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Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13561
Folder ID Number: 13561-011

Folder Title:
Hispanic Free Trade Breakfast 4/8/91 [OA 6031]

Stack:	Row:	Section:	Shelf:	Position:
G	26	16	7	4

91 MAR 3 11:02

Grant/Dooley
April 1, 1991
A:Mextrade / Draft six

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
TIME?**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Today, I've come to ask your help in that challenge.

Last month, I asked Congress to extend our "fast track" authority in trade negotiations. This mechanism lets our negotiators assure their counterparts that agreements they reach at the bargaining table will be the same ones voted on at home. It makes us good for our word.

Fast-track doesn't affect Congress' power to accept or reject treaties. It just prevents changing agreements we have reached, and forcing everyone involved to start from scratch.

We need fast track now to pursue vital trade pacts -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, **we lose all three of those agreements. We lose trade.** We surrender our role as a world leader and role model.

Those who oppose fast track cite a variety of issues -- wage rates, environmental quality, health and safety concerns.

We care about those, too. And we're working on them, with a step-by-step plan to resolve each and every challenge.

Here's the key: **A vote against fast-track is a vote against things we all hold dear -- growth in other lands -- prosperity at home. It ignores the dramatic and wonderful changes in the world economy.**

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon the the Yucatan. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the **largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.**

A unified North American market would let us all build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. If you want to talk about a compelling fairness issue, consider this: The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$91 million trade deficit with Mexico. Today, we enjoy a \$28 billion surplus. This turnaround took place because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. As a result, our exports to Mexico have doubled in the past four years. That export boom has created 320,000 new jobs in the United States, most in the areas of design, manufacturing and engineering. Each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 80 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One of our Congressional opponents said the other day, "My concern is that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." ///

I couldn't agree more.

Let's talk about his concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. Investment flows freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery for pollution violations. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

Finally, consider the matter of working conditions in Mexico. The trade surplus has caused Mexican wages to rise very quickly over the last few years, and produced no tangible reduction in American wages. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. As you know, Mexico is in the midst of a brain drain. It already graduates more engineers per capita than the U.S. does -- yet more and more good workers who can't find jobs head for the border every day. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. **A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.**

So you see, we have much to gain from extending fast track -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony.

The vote on fast-track -- and on the trade agreements -- really is a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. It says we believe in Mexico's ability to adapt to a level economic playing field. Free and open markets let people

pursue their dreams by competing against other dreamers, entrepreneurs.

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

We are the world's largest trader, and we have nothing to fear but the fear-mongers themselves. //

Opponents of fast track and the Free Trade Agreement like to focus on envy, suspicion, fear -- sentiments unworthy of us as a people. They like to pretend that the world has not moved into a new era of international competition and cooperation. They seem to be the only ones who haven't learned that defeatism produces defeat, while confidence and self-reliance produce greatness.

We stand ready to seize the opportunities that the new world economy offers us. With your help, **I know we can conquer the demagogues of defeat.** //

Thank you for your support, and God bless our great country.

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Grant/Dooley
April 4, 1991
Draft eight
11:55 a.m.

PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
8 a.m.

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Now, I'm asking for your help in that challenge.

Last month, I asked Congress to support our "fast track" authority in trade negotiations. Fast track is a way of assuring our trading counterparts that the agreements they reach at the bargaining table with our negotiators will be the same ones reviewed by our Congress.

Fast-track doesn't affect Congress' power to accept or reject trade agreements. But it does prevent 11th-hour changes to agreements we have reached, changes that force everyone involved to start from scratch.

We need fast track authority to pursue vital trade objectives -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose any hope of achieving

these three agreements. We lose trade. We lose jobs and jeopardize economic growth.

Here's the key: A vote against fast-track is a vote against things we all hold dear -- prosperity at home -- growth in other lands. It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. Think of it: The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let each of our countries build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$4.9 billion trade deficit with Mexico. Since then, we have cut that deficit by two-thirds, to \$1.8 billion. This turnaround took place in part because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. One result: Our exports to Mexico have increased 130 percent in the past four years. This export boom has created more than 300,000 new jobs in the United States. And each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 85 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One member of Congress the other day expressed his concern "that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." Other members of Congress say they worry about wage rates, environmental quality, and health and safety issues. ///

I couldn't agree more.

Let's talk about those concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery because it was polluting the air. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

Finally, consider the matter of working conditions in Mexico. As our trade with Mexico has grown, so have the wages of

Mexican workers. Indeed, Mexican wages have risen very quickly in recent years, with no tangible impact on American pay scales. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

So you see, we have much to gain from extending fast track -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony.

