we as Americans, we endorse this system. That is still a Communist system.

I find this place incredible, that we would have Members of Congress saying, believe them. Every trade agreement we have signed with them during the decade of the nineties, when we reduced, when they said that we will reduce tariffs to allow in goods, if that had happened, our trade deficit would

be getting better. It is getting worse. They are earning more off of us. We are not able to get in there.

Mr. BONIOR. Can we talk about that for just a second before we go on, because that is a really good point. Every trade agreement, as the gentlewoman has just said, in the nineties that we have agreed to with China has not been enforced. They have no enforcement compliance mechanism.

The typical example, and I think the best example, one of the best examples, is intellectual property: software, tapes, you name it; digital products. Ninety-five percent of that stuff in China is pirated. We have an agreement that it is not supposed to be.

In fact, some of the very ministries that put out the rules and regulations that say, you cannot pirate this stuff and sell it, are using pirated material. They just do not enforce or comply with any of their agreements. I could go sector by sector by sector. They have no mechanism to do that.

So when our colleagues come to us and say, listen, this is going to open up my markets to my wheat, my grapefruits, my apples, or to this or that, the answer to that is, they will find a way to keep your stuff out.

Ms. KAPTUR. May I just say something to the gentleman, and I will allow my other colleagues to speak here?

I had a young woman before one of our committees this past week. We were discussing this. She is a Chinese American. Her roommate was shot. Her roommate was a demonstrator in Tiananmen Square in 1989. This young woman who is a physicist and now lives in my community in Ohio became politically active when she saw this happen to her friend who was a democracy demonstrator inside China.

I asked her about this attitude of Americans, this kind of belief. She said, I cannot believe how naive the people here really are. Do you think because China promises something, she is going to do it? Do you, who live under a rule-of-law society, believe if someone signs a piece of paper, they are going to do it? Why are you so naive? Do you not understand what goes on there?

I just wanted to add that to the record this evening, and thank the gentleman so very much for taking out this special order. I know my colleagues will also want to comment. We thank the American people for listening.

Maybe it is important to say if people want to see this report on the website, if they have a website, this is Made in China by Charles Karnighan, and it is at www.NLCnet.org.

Mr. BONIOR. I thank my colleague for her comments, her passion and commitment and steadfastness on this issue. She has been, as always, fabulous.

Mr. Speaker, I yield to my friend, the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank my friend, the gentleman from Michigan, and thank him for his leadership for a decade on trade issues. His comments tonight about NAFTA just make me sad in the sense that not nearly enough people in this institution have learned the lessons of NAFTA, have learned that NAFTA was an investment agreement that paid no attention to worker rights, paid no attention to the environment, did nothing to raise living standards in Mexico.

In fact, Mexican living standards plummeted after NAFTA. As a result, NAFTA caused even more hardship in Mexico, cost more jobs in the United States, and really locked in a system where Mexican workers do not make enough money that they can buy products from the United States.

That is the tragedy of NAFTA, and the same tragedy on the same stage this Congress is playing out in the legislation to give permanent trade advantages, permanent most-favored-nation status trade advantages to the People's Republic of China.

The gentlewoman from Ohio (Ms. KAPTUR) and the gentleman from Michigan (Mr. BONIOR) both talked about the promises made by supporters of giving trade advantages, permanent trade advantages, to China; that if we only would engage with China, if we would only open our markets, that things would begin to change. They talk in terms of China being 1.2 billion consumers, and we should get to those consumers before France or England or Germany does, because there is so much wealth to be created, so many jobs for Americans in selling to China.

But what they do not say is, we have engaged with China with this failed policy for 10 years. We have engaged with China with something called the annual trade advantages to China. Why should we, when it is not working for 10 years, why should we make it permanent so we can have more of the same?

More of the same means a trade deficit, back in 1988 and 1989 when President Reagan, President Bush, and now President Clinton have continued this policy; a trade deficit of \$100 million in 1989 that has evolved into, as the gentlewoman from Ohio (Ms. KAPTUR) said, \$70 billion plus in the year 1999 and probably \$80 or \$90 or a \$100 billion trade deficit in the year 2000.

