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**2nd FOIA Number:** 2000-0950-F

**3rd FOIA Number:** 2000-1204-F

**4th FOIA Number:**

**5th FOIA Number:**

# FOIA MARKER

**This is not a textual record. This is used as an  
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| <b>Record Group:</b>      | Bush Presidential Records                         |
| <b>Office:</b>            | Records Management, White House Office of (WHORM) |
| <b>Series:</b>            | Subject File - General                            |
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| <b>WHORM Category Code:</b> | CO034 |
| <b>WHORM Category Name:</b> | China |

|                         |        |
|-------------------------|--------|
| <b>Document Number:</b> | 047387 |
| <b>Alpha File Name:</b> |        |

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THE WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

CO 034

DATE RECEIVED: JUNE 23, 1989

NAME OF CORRESPONDENT: THE HONORABLE JOHN J. LAFALCE

SUBJECT: INFORM THEY HAVE INTRODUCED A RESOLUTION  
CALLING ON THE U.S. EXECUTIVE DIRECTORS OF  
THE WORLD BANK AND ASIAN DEVELOPMENT BANK TO  
VOTE NO ON ALL LOANS TO THE PEOPLE'S REPUBLIC

| ROUTE TO:         |                | ACTION      |                  | DISPOSITION  |                           |
|-------------------|----------------|-------------|------------------|--------------|---------------------------|
| OFFICE/AGENCY     | (STAFF NAME)   | ACT<br>CODE | DATE<br>YY/MM/DD | TYPE<br>RESP | C COMPLETED<br>D YY/MM/DD |
| FREDERICK MCCLURE |                | ORG         | 89/06/23         | FM           | A 89/08/02 TR             |
| 99 DOS            | REFERRAL NOTE: |             |                  |              |                           |
| LAMECL            | REFERRAL NOTE: | R           | 89/08/08         | TR           | A 89/08/18 TR             |
|                   | REFERRAL NOTE: | A           | 89/08/22         | TR           | C 89/08/22                |
|                   | REFERRAL NOTE: |             |                  |              |                           |
|                   | REFERRAL NOTE: |             |                  |              |                           |
|                   | REFERRAL NOTE: |             |                  |              |                           |

COMMENTS:

ADDITIONAL CORRESPONDENTS: 32 MEDIA:L INDIVIDUAL CODES: \_\_\_\_\_

MAIL USER CODES: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

\*\*\*\*\*

|                         |                      |                      |   |
|-------------------------|----------------------|----------------------|---|
| *ACTION CODES:          | *DISPOSITION         | *OUTGOING            | * |
| *                       | *                    | *CORRESPONDENCE:     | * |
| *A-APPROPRIATE ACTION   | *A-ANSWERED          | *TYPE RESP=INITIALS  | * |
| *C-COMMENT/RECOM        | *B-NON-SPEC-REFERRAL | *OF SIGNER           | * |
| *D-DRAFT RESPONSE       | *C-COMPLETED         | *CODE = A            | * |
| *F-FURNISH FACT SHEET   | *S-SUSPENDED         | *COMPLETED = DATE OF | * |
| *I-INFO COPY/NO ACT NEC |                      | *OUTGOING            | * |
| *R-DIRECT REPLY W/COPY  |                      |                      | * |
| *S-FOR-SIGNATURE        |                      |                      | * |
| *X-INTERIM REPLY        |                      |                      | * |

\*\*\*\*\*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE  
(ROOM 75, OEOB) EXT-2590  
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING  
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS  
MANAGEMENT.

August 2, 1989

Dear Congressman LaFalce:

On the President's behalf, I would like to thank you for your June 20 letter, cosigned by 32 of your colleagues, regarding the policy on loans to the People's Republic of China.

We very much appreciate you contacting us in this matter. Please know that your recommendations have been directed to the appropriate Administration officials where it is receiving prompt and careful consideration.

Thank you again for your interest in writing.