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

The vote on fast-track really is a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. It says we believe in ourselves.

Indeed, as we prepare to join a world linked primarily by economic / not military / competition, we have nothing to fear but the fear-mongers themselves. // They seem to be the only ones who haven't learned lately that defeatism produces defeat, while confidence and self-reliance produce greatness.

We must seize the opportunities that the new world economy offers us. With your help, I know we will.//

Thank you for your support, and God bless our great country.

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THE WHITE HOUSE

WASHINGTON

April 3, 1991

31 APR 8

9:42

MEMORANDUM FOR TONY SNOW

FROM: ROGER B. PORTER *RBP*

SUBJECT: Presidential Remarks for the Hispanic Free Trade
Breakfast

As requested, we have reviewed the attached Presidential remarks for the Hispanic Free Trade breakfast and have indicated comments on pages one and two of the attached draft.

Attachment

c: Phillip D. Brady

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., Wednesday, April 3, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
TIME?**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Today, I've come to ask your help in that challenge.

Last month, I asked Congress to extend our "fast track" authority in trade negotiations. This mechanism lets our negotiators assure their counterparts that agreements they reach at the bargaining table will be the same ones voted on at home. It makes us good for our word.

Fast-track doesn't affect Congress' power to accept or reject treaties. It just prevents changing agreements we have reached, and forcing everyone involved to start from scratch.

We need fast track now to pursue vital trade pacts -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose all three of those ^{efforts} agreements. We lose trade. We surrender our role as a world leader and role model. ✓

Those who oppose fast track cite a variety of issues -- wage rates, environmental quality, health and safety concerns.

We care about those, too. And we're working on them, with a step-by-step plan to resolve each and every challenge.

Here's the key: A vote against fast-track is a vote against things we all hold dear -- ~~growth in other lands~~ ^{both here} prosperity at home ^{and in other lands.} It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let us all build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. If you want to talk about a compelling fairness issue, consider this: The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$91 million trade deficit with Mexico. Today, we enjoy a \$28 billion surplus. This turnaround took place because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. As a result, our exports to Mexico have doubled in the past four years. That export boom has created 320,000 new jobs in the United States, most in the areas of design, manufacturing and engineering. Each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 80 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One of our Congressional opponents said the other day, "My concern is that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." ///

I couldn't agree more.

Let's talk about his concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. Investment flows freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery for pollution violations. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

Finally, consider the matter of working conditions in Mexico. The trade surplus has caused Mexican wages to rise very quickly over the last few years, and produced no tangible reduction in American wages. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. As you know, Mexico is in the midst of a brain drain. It already graduates more engineers per capita than the U.S. does -- yet more and more good workers who can't find jobs head for the border every day. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

So you see, we have much to gain from extending fast track -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony.

The vote on fast-track -- and on the trade agreements -- really is a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. It says we believe in Mexico's ability to adapt to a level economic playing field. Free and open markets let people

pursue their dreams by competing against other dreamers, entrepreneurs.

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

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Opponents of fast track and the Free Trade Agreement like to focus on envy, suspicion, fear -- sentiments unworthy of us as a people. They like to pretend that the world has not moved into a new era of international competition and cooperation. They seem to be the only ones who haven't learned that defeatism produces defeat, while confidence and self-reliance produce greatness.

We stand ready to seize the opportunities that the new world economy offers us. With your help, I know we can conquer the demagogues of defeat. //

Thank you for your support, and God bless our great country.

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WHITE HOUSE STAFFING MEMORANDUM

91 MAR 3 P2:18

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

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RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

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MONDAY, APRIL 8, 1991
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Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

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Unfortunately, we have a tough fight ahead of us. One of our Congressional opponents said the other day, "My concern is that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." ///

I couldn't agree more.

Let's talk about his concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

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As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

We are the world's largest trader, and we have nothing to fear but the fear-mongers themselves. //

Opponents of fast track and the Free Trade Agreement like to focus on envy, suspicion, fear -- sentiments unworthy of us as a people. They like to pretend that the world has not moved into a new era of international competition and cooperation. They seem to be the only ones who haven't learned that defeatism produces defeat, while confidence and self-reliance produce greatness.

We stand ready to seize the opportunities that the new world economy offers us. With your help, I know we can conquer the demagogues of defeat. //

Thank you for your support, and God bless our great country.

#

THE WHITE HOUSE

WASHINGTON

April 3, 1991

MEMORANDUM FOR THE PRESIDENT

THROUGH: TONY SNOW *TS*
FROM: MARY KATE GRANT *MKG*
SUBJECT: HISPANIC FREE TRADE BREAKFAST

I. SUMMARY

Attached for your review are draft remarks for the breakfast meeting with Hispanic business leaders from the Houston community, to be held at 8:15 a.m. on Monday, April 8, 1991 at the Houstonian. You will address an audience of about 200.

