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NEWS

U. S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE  
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## CHINA MFN

### SENATE TO UP SUCCESSFUL VETO RECORD TO 25-0; VETO OVERRIDE WOULD COST U.S. JOBS

THE NCAA BASKETBALL TOURNAMENT -- WHICH SPORTS FANS CALL THE "MARCH MADNESS" -- BEGINS TOMORROW NIGHT. IF THINGS GO AS THEY SHOULD, WE'LL BE CROWNING THE UNIVERSITY OF KANSAS AS NATIONAL CHAMPION IN A FEW WEEKS.

BUT EVEN K.U. AND ITS OUTSTANDING COACH, ROY WILLIAMS, CAN'T MATCH THE PERFECT 24-AND-0 RECORD GEORGE BUSH HAS AMASSED -- NOT ON THE BASKETBALL COURT, BUT HERE IN THE CONGRESS, THE "COURT OF LAST RESORT" WHEN IT COMES TO PRESIDENTIAL VETOES.

IN JUST A FEW MINUTES, WE'RE GOING TO UP THAT RECORD TO 25-AND-0.

WHENEVER WE HAVE ONE OF THESE VETO VOTES, WE ALSO HEAR ABOUT STORIES ATTRIBUTING VOTES, ONE WAY OR THE OTHER, TO "HORSE-TRADING" AND "ARM-TWISTING." BUT THE SIMPLE FACT IS THAT GEORGE BUSH HAS WON EVERY ONE OF THESE SHOWDOWNS BECAUSE THE BILLS HE HAS VETOED HAVE BEEN BAD BILLS.

#### A BAD BILL

AND THIS IS A BAD BILL, TOO. THE PRESIDENT WAS RIGHT TO VETO IT. AND WE ARE GOING TO DO THE RIGHT THING IN SUSTAINING HIS VETO.

IT'S A BAD BILL BECAUSE IT WON'T WORK. IT WON'T ACHIEVE WHAT THE PROPONENTS OF THE BILL SAY THEY WANT TO ACHIEVE.

IT WILL NOT LEAD TO THE RELEASE OF A SINGLE POLITICAL PRISONER. IT WILL NOT OPEN UP CHINA'S MARKETS. IT WILL NOT STOP ONE ARMS SALE.

THERE IS NOT THE SLIGHTEST BIT OF EVIDENCE, OR LOGIC, OR HISTORY THAT SUGGESTS ENACTMENT OF THIS BILL WILL ACCOMPLISH ANY OF THE GOALS LAID OUT BY THE PROPONENTS.

BUT IT'S EVEN WORSE THAN THAT. OVERRIDING THE PRESIDENT'S VETO -- PUTTING THIS BILL IN LAW -- WILL NOT ONLY DO NO GOOD; IT WILL DO A GREAT DEAL OF HARM.

IT WILL HARM CHINA'S YOUNG, ENTREPRENEURIAL CLASS -- THE COUNTRY'S STRONGEST ADVOCATES OF REFORM -- FAR MORE THAN IT WILL HARM THE "OLD MEN" IN BEIJING.

IT WILL BE A DEVASTATING BLOW TO THE ECONOMY OF HONG KONG, DRAMATICALLY REDUCING THE CHANCES IT CAN SURVIVE AS AN ENCLAVE OF FREEDOM AND FREE MARKETS AFTER 1997.

IT WILL HIT HOME IN EVERY WALLET AND POCKET BOOK IN THIS COUNTRY. THE FACT IS, WE IMPORT BILLIONS OF DOLLARS OF LOW COST, GOOD QUALITY PRODUCTS FROM CHINA, WHICH WE SIMPLY CAN'T GET ANYWHERE ELSE AT ANYWHERE NEAR THE PRICE.

LET ME GIVE YOU JUST ONE EXAMPLE. ENDING MFN FOR CHINA WILL RAISE THE PRICE OF A PAIR OF INEXPENSIVE SHOES -- THE KIND THAT TYPICALLY SELL FOR \$10-\$25 -- ONE TO TWO DOLLARS. IF YOU'RE IN A LOW-PAYING JOB, OR HAVE A FIXED INCOME, OR ARE DRAWING UNEMPLOYMENT -- AND YOU HAVE THREE OR FOUR KIDS WHO NEED SHOES -- THAT HURTS.

#### WIPING OUT AMERICAN JOBS

MOST DAMAGING OF ALL, ENACTING THIS LEGISLATION WILL WIPE OUT MANY, MANY AMERICAN JOBS. ONE REPUTABLE ECONOMIC RESEARCH ORGANIZATION HAS PUT THE TOLL AT 300,000 JOBS.

THERE HAS BEEN A LOT OF GENUINE ANGUISH -- AND SOME "CROCODILE TEARS" -- OVER THE PLIGHT OF OUR NATION'S UNEMPLOYED. THERE HAVE BEEN A LOT OF PARTISAN POTSHOTS AT GEORGE BUSH, SAYING HE DOESN'T CARE ABOUT THE UNEMPLOYED.

WELL, HE DOES CARE. AND HE DOESN'T WANT TO PUT TENS AND TENS OF THOUSANDS OF AMERICANS ON THE UNEMPLOYMENT ROLLS SO A FEW POLITICIANS CAN "FEEL GOOD" ABOUT TAKING A HIGH MORAL STANCE ON CHINA.