With best regards,

Sincerely,

Frederick D. McClure  
Assistant to the President  
for Legislative Affairs

The Honorable John J. LaFalce  
House of Representatives  
Washington, D.C. 20515

FDM/PHC/ws (8FDMG)  
China

cc: w/copy of incoming to Janet Mullins, Cong Affrs,  
State - for DIRECT response

/////////, 1989

Dear////////:

On the President's behalf, I would like to thank you for your June 20 letter, cosigned by 32 of your colleagues, regarding the policy on loans to the People's Republic of China.

We very much appreciate you contacting us in this matter. Please know that your <sup>recommendations have</sup> request has been directed to the appropriate Administration officials where it is receiving prompt and careful consideration.

Thank you again for your interest in writing.

With best regards,

Sincerely,

Frederick D. McClure  
Assistant to the President  
for Legislative Affairs

The Honorable //////////  
House of Representatives  
Washington, D.C. 20515

FDM:PHC:

cc: with copy of incoming to Janet Mullins, Cong affrs,  
State for DIRECT response

UNCLASSIFIED

DEPARTMENT OF STATE  
EXECUTIVE SECRETARIAT  
TRANSMITTAL FORM

S/S 8918372

Date August 18, 1989

**FOR:** Mr. Philip Hughes  
Executive Secretary  
National Security Council  
The White House

**REFERENCE:**

To: President Bush  
From: The Honorable John J. LaFalce  
Date: 06/20/89  
Subject: Urges a ban on multilateral development bank lending  
to China as a priority item at the July Economic Summit  
in Paris.  
WH Referral Dated: August 8, 1989  
NSCS ID# (if any): 047387

       The attached item was sent directly to the  
Department of State.

**ACTION TAKEN:**

- A draft reply is attached.  
       A draft reply will be forwarded.  
       A translation is attached.  
  X   An information copy of a direct reply is attached.  
       We believe no response is necessary for the reason  
      cited below.  
       The Department of State has no objection to the  
      proposed travel.  
       Other (see remarks).

**REMARKS:**

*Katherine M. McGowan*  
Director  
Secretariat Staff



United States Department of State

Washington, D.C. 20520

AUG 18 1989

Dear Mr. LaFalce:

Thank you for your June 20 letter to President Bush, signed by thirty-three Members of Congress, concerning the House of Representative's resolution on loans to China from the World Bank and the Asian Development Bank. Your letter also urges that a ban on multilateral development bank lending to China be a priority issue in discussions at the Paris Economic Summit which took place in July.

We have previously written to you about aspects of our economic/commercial relationship with China after the massacre in Tiananmen Square. As you know, President Bush reacted forcefully to the brutal suppression of the pro-democracy movement by condemning the violence against the demonstrators and imposing certain measures which have sent a strong signal to the PRC Government. Those measures specifically included efforts to postpone consideration of new loans to China from international financial institutions.

On several occasions, we have raised our concerns about China with our friends and allies and sought a unified response to the PRC crackdown. Our effort to suspend new IFI loans to China has been widely supported. In its Declaration on China, the seven nations of the Paris Economic Summit agreed that "in view of the current economic uncertainties, the examination of new loans (to China) by the World Bank be postponed."

In the course of our ongoing policy review on China, there has been no change in our position opposing IFI loans to the PRC. The Chinese have clearly noted the suspension of these loans and other measures taken by the Administration and our allies. We appreciate the concerns you have expressed about China and your offer to work with the Administration.

The Honorable  
John J. LaFalce,  
House of Representatives.

-2-

If you have further comments on our policy towards China,  
we would welcome hearing from you.