II. DISCUSSION

In your remarks (12 minutes/cards), you make the case for extension of fast track authority, and answer the critics' concerns about it and the North American Free Trade Agreement.

Grant/Dooley
April 1, 1991
Draft seven
6:30 p.m.

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
8 a.m.**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Now, I'm asking for your help in that challenge.

Last month, I asked Congress to support our "fast track" authority in trade negotiations. Fast track is a way of assuring our trading counterparts that the agreements they reach at the bargaining table with our negotiators will be the same ones reviewed by our Congress.

Fast-track doesn't affect Congress' power to accept or reject trade agreements. But it does prevent 11th-hour changes to agreements we have reached, changes that force everyone involved to start from scratch.

We need fast track authority to pursue vital trade objectives -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose any hope of achieving

these three agreements. We lose trade. We lose jobs and jeopardize economic growth.

Here's the key: A vote against fast-track is a vote against things we all hold dear -- prosperity at home -- growth in other lands. It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. Think of it: The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let each of our countries build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$4.9 billion trade deficit with Mexico. Since then, we have cut that deficit by two-thirds, to \$1.8 billion. This turnaround took place in part because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. One result: Our exports to Mexico have increased 130 percent in the past four years. This export boom has created more than 300,000 new jobs in the United States, most in the areas of design, manufacturing and engineering. And each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 85 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One member of Congress the other day expressed his concern "that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." Other members of Congress say they worry about wage rates, environmental quality, and health and safety issues. ///

I couldn't agree more.

Let's talk about those concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. Investment flows freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery for pollution violations. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

Finally, consider the matter of working conditions in Mexico. As our trade with Mexico has grown, so have the wages of Mexican workers. Indeed, Mexican wages have risen very quickly in recent years, with no tangible impact on American pay scales. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

So you see, we have much to gain from extending fast track -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony.

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

The vote on fast-track -- and on the trade agreements -- really is a vote on what kind of America we want to build. A

"yes" vote expresses confidence in American know-how and ingenuity. It says we believe in ourselves.

Indeed, as we prepare to join a world linked primarily by economic / not military / competition, we have nothing to fear but the fear-mongers themselves. // They seem to be the only ones who haven't learned lately that defeatism produces defeat, while confidence and self-reliance produce greatness.

We must seize the opportunities that the new world economy offers us. With your help, I know we will.//

Thank you for your support, and God bless our great country.

#

THE WHITE HOUSE

WASHINGTON

91 APR -3 PM 7:29

April 3, 1991

MEMORANDUM FOR THE PRESIDENT

THROUGH:

TONY SNOW *TS*

FROM:

MARY KATE GRANT *MKG*

SUBJECT:

HISPANIC FREE TRADE BREAKFAST

I. SUMMARY

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II. DISCUSSION

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Grant/Dooley
April 1, 1991
Draft seven
6:30 p.m.

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
8 a.m.**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Now, I'm asking for your help in that challenge.

Last month, I asked Congress to support our "fast track" authority in trade negotiations. Fast track is a way of assuring our trading counterparts that the agreements they reach at the bargaining table with our negotiators will be the same ones reviewed by our Congress.

Fast-track doesn't affect Congress' power to accept or reject trade agreements. But it does prevent 11th-hour changes to agreements we have reached, changes that force everyone involved to start from scratch.

We need fast track authority to pursue vital trade objectives -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose any hope of achieving

these three agreements. We lose trade. We lose jobs and jeopardize economic growth.

Here's the key: A vote against fast-track is a vote against things we all hold dear -- prosperity at home -- growth in other lands. It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. Think of it: The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let each of our countries build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$4.9 billion trade deficit with Mexico. Since then, we have cut that deficit by two-thirds, to \$1.8 billion. This turnaround took place in part because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. One result: Our exports to Mexico have increased 130 percent in the past four years. This export boom has created more than 300,000 new jobs in the United States, ~~most in the areas of design, manufacturing and engineering.~~ And each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 85 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One member of Congress the other day expressed his concern "that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." Other members of Congress say they worry about wage rates, environmental quality, and health and safety issues. ///

I couldn't agree more.

Let's talk about those concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. ~~Investment flows freely across borders.~~ And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery for pollution-violations. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

BECAUSE IT WAS POLLUTING
THE AIR

Finally, consider the matter of working conditions in Mexico. As our trade with Mexico has grown, so have the wages of Mexican workers. Indeed, Mexican wages have risen very quickly in recent years, with no tangible impact on American pay scales. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

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The vote on fast-track ~~-- and on the trade agreements~~ really is a vote on what kind of America we want to build. A

"yes" vote expresses confidence in American know-how and ingenuity. It says we believe in ourselves.