We have gone backwards in other ways in these 10 years since we have engaged with China. We have seen more human rights violations. If we pick up something called the country reports, which is what our State Department, the booklet in which our State Department discusses human rights violations, what the Chinese have done in Tibet and other minorities in China, the language used to describe that by our government is simi-

lar to the language used, the language that the State Department wrote about Serbia and what it did in Kosovo.

□ 2130

We bombed Kosovo, yet we give trade advantages to the People's Republic of China. It makes no sense. In other issues, forced abortions in China where the government winks and sometimes encourages them. All of that has gotten worse in the last 10 years.

The selling of nuclear technology to rogue States, countries that should not have nuclear technology, that has gotten worse in China. Slave labor has gotten worse in China. Child labor has gotten worse in China. All during this policy of engaging China.

Mr. BONIOR. Religious persecution, Mr. Speaker.

Mr. BROWN of Ohio. Religious persecution aimed at Falun Gong, Christians, Muslims, all kinds of religions.

Mr. BONIOR. Buddhists.

Mr. BROWN of Ohio. Buddhists in China. But they cannot have the supporters of China for permanent trade advantages for China talk over and over that China has 1.2 billion consumers and we need access to them.

What they do not tell us and what their real interest in China is it is a country of 1.2 billion workers, workers that, as the gentleman from Michigan (Mr. BONIOR) said, workers that will be used as an export platform in China where investors will come into China, pay these workers as this Made in China Study has illustrated, pay these workers as little as 3 cents, 5 cents, 10 cents, 25 cents an hour, make them work 12 hours a day, 6 days, sometimes 7 days a week, live in dormitories, 16 people to a room, charge them from their meager 15 cents, 20 cents, 25 cents an hour wages, charge them for their dormitory space, charge them for their food, charge them for their clothing.

So, in essence, these are slave labor workers. It is against the law in the United States of America for us to accept any products from another country made by slave labor. We have called, a group of us, the gentlewoman from California (Ms. LEE), the gentleman from Ohio (Mr. KUCINICH), the gentleman from Michigan (Mr. BONIOR), the gentlewoman from Ohio (Ms. KAPTUR), the gentleman from Vermont (Mr. SANDERS) have called on the Department of Justice and on the Department of Treasury to enforce that law and to investigate to see if those goods are made by slave labor that we are accepting in this country.

When Kathy Lee handbags made for Wal-Mart are made from workers paid 3 cents an hour, where I come from, we call that slave labor. Those products should not be allowed in our country. We need to know more from our government about what is coming into the country made by slave labor before we vote on this China MFN bill next week.

One other point I wanted to make, Mr. Speaker, is that these companies say they want to democratize, these people lobbying us, the CEOs that walk the halls all over the place in the last couple of weeks, trying to get us to give trade advantage to China, they tell us, if we are in China that things will get more democratic. The fact is, in the last 5 years, in developing countries, investment from the United States, people in the United States investing in developing countries, the amount of money invested in developing countries has moved from democratic developing countries to authoritarian developing countries.

Mr. BONIOR. Mr. Speaker, this is a very good point, and I hope my colleagues pay attention to this, because I think the gentleman from Ohio (Mr. BROWN) has really developed this well. It is an amazing, it is not amazing, but it is disturbing. He has really pinpointed it well, and I look forward to hearing it.

Mr. BROWN of Ohio. Mr. Speaker, in a nutshell, it means that, rather than investing in India, a democracy, American investors, large businesses are moving those investors to countries like China. Instead of Taiwan, a democracy, they are moving those investments to countries like Indonesia. Why? Because they can pay 3 cents, 5 cents, 10 cents an hour, because they do not have to worry about workers speaking out and talking back, because they do not have to worry about their employees trying to form a union and unite and be able to demand better wages. Because it is not a democracy in China, they do not have to worry about environmental laws. They do not have to worry about worker safety laws.

All the values we hold dear in this country simply are nonexistent in a totalitarian-authoritarian country. That is why investors in the West like to invest in China, want this permanent most-favored-nation status for China knowing there will not be democracy, knowing there will not be unions, knowing they will not have to pay high wages, know they will not have to worry about environmental worker safety laws.

That in itself is why we should not believe the promises of the CEOs walking the halls of this Congress, telling us, well, China will live up to its promise, we will live up to its promises, we will make this a more democratic system. Because history in the last 10 years and especially the last 5 years have shown us this is simply is not true.

