

WASHINGTON LETTER

by Leon E. McKinney

California Congressional Delegation Report

Cox urges curbs on Clinton deals with China

White House vows bitter fight to protect presidential practice of allowing militarily useful technology transfers that benefit key Democrat donors.

Last issue, we reviewed the December 30 release by Rep **Chris Cox** (R-Newport Beach) of the classified report by a Cox-headed select House panel investigating another example of the **Clinton administration's** playing footsie with the law. Cox told a press conference that two U.S. satellite companies with close ties to the president and the **Democratic National Committee** (DNC) — **Hughes Electronics** and **Loral Space & Communications** — had engaged in activities that damaged U.S. national security. Specifically, Hughes and Loral apparently provided technology that helped improve **Communist China's** ballistic missiles to such a degree that China's missiles can now reach **Chicago**.

Loral chairman **Bernard Schwartz'** personal contributions of more than \$1 million during the 1996 election cycle made him the Democrats' biggest individual donor; during that same period Clinton changed long-standing export-control policies designed to safeguard U.S. military technology, to the benefit of Loral.

The Cox panel's 700-page, five-volume classified report — unanimously approved by the panel's five Republicans and four Democrats — made 38 recommendations to tighten controls over exports to China. Now the Clinton Empire has struck back, sending its response to congressional leaders on February 2. The 32-page document promised a bitter fight on the Cox panel's most important proposals. One of those proposals would have U.S. officials demand no-prior notice, on-site inspections of Chinese facilities that import high-speed computers from the **United States**; should the Chinese refuse, then the allowable performance levels of computers sent to China would be reduced.

This proposal was prompted by repeated Chinese violations of terms and conditions of export licenses. One particularly shady stunt by the Chinese stood out. **McDonnell Douglas**, as part of its joint effort with **China Aerospace** (owned by the Chinese government) to produce commercial airliners, had exported high-speed computers and computer-controlled machine tooling to China. Despite the export license granted by the U.S. **State** and **Defense Departments** requiring that the equipment remain at a specific commercial aircraft manufacturing facility, China secretly transferred the equipment to a nearby military aircraft manufacturing facility sometime during 1994.

Clinton is most upset by Cox's proposal to make it easier for agencies opposing high-tech exports deals on national security grounds — *i.e.*, the State or Defense Departments — to stop them. Currently, if State or Defense oppose an export, they have to take their concerns up through the government's ranks and ultimately to Clinton to obtain a delay. No prizes for guessing that Clinton has routinely issued waiv-

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ers overruling State and Defense objections. Cox would allow mid-level State or Defense officials to stop export deals.

The White House complained that Cox's proposals would result in the sort of "unjustified delays" that we had under **Reagan** and Bush in the approval and licensing to export dual-use (commercial and military) technology such as high-speed computers. A Clinton official said, "It looks like the Cox people want a return to the old way of doing business." Well, yes. Back then, administrations cared about national security. But last year, as part of the FY 1999 National Defense Authorization, Congress transferred authority for licensing satellite exports from the hip-hop, anything-goes **Commerce Department** of **Ron Brown** and **John Huang** to the State Department. The transfer will take place officially on March 15. While State Department officials pledge that export applications that don't run into national security roadblocks will be approved within 90 days, satellite industry executives point to the past, when it sometimes took a year for State to approve satellite deals with China.

So Clinton is going to do what he's done throughout his White House years: circumvent federal law by issuing an Executive Order. This particular EO will change State Department export licensing into something more like Commerce's, and, just to be sure that Bernie Schwartz doesn't have any problems shipping satellites, the EO will also give Commerce the right to appeal State Department decisions. The EO will effectively nullify the intent of the export control provisions in the National Defense Authorization that Clinton signed into law, as was pointed out in a letter sent to Clinton by the GOP chairmen of six defense-related congressional committees.

When China isn't acquiring U.S. technology through espionage, assisted by greedy American businessmen and a president who couldn't care less about America's security, it's repeatedly issuing heavy-handed threats against the United States, warning us not to do anything that might be interpreted by China as interference with their efforts to intimidate **Taiwan, Japan, and South Korea** militarily. During Taiwan's 1996 elections, when China lobbed missiles into the oceans around Taiwan, a Chinese Foreign Ministry official told a U.S. military attaché that the U.S. wouldn't respond to a Chinese invasion of Taiwan because "you care more about **Los Angeles** than (Taiwan capital) **Taipei**." More recently, China warned the U.S. not to work with Taiwan, South Korea, or Japan on developing missile defense systems for those countries.

Meanwhile, back in **California**, Republicans should be on notice to help Rep. **Jim Rogan** (R-Glendale) defend his 27th District seat next year against the expected onslaught by a president seeking revenge. While Clinton has been traipsing around the country since August on what **Jay Leno** called the "**World Apology Tour '98**", biting his lip and shamelessly urging gatherings of church leaders to pray for him, he apparently hasn't meant a word of his oft-repeated expressions of contrition and repentance.

February 12's **New York Times** reported White House "advisers" said Clinton was planning an all-out campaign to recapture the House focusing on booting out the 13 House impeachment prosecutors. Later, other Clinton "advisers" told the **Washington Post** Clinton was furious that his scheme had leaked. Clinton Press Secretary **Joe Lockhart** didn't deny the report but said, "I can't think of a worse, more dumb strategy than going after people based on whether they were a House manager or not the vast majority are in safe seats or unopposed seats." Jim Rogan, however, is not. A mid-January Democrat poll showed 44 percent of his constituents less likely to vote for him because of his impeachment role. And even in a normal campaign, Rogan would stand out as a ripe target. Utah Rep. **Christopher B. Cannon**, another House prosecutor, called Clinton's revenge plan "the height of arrogance." Utah Sen. Orrin Hatch said Clinton should try to leave "an eensy-weensy, itsy-bitsy better legacy than he has so far." CPR

Political Cod Liver Oil



**Said to cure everything,
never shown to cure anything,
abandoning our values
still makes a nauseating concoction.**

by Barbara Alby

Dear RNC Member:

AS A CONSERVATIVE REPUBLICAN, one aspect of the most recent elections has given me an appreciation for an ordeal that our parents and grandparents were forced to endure as children. During the first half of this century most parents subscribed to a universal cure-all for every childhood illness — cod liver oil. I'm told it was pretty revolting stuff. Children were forced to swallow it for everything from indigestion to winter flu. It tasted terrible and in some cases made

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things worse. Cod liver oil was never shown to cure anything — but conventional wisdom said it cured everything.

In the world of electoral politics we have something similar today. The solution to every lost election, every negative poll, every policy defeat, it seems, is to abandon our values. Republicans are told we must moderate, capitulate and compromise. It's an unnecessary and nauseating concoction, amounting to nothing more than modern-day political cod liver oil.

No one will argue with the proposition that the high point for the Republican Party since the days of Lincoln was the presidency of Ronald Reagan. Under Reagan it seemed that everything we did as a Party worked. We were respected around the world as a