Sincerely,

  
Janet G. Mullins  
Assistant Secretary  
Legislative Affairs

T H E   W H I T E   H O U S E   O F F I C E

REFERRAL

AUGUST 8, 1989

TO: DEPARTMENT OF STATE

ACTION REQUESTED:

DIRECT REPLY, FURNISH INFO COPY

DESCRIPTION OF INCOMING:

ID: 047387

MEDIA: LETTER, DATED JUNE 20, 1989

TO: PRESIDENT BUSH

FROM: THE HONORABLE JOHN J. LAFALCE  
U.S. HOUSE OF REPRESENTATIVES

WASHINGTON DC 20515

SUBJECT: STATE THAT THEY HAVE INTRODUCED A RESOLUTION  
CALLING ON THE U.S. EXECUTIVE DIRECTORS OF  
THE WORLD BANK AND ASIAN DEVELOPMENT BANK TO  
VOTE NO TO ALL LOANS TO CHINA. URGE YOU TO  
INCLUDE A BAN ON MULTILATERAL DEVELOPMENT  
BANK LENDING TO CHINA AS A PRIORITY ITEM  
AT THE JULY ECONOMIC SUMMIT IN PARIS.

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN  
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE  
UNDERSIGNED AT 456-7486.

RETURN CORRESPONDENCE, WORKSHEET AND COPY OF RESPONSE  
(OR DRAFT) TO:  
AGENCY LIAISON, ROOM 91, THE WHITE HOUSE, 20500

SALLY KELLEY  
DIRECTOR OF AGENCY LIAISON  
PRESIDENTIAL CORRESPONDENCE

JOHN J. LaFALCE  
32D DISTRICT, NEW YORK

2367 RAYBURN BUILDING  
WASHINGTON, DC 20515  
(202) 225-3231

41301  
FEDERAL BUILDING  
BUFFALO, NY 14202  
(716) 846-4056

MAIN POST OFFICE BUILDING  
NIAGARA FALLS, NY 14302  
(716) 284-9976

FEDERAL BUILDING  
ROCHESTER, NY 14614  
(716) 263-6424

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

June 20, 1989

Dear President Bush:

Today we have introduced a resolution in the House of Representatives calling on the U.S. Executive Directors of the World Bank and Asian Development Bank to vote NO on all loans to the People's Republic of China. Such action is called for both on moral and economic grounds unless the government reassesses its present policy of reprisals against student and worker protesters.

On moral grounds, our citizens should not be called on to support, through these multilateral development banks, the repressive government of China. That government, by ordering the army to kill peaceful demonstrators, and by its policy of continued reprisals, has forfeited its claim to legitimacy.

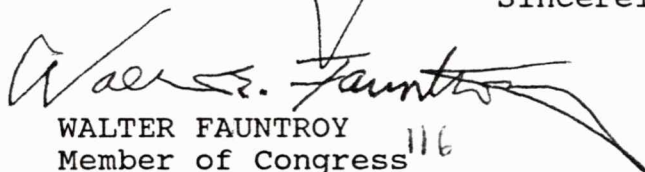
On economic grounds, the development banks are designed to promote economic development, in part, through the development of market economies. Such market reforms cannot possibly be successful in an environment where a people's freedom has been denied.

To help make this resolution successful, we urge you to make a ban on multilateral development bank lending to China a priority issue in discussions with our industrialized allies at the July economic summit in Paris. By acting in concert with our allies, we will increase the effectiveness of our actions.

Our resolution is a carefully considered, measured response to the atrocities committed by the Chinese government against its citizens. It allows us to do more than voice outrage at these actions.

Mr. President, we stand ready to work with you further on this issue and look forward to your suggestions.