Indeed, as we prepare to join a world linked primarily by economic / not military / competition, we have nothing to fear but the fear-mongers themselves. // They seem to be the only ones who haven't learned lately that defeatism produces defeat, while confidence and self-reliance produce greatness.

We must seize the opportunities that the new world economy offers us. With your help, I know we will.//

Thank you for your support, and God bless our great country.

#

Research changes

Page 3

Let me illustrate ... Trade with Mexico has helped both our countries. Just four years ago, we had a \$4.9 billion trade deficit with Mexico. Since then, we have cut that deficit by two-thirds, to \$1.8 billion. This turnaround took place because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. As a result, our exports to Mexico have increased 130 percent in the past four years. That export boom has created 300,000 new jobs in the United States

Now, I don't have to tell anyone in this room about Mexico's market potential -- 85 million consumers who want to buy our goods.

→ new language is underlined .

91 MAR 4 10:15 AM WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., Wednesday, April 3, with a copy to this office. Thank you.

RESPONSE:

*Substantial
Comments
XAA*

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

N.B. Put times not draft numbers

Grant/Dooley
April 1, 1991 APR 2 PM 1:13
A:Mextrade / Draft six

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
TIME?**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Today, I've come to ask your help in that challenge.

Last month, I asked Congress to ^{support} extend our "fast track" authority in trade negotiations. ^{Fast track means} ~~This mechanism lets our~~ ^{our trading} negotiators assure ^{with our negotiators} their counterparts that agreements they reach at the bargaining table will be the same ones voted ^{by our Congress,} ~~on at home.~~

It makes us good for our word.

Fast-track doesn't affect Congress' power to accept or reject treaties. ^{But it does} ~~it just prevents~~ ^{11th hour changes to} ~~changing~~ agreements we have ^{already} reached, and ^{avoids} forcing everyone involved to start from scratch.

We need fast track now to pursue vital trade pacts -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose ^{any hope of achieving} ~~all three~~ of those agreements. We lose trade. ^{We lose jobs and jeopardize economic growth.} ~~We surrender our role as a world leader and role model.~~

~~Those who oppose fast track cite a variety of issues -- wage rates, environmental quality, health and safety concerns.~~

[Handwritten scribble]

Mark ~~We care about those, too. And we're working on them, with a step-by-step plan to resolve each and every challenge.~~

Here's the key: A vote against fast-track is a vote against things we all hold dear -- growth in other lands -- prosperity ^{here} at home. ^{at} It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon ^{to} ~~the~~ the Yucatan. ^{think of it:} The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let us all build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. ~~(If you want to talk about a compelling fairness issue, consider this.)~~ The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$91 million trade deficit with Mexico. Today, we enjoy a \$28 billion surplus. This turnaround took place ^{in part} because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. ^{One} ~~As a result~~ ^{of this has been} our ~~the doubling~~ ^{of} exports to Mexico ~~have doubled~~ ^{just} in the past four years. That export boom has created 320,000 new jobs in the United States, most in the areas of design, manufacturing and engineering. Each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 80 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One ~~of~~ ^{member of} our Congressional ~~opponents~~ ^{that his} said the other day, ~~"my~~ ^{concern} is that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." ///

I couldn't agree more.

Others cite wage rates, environmental quality, and health and safety issues.

Well let's
~~Let's~~ talk about ~~his~~ *those* concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. Investment flows freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery for pollution violations. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

*Causality
is this actually
accurate?*

5

Finally, consider the matter of working conditions in Mexico. The trade surplus has caused Mexican wages to rise very quickly over the last few years, and produced no tangible reduction in American wages. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. As you know, Mexico is in the midst of a brain drain. It already graduates more engineers per capita than the U.S. does -- yet more and more good workers who can't find jobs head for the border every day. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

So you see, we have much to gain from extending fast track -- a new era of open, free and fair trade -- a future of unprecedented economic growth, and regional harmony, and yes, healthy competition.

A in support of.
~~The vote on fast-track -- and on the trade agreements --~~
really is a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. It says we believe in ~~Mexico's ability to adapt to a level economic playing field.~~ *ourselves. It says we* ~~Free and open markets let people~~

~~pursue their dreams by competing against other dreamers,
entrepreneurs.~~

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

We are the world's largest trader, and we have nothing to fear but the fear-mongers themselves. ~~X~~

~~Opponents of fast track and the Free Trade Agreement like to focus on envy, suspicion, fear -- sentiments unworthy of us as a people. They like to pretend that the world has not moved into a new era of international competition and cooperation. They seem to be the only ones who haven't learned that defeatism produces defeat, while confidence and self-reliance produce greatness.~~

~~We stand ready to~~ ^{We must} seize the opportunities that the new world economy offers us. With your help, ^{I know we will.} ~~I know we can conquer the demagogues of defeat. //~~

Thank you for your support, and God bless our great country.

