

US Senate Republicans drop bid to block Trump's ZTE deal

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US Senate Republicans on Friday dropped their effort to reimpose tough sanctions on Chinese telecommunications firm ZTE, a move Democrats



lambasted as capitulating to President Donald Trump and his negotiating strategy with Beijing.

ZTE, found guilty of violating sanctions by selling US goods to Iran and North Korea, had been slapped with Commerce Department penalties that barred US firms from doing business with the smartphone-making giant.

But the Trump administration had ordered an end to the penalties as the <u>president</u> sought to prevent an undermining of trade talks with China, and the US formally lifted the crippling ban last week.

Senators had drafted an amendment that reimposes the strict sanctions, including blocking ZTE from buying US components. The legislation passed 85-10 last month as part of a broad defense spending bill, the National Defense Authorization Act.

But the House version of the legislation did not block Trump's agreement with ZTE. It barred government agencies and contractors from doing business with ZTE but allowed the company to keep working with private American firms.

Senators who pushed hard for the tougher language criticized Senate Republicans for agreeing to keep the watered-down version.

"By stripping the Senate's tough ZTE sanctions provision from the defense bill, President Trump — and the Congressional Republicans who acted at his behest — have once again made President Xi and the Chinese Government the big winners and the American worker and our national security the big losers," Senate Minority Leader Chuck Schumer said.

Republican Senator Marco Rubio, who had aimed to drive ZTE out of



business, expressed disappointment that lawmakers decided to "cave on ZTE" as part of a trade-off for strengthening the Committee on Foreign Investment in the United States.

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