Mr. BONIOR. Mr. Speaker, I thank the gentleman from Ohio (Mr. BROWN) for his comments tonight and his insights. I think he is absolutely on track on this.

Mr. Speaker, I yield to the gentleman from Ohio (Mr. KUCINICH) and then the gentlewoman from California (Ms. LEE)

and then the gentleman from California (Mr. SHERMAN). But I encourage them to engage while we debate this.

Mr. KUCINICH. Mr. Speaker, I thank the gentleman from Michigan (Mr. BONIOR) for yielding to me. I want to thank him for the leadership that he has shown to this country.

People are really concerned about basic human values, about what is right, about what is wrong. It is a privilege to be here with the gentleman from Ohio (Mr. BROWN) who is my partner from the Cleveland area, the gentlewoman from California (Ms. LEE), the gentleman from California (Mr. SHERMAN) and the other Members, including the gentlewoman from Ohio (Ms. KAPTUR) who participated in this important discussion about the vote which is coming up next week, which would grant China permanent most-favored-nations trading status.

During the presentation of the gentleman from Michigan (Mr. BONIOR), he had talked about a book that Marianne Williamson had written. The title of the book is *Healing the Soul of America*. I know he remembers because she is a constituent of the people of Michigan.

Mr. BONIOR. Right.

Mr. KUCINICH. Mr. Speaker, she lives in Michigan and is a fine writer. In the preface to that work, she writes, "Would Jesus, if he were a citizen of the richest nation on earth, choose to feed the poor or fatten the rich?" She goes on to write, "All of us are better off when contemplation of holy principles is at the center of our lives. But it is in actually applying those principles that we forge the marriage between heaven and earth, while merely dwelling on principle falls short of the human effort needed to carry out God's will."

This book, the *Healing of the Soul of America* is about reclaiming our voices as spiritual citizens. Here in this August Chamber, above the Speaker, the words "In God We Trust" symbolize that we do believe in spiritual principles as well as trying to navigate this material world.

In a way, our founders understood that, because, while they believed in the separation of church and State, as I do, they did not believe in an America that would be devoid of spiritual principles, the kind of principles that Marianne Williamson talks about in her book.

When we reflect on the current situation in China, we can ask if the reports that we have in our hands, how they reconcile with spiritual principles. Is it spiritually appropriate for workers to be locked up in a work space working from 7 a.m. to 11 p.m., 7 days a week, and in some cases earning 3 cents an hour. Is that spiritually appropriate?

Because if we as Americans cannot see that clearly for what that represents, cannot see that when an Amer-

ican manufacturer moves jobs over to China, closes down factories in this country, and moves the work to China, closes down jobs in this country where workers are paid \$15 an hour, \$18 an hour, \$20 an hour, and moves those factories to China so they can pay the workers 3 cents and hour, we have to ask is that spiritually appropriate.

I think that every fair-minded American would have to agree that it is not spiritually right, it is not morally right. It is devoid of sensible economics. It is devoid of human values. This is the kind of judgment that we have to make.

When we face the issue of whether or not China should be given permanent most-favored-nation status, which means that we would lose our opportunity to review the conduct of the Chinese Government when it comes to the workers.

I think we have to avoid condemning the people of China in this debate, because they are our brothers and sisters. Those are our sisters working for 3 cents an hour to make Kathy Lee handbags for Wal-Mart at the Qin Shi factory where 1,000 workers are held under companies of indentured servitude, working 12 to 14 hours a day, 7 days a week, 1 day off a month, while earning an average wage of three, count them, 1, 2, 3 cents an hour. Can they buy anything that the United States would ship over there, Mr. Speaker?

Mr. BONIOR. Of course not, Mr. Speaker.

Mr. KUCINICH. Mr. Speaker, I mean it is ridiculous. So what is this trade about? It is about creating a platform in China to wipe out American manufacturing jobs, so dump cheap goods on to the market here, while the major corporations literally make a killing at the expense of the human and worker rights of the people of China.

Let me tell my colleagues where this is going. For those who say, well, that is just China. Let China handle its own problems. Let us send the business over there and create business, and let China lift up its values for the people there.