#

WHITE HOUSE STAFFING MEMORANDUM

51 APR 3 P2:17

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., Wednesday, April 3, with a copy to this office. Thank you.

RESPONSE:

*See comments. Thanks,
Haley Williamson
4-3-91*

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

Tony - please note that I have * the comments that the Depts. felt strongly about. Many thanks. HW

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
TIME?**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Today, I've come to ask your help in that challenge.

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We need fast track ^{authority} now to pursue vital trade ^{objectives (or initiatives)} ~~parts~~ -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose all three of those ^{objectives (or initiatives).} ~~agreements.~~ We lose ^{a little Strong? (OCA)} trade. [We surrender our role as a world leader and role model.]

~~Those who oppose fast track cite a variety of issues -- wage rates, environmental quality, health and safety concerns.~~

✓ USTR
(they are not treaties)
✓ OCA

✓ OCA + Treasury
(E.A.I. is not a trade pact.)
✓ OCA + Treasury

VOCA + Treasury
promises too much. Either
delete complete paragraph or revise the 3rd
sentence as shown below.

~~We care about those, too. And we and the people of Mexico are working on them + we'll step up our efforts to meet each challenge, with a step-by-step plan to resolve each and every challenge.~~

✓ OCA
✓ OCA

Here's the key: A vote against fast-track is a vote against things we all hold dear -- ~~growth in other lands~~ ^{both here,} prosperity ^{and in other lands.} at home. It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon ^{to} the Yucatan. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market ^{would allow each of our countries to} ~~would let us all~~ build on ^{Treasury} our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices ^{and} improve product quality. If you want to talk about a compelling fairness issue, consider this: The agreement would ^{Treasury} make necessities such as food and clothing more affordable, and ^{Careful -} more available to our poorest citizens. It would raise ^{The afford-} productivity and produce a higher standard of living throughout ^{ability will} the continent. ^{Cheaper} ^{Mexican} ^{prices.}

✓
STCT

Note: *★* The #5 ~~on~~ on this page have some problems. Commerce & Treasury made changes. USTR said they are working directly w/ Peggy Dooley.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a ~~\$91 million~~ ^{\$4.9 billion} trade deficit with Mexico. ~~Today, we enjoy a \$28 billion surplus.~~ ^{That has been cut by 2/3 to 1.8 billion.} Today, we enjoy a ~~\$28 billion surplus.~~ ^{reduction} ~~turnaround~~ took place because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. As a result, our exports to Mexico have doubled in the past four years. That export boom has created 320,000 new jobs in the United States, ^{over 300,000 (or has created a substantial number of.)}

✓ Commerce

→ Commerce #
→ Treas. + Commerce #
(No Surplus.
(28 bil. = Total exports to Mex.)

✓ Commerce
Cannot substantiate 320,000.
Maybe say over 300,000.

~~most in the areas of design, manufacturing and engineering.~~ Each additional billion dollars in exports creates ^{about} 20,000 new jobs here in the United States.

✓ Commerce
No direct evidence of these areas. Suggest to delete that part.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 80 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

★
Commerce & Treas.
unnecessary
attach
too partisan
Commerce thinks this
Congressional opponent may still be on the fence & that this will definitely send him the other way. But they defer to McClellan & Portman.)

Unfortunately, we have a tough fight ahead of us. One ~~of~~ ^{member of Congress} ~~our Congressional opponents~~ said the other day, "My concern is that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." ///

I couldn't agree more.

perhaps we should just paraphrase Gephart.

✓ Commerce

Let's talk about ~~his~~ ^{Yuss} concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would ^{phase out} ~~eliminate~~ the remaining tariffs, ~~entirely~~. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

✓ OCA
✓ OCA

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders.

✓ Treasury

~~Investment flows freely across borders?~~ And everybody -- from ^{OCA} businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

✓ Treasury

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and ~~recently~~ by shutting down Mexico's largest oil refinery for pollution violations. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

Treasury *

Finally, consider the matter of working conditions in Mexico. ^{The recent expansion in trade has helped} ~~The trade surplus has caused~~ Mexican wages to rise very quickly over the last few years, and produced no tangible reduction in American wages. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

?

