7-30-1998

DSCC (Democratic Senatorial Campaign Committee) Trip to China and U.S-China International Relations

Max S. Baucus

Let us know how access to this document benefits you.
Follow this and additional works at: https://scholarworks.umt.edu/baucus_speeches

Recommended Citation
https://scholarworks.umt.edu/baucus_speeches/658

This Speech is brought to you for free and open access by the Archives and Special Collections at ScholarWorks at University of Montana. It has been accepted for inclusion in Max S. Baucus Speeches by an authorized administrator of ScholarWorks at University of Montana. For more information, please contact scholarworks@mso.umt.edu.
Senator * or Department*: BAUCUS

Instructions:
Prepare one form for insertion at the beginning of each record series.
Prepare and insert additional forms at points that you want to index.
For example: at the beginning of a new folder, briefing book, topic, project, or date sequence.

Record Type*: Speeches & Remarks

MONTH/YEAR of Records*: July-1998
(Example: JANUARY-2003)

(1) Subject*: DSCC
(select subject from controlled vocabulary, if your office has one)

(2) Subject* Trip to China and U.S-China-International relations

DOCUMENT DATE*: 07/30/1998
(Example: 01/12/1966)

* "required information"
Remarks of Senator Max Baucus  
DSCC  
July 30, 1998

Preliminary

I. Good Morning...

II. Acknowledge colleagues, etc.

Opening

As you know, I recently returned from accompanying  
President Clinton on his 9 day trip to China. It was my fifth trip to  
China and as the most senior member of Congress on the trip, I led  
the Congressional delegation.

I'd like to take this opportunity today to share with you my  
candid insights on  

- China, it's people, its economy, and its outlook for the future  
- The Chinese political leadership and their attitude toward future relations with the U.S.  
- The prognosis for opening doors to more trade between the U.S. and China  
- What our U.S. policy should be on MFN and WTO  
- And some reflections on my work to foster greater bipartisanship in our U.S. foreign policy debates in Congress and in the U.S. Administration.
China Trip

1. Chinese people: their economy and their outlook for the future

- Very open to, and like, Americans
- Americans seem open, honest, direct compared to others
- Open to personal freedoms
- They don’t look like oppressed people
- Upbeat attitude in streets, less so in countryside than in cities
- Enjoy better living standards than 10 years ago
- They believe their quality of life will continue to improve
- Very confident
- Chinese want security, want to be friends of U.S., see their future hooked to U.S.
- Economy doing well
- Zhu felt growth rate next quarter would slip to 6 or 7 percent with currency crisis, our analysts put it lower
- Albright’s visit to Japan good; China critical of Japan’s failure to address their economy; concerned that Zhu would not call Hashimoto
I sense other Asian countries not wild about taking on Japan, want U.S. to do it

2. **Chinese Political Leadership and their attitude toward their future relationship with the U.S.**

- Chinese leadership and U.S. government made great efforts to make trip a success
- Jiang allowing uncensored TV news conference was historic step
- Forums and round-tables were definitely open
- Jiang knew this was the most important state visit of his presidency
- Chinese leadership wanted to debunk myths about Chinese people
- They wanted to overcome Tiananmen stigma
- show economic progress
- My meetings with Chinese political leadership
  - Leadership was impressive
  - Shanghai Mayor Xu Kuangdi (Shu Kwong Dee) very direct, admitted river cleanup problems
  - President Xiang Zemin, strong and secure, not afraid of open press of visit
  - Premier Zhu Ronji
Military Attache General Eichenberry
Ministers of Trade and Agriculture
- trade
- TCK, commitment of scientists to visit U.S./Montana

3. **The prognosis for opening the door to more trade between the U.S. and China**
   - Trade is crucial to U.S. business
   - Chinese are taking MFN for granted; believe they’ll always get annual unconditional extension
   - Chinese want permanent MFN, but feel they can deal with mischievous attempted conditions, know they’ll never be adopted
   - This year, MFN will be okay in House
   - I’ll work to make sure it passes in Senate
   - WTO lots of backsliding. Not going well.
   - Chinese seem to have calculated that opening up is too much
   - $60 billion trade deficit, may reach $100 billion by end of century
   - I pulled out copy of U.S. Constitution — showed them trade policy is prerogative of Congress, not President
Barshefsky made clear WTO will be on economic terms, not political terms.

China must make progress in transparency, high tariffs, agricultural barriers, halting piracy, simplifying its bureaucracy.

4. Reflections on my work to foster greater bipartisanship in our U.S. foreign policy debates in Congress and the U.S. Administration

- Regrettable no Republicans went on trip
- Lott’s calling for Independent Counsel adds fuel to fire
- I have organized a group of bipartisan Senators
  - Hagel is Co-Chair
  - Meet to come up with ways to leave politics at the water’s edge in dealing with foreign policy
    - Sanctions (serve on task force)
    - MFN — Passed with larger margin than ever
    - Fast Track - Becoming political issue in election year. Passed out of Senate Finance. Don’t know prospects in House. Election year.
• Need IMF replenishment; also will help stimulate demand for U.S. products, including ag products
• All these issues -- That's why important to work in bipartisan manner on foreign policy/trade issues.

ENVIRONMENT
• One final note before I conclude.
• Spoke in Guilin with environmentalists and the president
• Told Chinese in Kyoto and China that they must cut pollution
• They have 5 of 10 most polluted cities in world
• We can help them with our environmental technology
• During summit, U.S. and China established programs to address environment and cleaner uses of technology
  • Under auspices of Framework Convention on Climate Change, senior-level experts of U.S. and China will begin talking on climate change
  • U.S. will cooperate with China on its Nationwide Air Quality Monitoring Network using U.S. equipment and technical assistance grant from EPA
• U.S. and China will hold energy finance conference in September 1998 to promote trade and investment by U.S. firms in China’s energy sector.

• We’re making positive progress in this sector.

5. Conclusion:

Our permanent goals are:

▶ Maintaining stability
▶ Opening reciprocal markets
▶ Restricting weapons sales
▶ Communicating on crucial security issues
▶ Future issues — environment and enviro-tech sharing

Thank you very much.