Well, what will happen is this, as we create an environment in China where people are working under slave labor conditions, earning 3 cents an hour and, in some cases, netting less than that, owing their employer money at the end of a month's work, where they work 16 hours a day, 6 and 7 days a week, at the end of all that, what happens in America? Those same corporations go back to the American working men and women, and they tell American working men and women they are going to have to take a wage cut. We do not want them to have a union anymore to speak for them. They better not complain about their working conditions. Do not go with trying to negotiate with us. There is nothing to negotiate. We are moving to China.

We are in a time right now where we as Americans have to once again say whether or not we believe in the basic principles upon which this country was founded: the principles of liberty, the principles of democracy, the principles of equality, the principles of everyone in this country counted. One cannot do that when one is reducing the value of a human being to 3 cents an hour, to 3 cents an hour.

I think there was a time in history where one of the greatest persons ever to walk this earth was sold out for 30 pieces of silver. Are we going to sell out the people of China and the people of this country for three pieces of copper?

Mr. BONIOR. Mr. Speaker, I thank the gentleman from Ohio (Mr. KUCINICH) for his comments. They are very poignant and very on target.

Mr. Speaker, I have about 15 minutes left, and I want to share that with the gentlewoman from California (Ms. LEE) and then also the gentleman from California (Mr. SHERMAN).

Mr. Speaker, I yield to the gentlewoman from California (Ms. LEE).

Ms. LEE of California. Mr. Speaker, I wanted to thank the gentleman from Michigan (Mr. BONIOR) for really helping this House to focus on the basic question of what is right and what is wrong. So often we forget about those issues here.

I want to thank him and the gentlewoman from Ohio (Ms. KAPTUR) and the gentleman from Ohio (Mr. KUCINICH), the gentleman from Ohio (Mr. BROWN), and the gentleman from California (Mr. SHERMAN) for continuing to help educate this body with regard to really what the right thing to do is in this instance.

As we entered the new century and the new millennium, relations among Nations in the Pacific rim and Africa are becoming very significant. Trade with China represents a substantial component of our country's international commerce. So as Congress has debated United States' trading policies toward China and Africa, I have carefully considered many fundamental issues.

Now, I am a firm believer of self-determination for China. China has chosen communism. Whether we agree with it or not, that is their right. However, it is wrong to round up, to intimidate, and to arrest people, to place them in slave labor camps with no due process, regardless of whatever political or economic system one lives under.

So the time is now for us to send a strong and unyielding message that the United States will not condone mass suffering and oppression. Trade must be open. Trade must be fair. Standards for human rights must be included in all trade agreements. Environmental protections must be in place. Women's rights should be advanced. Worker

rights abroad everywhere should be protected. Of course religious freedom should be protected. American jobs should be protected and should not become a casualty of our trade policy.

□ 2145

And, of course, as we have heard over and over again, many argue that the best way to ensure China's respect for all of these issues is to admit China into the World Trade Organization and to grant it PNTR. Well, I disagree, as the gentleman disagrees, and believe an annual review actually provides for this.

Mr. BONIOR. I think that is an important point. What we are asking is that we as a body, as elected people, the representatives of this country, have a chance to talk about this and vote on it so people can understand where we are on this important issue of principles that the gentlewoman has just enunciated once a year. That is what we are asking.

We are going to continue to trade with China. They will continue to bring in 30 to 45 percent of their goods into our market. What we want to do, though, is keep the leverage and the pressure on making sure that these principles are eventually adhered to. We are not asking for all of these things at once. We know that takes time. It took us a long time. What we are asking for, as the gentlewoman from California has well stated, is some very basic things; the right to organize, collectively bargain, the right to deal with child labor and slave labor.

Those are the four basic labor principles we are concerned about. We are not asking that people be paid \$4 an hour or \$5 an hour. We are asking that they have the right to collectively come together so they can bargain for their wages, so they can form political organizations, so they can worship freely. And then, through those mechanisms, they will be able to express themselves and develop the democratization process and democracy that they yearn for.

Ms. LEE. That is right. Annual review at least provides for an effective mechanism for us to review China's compliance with all these standards. Also, it is the most viable assurance for the American worker.