And ask them what's wrong with a more stable Mexico. (As you know, Mexico is in the midst of a brain drain.) It already graduates more engineers per capita than the U.S. does -- yet more and more good workers who can't find jobs head for the border every day. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

So you see, we have much to gain from extending fast track ^{act authority} -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony.

The vote on fast-track ~~and on the trade agreements~~ really is a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. It says we believe in Mexico's ability to adapt to a level economic playing field. Free and open markets let people

✓ USTR. *
Please do not say that.
We have been telling them to give us fast track & you can still have your chance to vote on each individual trade agreement (initiative).
USTR said this is an important distinction.

pursue their dreams by competing against other dreamers, the [✓] Trading entrepreneurs.

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

✓ USTR, Commerce & Treasury. Too boastful - delete this R. ✓ OCA

~~We are also saying that United Germany just passed us. We are the world's largest trader, and we have nothing to fear but the fear-mongers themselves. //~~

Opponents of fast track ^{authority} and the ^{North American} Free Trade Agreement like [✓] Commerce to focus on envy, suspicion, fear -- sentiments unworthy of us as a people. They like to pretend that the world has not moved into a new era of international competition and cooperation. They seem to be the only ones who haven't learned that defeatism produces defeat, while confidence and self-reliance produce greatness.

We stand ready to seize the opportunities that the new world economy offers us. With your help, I know we can conquer the demagogues of defeat. //

Thank you for your support, and God bless our great country.

#

WHITE HOUSE STAFFING MEMORANDUM

91 APR 3 11:25

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., Wednesday, April 3, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
TIME?

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Today, I've come to ask your help in that challenge.

Last month, I asked Congress to extend our "fast track" authority in trade negotiations. This mechanism lets our negotiators assure their counterparts that agreements they reach at the bargaining table will be the same ones voted on at home. It makes us good for our word.

Fast-track doesn't affect Congress' power to accept or reject treaties. It just prevents changing agreements we have reached, and forcing everyone involved to start from scratch.

We need fast track now to pursue vital trade pacts -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose all three of those ^{efforts.} ~~agreements~~. We lose trade. We surrender our role as a world leader and role model. ✓

Those who oppose fast track cite a variety of issues -- wage rates, environmental quality, health and safety concerns.

We care about those, too. And we're working on them, with a step-by-step plan to resolve each and every challenge.

Here's the key: A vote against fast-track is a vote against things we all hold dear -- ~~growth in other lands~~ ^{both here} prosperity at home ^{and in other lands.} It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon the the Yucatan. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let us all build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. If you want to talk about a compelling fairness issue, consider this: The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

2412

Document No. 225667SS

WHITE HOUSE STAFFING MEMORANDUM

91 APR 3 P1:26



DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

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RESPONSE:

April 3, 1991

TO: TONY SNOW

NSC concurs with the attached, as revised.


Brent Scowcroft

cc: Phillip Brady

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

RECEIVED

91 APR 2 P 4: 42

91 APR 3 11: 50

Insert #1

On March 1, I asked Congress to extend for an additional two years the so-called fast track procedures for approval of trade agreements. Fast Track authority is one of those Washington buzz words that mean a lot to those who follow trade issues. But keeping fast track is also critical to our prosperity as a nation and our leadership in the global economy.

The Fast track procedures enacted by Congress -- and what I am seeking to preserve -- provide guarantees essential to successful trade negotiations: a yea or nay vote by Congress on the negotiated agreement without any modifications. Without fast track, we can't assure our negotiating partners that the agreement reached at the bargaining table will be the agreement voted on by Congress. If Congress starts modifying what the Administration negotiates, we would have to negotiate those changes all over again with the other countries and would never conclude any trade agreements at all. For that reason, without fast track our trading partners won't even start trade talks with us.

Contrary to what some have claimed, fast track does not cut Congress out of the picture. Fast track procedures require, and we are committed to, close and continuing consultations with Congress every step of the way. And Congress has the last word: if they do not like the agreement we negotiate, they can vote it down. But denying an extension of fast track denies us a chance to negotiate any trade agreement at all.

The Uruguay Round of multilateral negotiations, the United States free trade talks with Mexico, and the Enterprise for the Americas Initiative all hold immense promise for the future prosperity of our hemisphere. But to realize the benefits of these initiatives, we need fast track.

Insert #2

Trade negotiations will play an enormously important role in determining the shape of the emerging world economic order. Our credibility and leadership in those talks depend on keeping fast track. Time after time we have learned that increased trade helps everybody. I hope that everyone understands the crucial importance of fast track and will encourage Congress to support the Administration's request.

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
TIME?**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Today, I've come to ask your help in that challenge.

