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## OUT OF THE MFN TRAP, PART II: THE CHINA SANCTIONS AND HUMAN RIGHTS ADVANCEMENT ACT

The China Sanctions and Human Rights Advancement Act (S. 810) represents a major step forward in U.S. foreign policy toward China. Introduced by Senator Spencer Abraham (R-MI), the act is designed to signal the displeasure of the United States with China's policies, encourage Beijing to improve the treatment of its citizens, and end U.S. taxpayer subsidies to the repressive regime while expanding interaction between the American and Chinese people.

The strength of the Abraham bill is that it addresses U.S. national security and human rights concerns while avoiding the pitfalls of the current debate over extending China's most favored nation (MFN) trade status. It avoids broad-based sanctions against China that risk throwing Hong Kong's vibrant economy into recession at a time of great political uncertainty. It also would minimize the impact of sanctions on China's private sector—an area in which people are liberated from intrusive government control. Most important, it calls for targeted measures that the United States will be prepared to deliver and that will not be undercut by international competition. Specifically, the China Sanctions and Human Rights Advancement Act would:

- **Deny U.S. visas for human rights violators.** S. 810 would prohibit granting U.S. visas to high-level Chinese officials who work for organizations responsible for religious persecution or coercive family planning, or for carrying out the 1989 Tiananmen Square massacre. For U.S. asylum officers, it mandates additional training on the various governmental and non-governmental methods used to violate the Chinese people's right to religious freedom.

Controlling access to the United States is completely within the sovereign rights of the U.S. government. If the President chooses to waive this sanction for particular individuals, as authorized in S. 810, the public and Congress have a right to know why allowing human rights violators into the United States serves national interests. Visits from high- and low-level Chinese officials can provide opportunities for U.S. officials and citizens to communicate their interests, beliefs, and concerns directly to the Chinese. The intention of this legislation is not to block all such visits, but to mandate that the Administration explain why allowing a particular visit provides a better opportunity to communicate U.S. human rights concerns than blocking the visit would.

- **Cut off U.S. taxpayer subsidies for China.** S. 810 requires the U.S. representatives to the World Bank, International Monetary Fund, and Asian Development Bank to vote against all loans to China. It also calls for a reduction in the U.S. contribution to these multilateral development banks

and to international organizations—like the United Nations—that provide family planning assistance to China. The President is required to begin consultations with major U.S. allies to encourage them to adopt similar measures and to report back to Congress on progress in this effort.

In 1996, the United States supported the extension of \$2.7 billion in World Bank loans and \$2.8 billion in Asian Development Bank loans to China. At a time in which the United States faces serious national security and human rights challenges with China, U.S. taxpayers should not be asked to subsidize China's economic development. If U.S. allies continue to vote to fund projects in China over U.S. objections, the United States should withhold the value of those projects from its next contribution to these development banks.

- **Call for targeted sanctions and a published list of Chinese companies with ties to China's military.** S. 810 would ban two Chinese companies with known ties to the military—the China North Industries Group and China Poly Group—from commercial activity in the United States for one year. In addition, it would require the U.S. government to publish an annual list of all companies known to be owned, wholly or partly, by the Chinese military and that export to, or have an office in, the United States.

These sanctions are likely to be effective because they have a narrowly defined one-year target. Publication of a list of companies known to be controlled by the Chinese military is a quintessentially conservative remedy. By putting these companies in the public spotlight, it would allow American consumers and shareholders to make informed decisions about doing business with them. After one year, Congress could expand these sanctions to include companies on the list that are involved in illegal arms or military technology transfers.

- **Increase funding for exchanges and other positive ways to promote democratic values in China.** S. 810 would double the funding for student, cultural, and legislative exchange programs with China, as well as for Radio Free Asia and the National Endowment for Democracy's programs in China.

Among the most important of the many positive ways Americans can promote democratic reform in China are exchange programs that bring ordinary citizens together. Individual Americans often are the best ambassadors for their country, their faith, and their dedication to family. This contact avoids the filter of government propaganda and speaks directly to the hearts and minds of the Chinese people. The effective work done by organizations like the National Endowment for Democracy to assist in the development of election procedures and legal reform in China deserves greater public attention and support.

Senator Abraham's bill is a good starting point for addressing human rights and national security concerns in China. Other measures might be considered, like removing the presidential waiver authority on laws that impose sanctions on groups smuggling weapons into the United States or spreading dangerous weapons and technologies abroad. The United States also should counter China's one-child family planning policy by removing burdensome regulatory and financial barriers to adoption in this country.

The goal of U.S. China policy should be to advance freedom and achieve greater transparency and rule of law in China. MFN trade status alone cannot address the various areas of concern in this relationship. Other, more effective tools are needed. S. 810 addresses human rights and national security concerns outside of the MFN framework. Such an approach could offer policymakers a way out of the MFN trap, and represents significant progress toward forging a post-Cold War China policy that works.

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