According to the Economic Policy Institute, over 870,000 jobs are projected to be lost within the next decade. What will happen to these workers here in our own country? If this bill passes, of course, the United States trade deficit will continue to escalate, leading to job losses in virtually almost every State.

Mr. BONIOR. In the gentlewoman's State, as I recall, the figure over the next decade is 84,000, or something close to that.

Ms. LEE. Absolutely. In my State of California we estimate 87,294 jobs lost in the next century.

Mr. BONIOR. And these are good jobs.

Ms. LEE. These are good jobs. And this is very scary. What do we do? We have had many go-rounds of base closures and we are just now beginning to recover. California workers do not deserve this, and I hope people throughout the country understand what the magnitude of this job loss is to American workers.

So we support free trade, I know the gentleman supports free trade, but it must be fair. Our policies also should at least put an end to slave labor in China rather than reward it. And, in essence, PNTR rewards slave labor.

Now, we are not talking about cutting off our relationship with China at all. We want to make sure that our trade relations are such that the people of China and the people of the United States benefit from a fair and free trade policy.

Very seldom do we have these defining moments in the Congress. This vote really does define who we are as a people and as a Nation. And as an African American, whose ancestors were brought here in chains and forced to help build this great country as slaves, I must oppose any measure that allows for the exploitation of people anywhere in the world, whether it is here in America, whether it is in Africa, the Caribbean, or in China.

So I appreciate the gentleman's taking the leadership in this effort and really trying to help all of us in this Congress know that we must do the right thing, because this is our moment to be true to who we are as Americans.

Mr. BONIOR. I thank my colleague for her eloquence and her passion on this issue and for bringing to light some of the real questions that confront us as we approach this vote.

Mr. Speaker, I yield now to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, I thank the gentleman from Michigan for yielding to me.

I am pro trade, I am pro engagement. I am against isolation. I am against protectionism. And I oppose this trade deal. I would oppose this trade deal if it was only for the bad effects it is going to have on human rights in China. I would oppose this trade deal alone for the reasons that it is going to have a bad impact on the American economy. And it would be sufficient to vote against this deal just because of its bad impact on the strategic and political interests of the United States. Yet all three compel a vote against this deal.

This deal leaves out a discussion of labor and environmental standards, but we are told that it is going to cause China and its system of communism and oppression to unravel. But for 10 years we have been giving China everything it wants in the way of trade and for 10 years they have not unraveled

but, instead, have beaten down harder on the voices of dissent. The Soviet Union unraveled with far less trade than what China enjoys with the United States today.

We are told that the dissidents in China want this deal, but are they free to speak their minds, or do they face additional incarceration in the Chinese gulag should they dare to say anything but what they are told?

We do not know what the real dissidents in China think, but we do know what the Central Committee of the Communist Party thinks. Yes, it is divided between the so-called reformers and the so-called hard-liners. They are united on two things: First, they are absolutely dedicated to maintaining the Communist Party's monopoly on power. The reformers are not Democrats, if we are referring to the "reformers" in the Communist Party hierarchy. And they are united in wanting this deal because it empowers them, it solidifies their position, it emboldens them, and it delays for a long time the day in which their system will unravel and freedom will reign in China. China, I hope, will have freedom one day, but this deal will not make it closer.

I think we should reject this deal because of American economic interests. This is not a struggle between the heart and the pocketbook. The pocketbook of America must say no. This is an issue of American human rights, the human right to be able to work in manufacturing and make \$26 an hour instead of being shuffled off to a fast-food restaurant and told you are not an unemployment statistic and paid \$6 an hour.

We have the most lopsided trading arrangement with China in the history of life on this planet; \$83 billion of their exports to us, 13 of our exports to them. Our exports to them are actually declining, a level of deficit that is six times the size of our exports.

Now, I know we are told our economy is doing well, but the trade deficit is a cancer inside our economy, and the biggest and most important part of that is the growing trade deficit, the enormous trade deficit with China. This deal locks in that deficit.

Their deficit should not exist. China is a developing country. It needs infrastructure. It needs the kind of factories and manufacturing control systems that we produce the best of. It needs machinery. It needs communication systems. Why are we not selling to China? It is not because of anything written in the documents and the laws of China. It is because the Chinese Communist Party has made a political decision; when in doubt, buy from those countries that are not criticizing you on Taiwan and on human rights. And so they run a trade deficit with the rest of the world, financing it with the huge trade surplus they run with us.