Sincerely,

  
WALTER FAUNTROY  
Member of Congress 116

  
JOHN J. LaFALCE  
Member of Congress 210

✓  
*Jaime B. Fuster*  
JAIME B. FUSTER 132  
Member of Congress

✓  
*Barbara Boxer*  
BARBARA BOXER 37  
Member of Congress

✓  
*James H. Bilbray*  
JAMES H. BILBRAY 27  
Member of Congress

✓  
*Dan Glickman*  
DAN GLICKMAN 144  
Member of Congress

✓  
*Jim Walsh*  
JAMES T. WALSH 418  
Member of Congress

✓  
*Wes Watkins*  
WES WATKINS 419  
Member of Congress

✓  
*Gary L. Ackerman*  
GARY L. ACKERMAN 1  
Member of Congress

✓  
*Rick Boucher*  
RICK BOUCHER 36  
Member of Congress

✓  
*Donal E. Lukens*  
DONALD E. LUKENS 234  
Member of Congress

✓  
*Ron De Lugo*  
RON DE LUGO 83  
Member of Congress

✓  
*Kweisi Mfume*  
KWEISI MFUME 260  
Member of Congress

✓  
*Bruce Morrison*  
BRUCE MORRISON 273  
Member of Congress

*Barney Frank* ✓  
BARNEY FRANK  
Member of Congress 129

*Tom Carper* ✓  
TOM CARPER  
Member of Congress 55

*Gerald D. Kleczka* ✓  
GERALD D. KLECZKA  
Member of Congress 205

*Esteban Torres* ✓  
ESTEBAN TORRES  
Member of Congress 402

*Richard Arney* ✓  
RICHARD ARNEY  
Member of Congress 10

*Silvio Conte* ✓  
SILVIO CONTE  
Member of Congress 68

*William O. Lipinski* ✓  
WILLIAM O. LIPINSKI  
Member of Congress 227

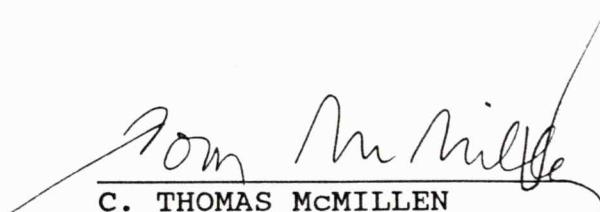
*George E. Brown, Jr.* ✓  
GEORGE BROWN  
Member of Congress 42

*Bob Smith* ✓  
ROBERT C. SMITH  
Member of Congress 375

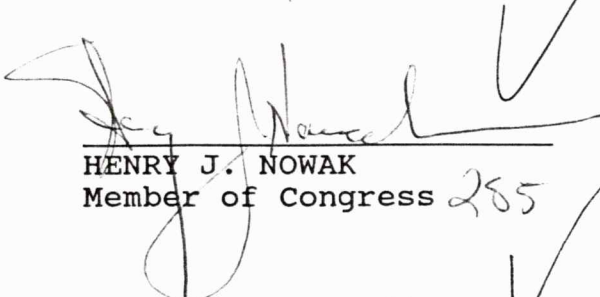
*Edolphus Towns* ✓  
EDOLPHUS TOWNS  
Member of Congress 404

*Jim Bates* ✓  
JIM BATES  
Member of Congress 20

*Matthew T. Martinez* ✓  
MATTHEW T. MARTINEZ  
Member of Congress 242

  
C. THOMAS McMILLEN  
Member of Congress

257

  
HENRY J. NOWAK  
Member of Congress

285

  
NANCY PELOSI  
Member of Congress

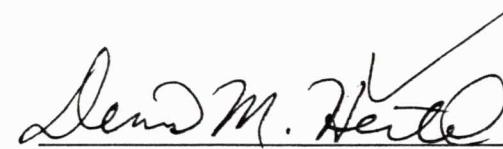
305

  
CHRISTOPHER H. SMITH  
Member of Congress

368

  
HELEN DELICH BENTLEY  
Member of Congress

23

  
DENNIS M. HERTEL  
Member of Congress

172

  
BILL PAXON  
Member of Congress

301

THE WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

CO 034

INCOMING

DATE RECEIVED: JUNE 23, 1989

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SUBJECT: INFORM THEY HAVE INTRODUCED A RESOLUTION  
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|                   |                | ACTION |            | DISPOSITION |             |
|-------------------|----------------|--------|------------|-------------|-------------|
| ROUTE TO:         |                | ACT    | DATE       | TYPE        | C COMPLETED |
| OFFICE/AGENCY     | (STAFF NAME)   | CODE   | YY/MM/DD   | RESP        | D YY/MM/DD  |
| FREDERICK MCCLURE |                | ORG    | 89/06/23   | FM          | 89/08/02 TR |
| 19 DOS            | REFERRAL NOTE: |        | R 89/08/08 | TR          | 1/1         |
|                   | REFERRAL NOTE: |        | 1/1        |             | 1/1         |
|                   | REFERRAL NOTE: |        | 1/1        |             | 1/1         |
|                   | REFERRAL NOTE: |        | 1/1        |             | 1/1         |
|                   | REFERRAL NOTE: |        | 1/1        |             | 1/1         |

