



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

JIM SAXTON, CHAIRMAN

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PRESS RELEASE

For Immediate Release
April 23, 1998

Press Release #105-128
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JEC HEARING WILL EXPLORE POTENTIAL THREATS OF EXPORTING TECHNOLOGY TO CHINA

WASHINGTON, DC – The Joint Economic Committee (JEC) will hold a hearing on Chinese Access to Dual Use and Military Technology at 10 a.m., Tuesday, April 28, 1998, in room 2220 Rayburn House Office Building. The hearing will examine a report from GAO that concluded an eight-month investigation into the effectiveness of Tiananmen sanctions restricting technology transfer. In addition, topics of discussion will include the Loral Space and Communications case, which is described in a Pentagon finding as increasing the accuracy and reliability of Chinese missiles because of corporate assistance from Loral/Hughes. The hearing also will highlight the McDonnell Douglas case where sophisticated equipment was sold to China. In addition, the hearing will discuss the proposed commercialization of C17.

Another aspect (mentioned above) of the hearing will be the explosion of a Chinese rocket that carried a Loral Satellite and how two companies, Loral Space and Communications and Hughes Electronics, helped the Chinese determine the explosion's cause. A classified Pentagon report concluded that scientists from the two companies had turned over information that significantly improved the reliability of China's nuclear missiles. Along with the impact of exporting super computers on nuclear, chemical and biological weapons development, the hearing will discuss the proliferation of this technology.

“The exporting of various types of civilian and military technology poses many questions that loom over the future of China and the United States. We hope to find solutions to the precarious outcome of our recent actions,” stated JEC Chairman Jim Saxton (R-NJ).

In addition, export regulations have been removed that prevented the aerospace industry from selling its most lucrative satellites on China's low-cost rockets. The selling of these satellites contributes to a more complex and uncertain security environment for all and significantly changes China's strategic capabilities.

HEARING TOPIC: Chinese Access to Dual Use and Military Technology

WHEN: Tuesday, April 28, 1998

WHERE: 2220 Rayburn House Office Building

TIME: 10 a.m.

WITNESSES: William Reinsch
*Under Secretary of the Bureau of Export Administration
Department of Commerce*

Harold Johnson
*Associate Director, International Relations and Trade, Group
General Accounting Office*

Peter Leitner
Author, “Decontrolling Strategic Technology, 1990-1992”

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