We are told that this deal is going to change things because Chinese business people are going to buy from us. Almost anyone in China who would buy big American goods, almost all those enterprises are owned and controlled by the government. So if the government says that their enterprises are free to buy from us without quotas and tariffs, what does that mean if they make a political decision not to buy? The airline in China will buy as many Boeing planes as they politically decide is appropriate regardless of the published rates, tariffs and quotas.

But what if there was a really politically independent businessperson in China who wanted to buy a huge amount of American goods and got a call from a commissar in the Communist Party saying, Mr. or Ms. Chun, or whatever the person's name happens to be, we know that you will think again. Yes, the American goods are great, they are high quality, they are just what you need. We have lowered the tariffs and we have lowered the quotas, and all the laws of China say you are free to buy. But Mr. or Ms. Businessperson, we know that you will decide that because the gentlewoman from California (Ms. PELOSI) and the gentleman from Michigan (Mr. BONIOR) and the gentlewoman from California (Ms. LEE) make speeches that we do not like, that you will choose to buy goods from somewhere else. We know you will make the right decision, businessperson, because we know you are well educated. We hate to think that you need reeducation.

We are not going to sell any more to China than the Communist Party of China wants us to. And a change in the law in a country where the law is not followed, where the government exercises power through terror and through oral conversations cannot be held accountable in WTO court.

Now, we are told a couple of the last-minute sweeteners to this deal are going to make it better. We are told that someone is going to propose an anti-surge provision. There is no anti-surge provision in the anti-surge provision. What it says in the "anti-surge provision" is, if there is a surge of Chinese exports, we are allowed to spend our money, should there be any left in the appropriations process, to reeducate our workers. This is the first time I have heard that we need permission from Beijing to provide assistance to Americans who are displaced by trade.

Second, we are told there are going to be Helsinki style reports on China every year. Every 6 months. Many people have quoted the reports. We have reports coming out of our ears. We could have more reports. We could commission several additional reports. Paper is not going to bring down this government. But if it was, we are free to do that without granting these agreements.

The status quo is unacceptable. But that is not a reason to embrace this deal, because this deal simply solidifies the status quo in place. What it does is that it causes our companies to invest their capital in China knowing that they can then export back to the United States and there is no risk that those exports will ever be stopped. This deal is not going to cause China to buy goods manufactured here.

Now, we are told, well, it does not matter because they just make tennis shoes and toys in China. We could not make those here in the United States. Well, that is not true. Often we do. But, second, if we had \$100 million in capital, instead of making a low-tech factory in China, that could be used to make a high-tech factory in the United States, where sufficient technology and capital could allow American workers to compete. But even if we believe that it is impossible not to have these goods produced abroad, let us produce them abroad in a country where freedom exists and where the workers and the people in that country are free to buy American goods should they want to do so.

Let me finally shift to the idea of our strategic interests, because here is where this agreement really lets America down. It takes away any sanction we might have should China deal with Taiwan in an inappropriate way or should China provide nuclear weapons to North Korea, or the technology for them, or, likewise, Iran. It takes away all the tools from the United States. We cannot do anything, except to declare war, which seems unlikely; or make speeches, which seems ineffective. We cannot do anything that costs the Chinese a penny, or a million dollars, should they take action adverse to our security interests.

While it takes away our tools, it gives them tools. Because that same hoard of lobbyists that have been in every one of our offices telling us to vote for this deal now, they will be back next year and the year after that, and they will pull us aside and say, stop talking about human rights in China. It is costing us business. It gives them tools.

I would hope the gentleman from Michigan could be recognized for concluding remarks if he has them. I have concluded my remarks.

Mr. BONIOR. Well, I thank my colleague, and I would just conclude, Mr. Speaker, with this one comment. I want to thank my friend, the gentleman from California (Mr. SHERMAN), the gentlewoman from California (Ms. LEE), the gentleman from Ohio (Mr. KUCINICH), the gentlewoman from Ohio (Ms. KAPTUR), and the gentleman from Ohio (Mr. BROWN) for joining me tonight. I think we have made a compelling case on this issue, and we look forward to engaging the opposition on it as we go forward in the next week before the vote.