Replace with insert #1
Last month, I asked Congress to extend our "fast track" authority in trade negotiations. This mechanism lets our negotiators assure their counterparts that agreements they reach at the bargaining table will be the same ones voted on at home. It makes us good for our word.

Fast-track doesn't affect Congress' power to accept or reject treaties. It just prevents changing agreements we have reached, and forcing everyone involved to start from scratch.

We need fast track now to pursue vital trade pacts -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose all three of these agreements. We lose trade. We surrender our role as a world leader and role model.

Those who oppose fast track cite a variety of issues -- wage rates, environmental quality, health and safety concerns.

We care about those, too. And we're working on them, with a step-by-step plan to resolve each and every challenge.

Here's the key: A vote against fast-track is a vote against things we all hold dear -- growth in other lands -- prosperity at home. It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon ^{to} ~~the~~ Yucatan. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let us all build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. If you want to talk about a compelling fairness issue, consider this: The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$91 million trade deficit with Mexico. Today, we enjoy a \$28 billion surplus. This turnaround took place because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. As a result, our exports to Mexico have doubled in the past four years. That export boom has created 320,000 new jobs in the United States, most in the areas of design, manufacturing and engineering. Each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 80 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One of our Congressional opponents said the other day, "My concern is that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." ///

I couldn't agree more.

Let's talk about his concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. Investment flows freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery ~~for pollution violations~~. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

*because it was polluting Mexico City's
air*

Finally, consider the matter of working conditions in Mexico. The trade surplus has caused Mexican wages to rise very quickly over the last few years, and produced no tangible reduction in American wages. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. As you know, Mexico is in the midst of a brain drain. It already graduates more engineers per capita than the U.S. does -- yet more and more good workers who can't find jobs head for the border every day. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

So you see, we have much to gain from extending fast track -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony.

The vote on fast-track -- and on the trade agreements -- really is a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. It says we believe in Mexico's ability to adapt to a level economic playing field. Free and open markets let people

pursue their dreams by competing against other dreamers, entrepreneurs.

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

We are the world's largest trader, and we have nothing to fear but the fear-mongers themselves. //

Opponents of fast track and the Free Trade Agreement like to focus on envy, suspicion, fear -- sentiments unworthy of us as a people. They like to pretend that the world has not moved into a new era of international competition and cooperation. They seem to be the only ones who haven't learned that defeatism produces defeat, while confidence and self-reliance produce greatness.

replace with insert #2

~~We stand ready to seize the opportunities that the new world economy offers us. With your help, I know we can conquer the demagogues of defeat. //~~

Thank you for your support, and God bless our great country.

###

Document No. 225667SS

01 APR 3 12:27
WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

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RESPONSE:

Please see suggestions

4/3/91

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
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2

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4

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6

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Thank you for your support, and God bless our great country.

#

WHITE HOUSE STAFFING MEMORANDUM

91 MAR 4 91 MAR 6 10:36 AIO:37

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., Wednesday, April 3, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

**PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN
MONDAY, APRIL 8, 1991
TIME?**

((Acknowledgements))

Good morning. I've been looking forward to meeting with you today, because I want to discuss two issues important to us all: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. I've said many times that the hard work of freedom awaits us. Today, I've come to ask your help in that challenge.

Last month, I asked Congress to extend our "fast track" authority in trade negotiations. This mechanism lets our negotiators assure their counterparts that agreements they reach at the bargaining table will be the same ones voted on at home. It makes us good for our word.

Fast-track doesn't affect Congress' power to accept or reject treaties. It just prevents changing agreements we have reached, and forcing everyone involved to start from scratch.

We need fast track now to pursue vital trade pacts -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our fast track authority, we lose all three of those agreements. We lose trade. We surrender our role as a world leader and role model.

Those who oppose fast track cite a variety of issues -- wage rates, environmental quality, health and safety concerns.

We care about those, too. And we're working on them, with a step-by-step plan to resolve each and every challenge.

Here's the key: A vote against fast-track is a vote against things we all hold dear -- growth in other lands -- prosperity at home. It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; we don't want to hide from it. We want to join in the thrilling business of innovation; we don't want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon the the Yucatan. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on earth -- 360 million consumers in a market that generates \$6 trillion in output a year.

A unified North American market would let us all build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. If you want to talk about a compelling fairness issue, consider this: The agreement would make necessities such as food and clothing more affordable, and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the fast-track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries. Just four years ago, we had a \$91 million trade deficit with Mexico. Today, we enjoy a \$28 billion surplus. This turnaround took place because Mexican President Carlos Salinas believes in free trade. He has slashed tariff rates for some goods from 100 percent to 10 percent. As a result, our exports to Mexico have doubled in the past four years. That export boom has created 320,000 new jobs in the United States, most in the areas of design, manufacturing and engineering. Each additional billion dollars in exports creates 20,000 new jobs here in the United States.