(MORE)

AND LET ME URGE THE AMERICAN VOTERS, THE NEXT TIME ONE OF THEIR SENATORS STARTS MAKING A HEART-WRINGING SPEECH ABOUT HIS OR HER CONCERN FOR THE UNEMPLOYED -- ASK THAT SENATOR HOW HE OR SHE VOTED ON THIS ISSUE.

BECAUSE THIS IS NOT JUST A CHINA BILL; A FOREIGN POLICY BILL.

IN A VERY CONCRETE WAY, THIS IS A "JOBS BILL," TOO. AND WE'RE KIDDING OURSELVES, AND KIDDING OUR CONSTITUENTS, IF WE DON'T FACE UP TO THAT.

AND LET ME LIST ONE LAST WAY ENACTING THIS BILL WILL DO REAL DAMAGE.

#### MFN & ARMS SALES

JUST BEFORE WE VOTED ON THE CONFERENCE REPORT IN LATE FEBRUARY, WE HAD A "CLOSED SESSION" OF THE SENATE, TO DEBATE REPORTS OF CHINESE SALES OF ADVANCED WEAPONS AND TECHNOLOGY TO OTHER COUNTRIES. THE DISTINGUISHED SENATOR FROM DELAWARE, SENATOR BIDEN, PROPOSED THAT SESSION. I COMMEND HIM FOR MAKING THAT SUGGESTION, BECAUSE I BELIEVE WE BENEFITTED FROM OUR DISCUSSION OF THIS CRITICAL ISSUE. WE WERE ABLE TO SEPARATE SOME FACTS FROM SPECULATION, AND PUT SOME OTHER FACTS IN THE PROPER CONTEXT.

NO DOUBT ABOUT IT, WE ALL DEPLORE SOME THINGS THE CHINESE HAVE DONE IN THIS AREA. AND WE ARE UNANIMOUS IN DEMANDING THAT CHINA "CEASE AND DESIST" IN SOME OF ITS IRRESPONSIBLE ARMS SALES POLICIES.

BUT LET'S ANALYZE THIS. WHY DO THE CHINESE DO THESE DEALS? WE HEARD IT IN THE CLOSED SESSION, AND IN PRIVATE BRIEFINGS. BUT ITS NOT A CLASSIFIED MATTER. IT'S JUST COMMON SENSE. THEY SELL ARMS FOR THE SAME REASON WE SELL WHEAT, AND AIRPLANES, AND COMPUTERS, AND, YES, ARMS. THEY SELL ARMS TO MAKE MONEY -- DESPERATELY NEEDED HARD CURRENCY.

BUT HERE'S THE LOGIC OF THE SUPPORTERS OF THIS LEGISLATION. WE WANT CHINA TO STOP SELLING ARMS, SO -- TO PRESSURE THEM TO DO THAT -- WE CLOSE DOWN ONE OF THE MOST LUCRATIVE MARKETS THEY HAVE FOR EARNING HARD CURRENCY FROM NON-MILITARY EXPORTS, THE U.S. MARKET.

WHAT DO YOU THINK THE CHINESE WILL DO? THEY STILL NEED THE HARD CURRENCY. THEY ARE SUDDENLY GETTING A LOT LESS OF IT, AT LEAST IN THE SHORT RUN, FROM SELLING NON-MILITARY GOODS TO THE U.S. THE ONLY OTHER THING THEY HAVE TO SELL, THAT ANYONE WANTS TO BUY, IS MILITARY EQUIPMENT AND TECHNOLOGY.

IN THOSE CIRCUMSTANCES, ARE THEY LIKELY TO SELL MORE ARMS, OR FEWER ARMS? IT DOESN'T TAKE A GENIUS TO FIGURE IT OUT.

IF WE'RE GOING TO USE MFN TO BLUDGEON THE CHINESE ON MATTERS LIKE ARMS PROLIFERATION, WE'RE CREATING AN INTERESTING LINKAGE AND SETTING AN INTERESTING PRECEDENT.

MAYBE ONE OF THESE DAYS WE'LL HAVE A PROPOSAL ON THE FLOOR TO PROVIDE SOME FRIENDLY COUNTRY WITH SOME LOAN GUARANTEES, FOR EXAMPLE. MAYBE ONE OF US WILL THINK BACK TO THE GOOD INITIATIVE OF THE SENATOR FROM DELAWARE, AND CALL FOR A CLOSED SESSION TO TALK ABOUT THAT COUNTRY'S ARMS EXPORTS. MAYBE WE'LL START CONDITIONING LOAN GUARANTEES, OR DIRECT AID, OR CONTINUED IMPLEMENTATION OF A FREE TRADE AGREEMENT, OR EVEN MFN, ON THAT COUNTRY MAINTAINING A SIMON-PURE POLICY ON ARMS SALES.

PRESIDENT BUSH HAS A STRATEGY FOR ADVANCING AMERICA'S INTERESTS IN EVERY ONE OF THE AREAS WE'VE DISCUSSED. WE ARE MAKING PROGRESS -- SUBSTANTIAL IN SOME AREAS LIKE TRADE AND ARMS PROLIFERATION; LESS SUBSTANTIAL BUT STILL SIGNIFICANT IN HUMAN RIGHTS. WE'RE GOING TO KEEP THE HEAT ON CHINA.

WE'RE GOING TO STAY ENGAGED.

THAT'S THE WAY TO GET THE JOB DONE.

NOT BY MOUNTING SOME HIGH MORAL PERCH, AND FIRING OFF OUR MORAL "SCUDS."

I URGE EVERY SENATOR TO VOTE TO SUSTAIN PRESIDENT BUSH'S VETO OF THIS BAD LEGISLATION.

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