COMMENTS:

ADDITIONAL CORRESPONDENTS: 32 MEDIA:L INDIVIDUAL CODES: \_\_\_\_\_

MAIL USER CODES: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

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|                        |                      |                      |   |
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FDM/PHC/ws (8FDMG)  
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8  
JOHN J. LAFALCE  
32<sup>D</sup> DISTRICT, NEW YORK

2367 RAYBURN BUILDING  
WASHINGTON, DC 20515  
(202) 225-3231

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Member of Congress

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Member of Congress

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*Dan Glickman*  
DAN GLICKMAN  
Member of Congress

144

✓  
*Jim Walsh*  
JAMES T. WALSH  
Member of Congress

418

✓  
*Wes Watkins*  
WES WATKINS  
Member of Congress

419

✓  
*Gary L. Ackerman*  
GARY L. ACKERMAN  
Member of Congress

1

✓  
*Rick Boucher*  
RICK BOUCHER  
Member of Congress

36

✓  
*Donal E. Lukens*  
DONALD E. LUKENS  
Member of Congress

234

✓  
*Ron De Lugo*  
RON DE LUGO  
Member of Congress

83

✓  
*Kwesi Mfume*  
KWEISI MFUME  
Member of Congress

260

✓  
*Bruce Morrison*  
BRUCE MORRISON  
Member of Congress

273

*Barney Frank* ✓

BARNEY FRANK  
Member of Congress 129

*Tom Carper* ✓

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*Edolphus Towns* ✓

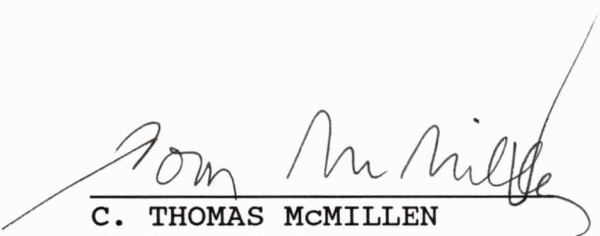
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Member of Congress 404

*Jim Bates* ✓

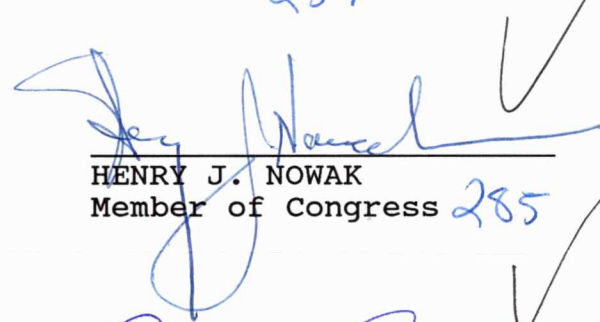
JIM BATES  
Member of Congress 20

*Matthew G. Martinez* ✓

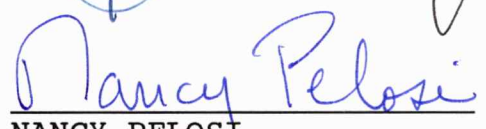
MATTHEW T. MARTINEZ  
Member of Congress 242

  
C. THOMAS McMILLEN  
Member of Congress

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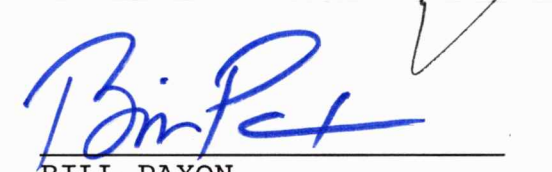
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