Now, I don't have to tell anyone in this room about Mexico's market potential -- 80 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we have a tough fight ahead of us. One of our Congressional opponents said the other day, "My concern is that our trade negotiators keep uppermost in their mind the impact of this agreement on American jobs, American companies, and American exports." ///

I couldn't agree more.

Let's talk about his concerns. We've already seen what the reduction in Mexican tariffs has done for American exports. A free-trade agreement would eliminate the remaining tariffs entirely. That would stimulate exports, create new jobs, generate wealth and hope on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. Investment flows freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment: The North American Free Trade Agreement fits into a winning strategy for improving environmental quality. Opponents of fast-track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and environmental quality.

This Administration wants to ensure that Mexican economic growth goes hand in hand with environmental protection. Our E.P.A. is already assisting the Salinas government with its environmental programs. President Salinas has shown he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters and recently by shutting down Mexico's largest oil refinery for pollution violations. I believe that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

Finally, consider the matter of working conditions in Mexico. The trade surplus has caused Mexican wages to rise very quickly over the last few years, and produced no tangible reduction in American wages. That being the case, someone ought to ask the opponents of fast track why they oppose prosperity in Mexico. Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. Ask them what is wrong with increased productivity throughout the continent.

And ask them what's wrong with a more stable Mexico. As you know, Mexico is in the midst of a brain drain. It already graduates more engineers per capita than the U.S. does -- yet more and more good workers who can't find jobs head for the border every day. A free-trade pact would encourage investment, create jobs, lift wages and give talented Mexican citizens opportunities they don't enjoy today. A stronger Mexico, in turn, means a stronger United States, and a stronger North American alliance.

So you see, we have much to gain from extending fast track -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony.

The vote on fast-track -- and on the trade agreements -- really is a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. It says we believe in Mexico's ability to adapt to a level economic playing field. Free and open markets let people

pursue their dreams by competing against other dreamers, entrepreneurs.

As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We have created technologies and products unlike any others produced in human history. We have placed the wisdom of the ages within reach of anyone who can operate a computer.

We are the world's largest trader, and we have nothing to fear but the fear-mongers themselves. //

Opponents of fast track and the Free Trade Agreement like to focus on envy, suspicion, fear -- sentiments unworthy of us as a people. They like to pretend that the world has not moved into a new era of international competition and cooperation. They seem to be the only ones who haven't learned that defeatism produces defeat, while confidence and self-reliance produce greatness.

We stand ready to seize the opportunities that the new world economy offers us. With your help, I know we can conquer the demagogues of defeat. //

Thank you for your support, and God bless our great country.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/2/91 ACTION/CONCURRENCE/COMMENT DUE BY: WEDNESDAY 4/3/91 2:00

SUBJECT: PRESIDENTIAL REMARKS: HISPANIC FREE TRADE BREAKFAST

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u> </u>	<input type="checkbox"/>	<input type="checkbox"/>

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RESPONSE:

See comments

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

Grant/Dooley
April 1, 1991 APR -2 PM 1:13
A:Mextrade / Draft six

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MONDAY, APRIL 8, 1991
TIME?**

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scully
X5178*

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This is wrong -- we have a \$1.8 billion deficit. Doisy 4/5/94

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We stand ready to seize the opportunities that the new world economy offers us. With your help, I know we can conquer the demagogues of defeat. //

Thank you for your support, and God bless our great country.

#

**HISPANIC FREE TRADE BREAKFAST \ THE HOUSTONIAN
MONDAY, APRIL 8, 1991 \ 8 A.M.**

GOOD MORNING. I'VE BEEN LOOKING FORWARD TO MEETING WITH YOU TODAY, BECAUSE I WANT TO DISCUSS TWO ISSUES IMPORTANT TO US ALL: AMERICA'S ABILITY TO COMPETE IN THE GLOBAL MARKETPLACE AND OUR ABILITY TO NEGOTIATE WITH OUR TRADING PARTNERS. I'VE SAID MANY TIMES THAT THE HARD WORK OF FREEDOM AWAITS US. NOW, I'M ASKING FOR YOUR HELP IN THAT CHALLENGE.

- 2 -

LAST MONTH, I ASKED CONGRESS TO SUPPORT OUR "FAST TRACK" AUTHORITY IN TRADE NEGOTIATIONS. FAST TRACK IS A WAY OF ASSURING OUR TRADING COUNTERPARTS THAT THE AGREEMENTS THEY REACH AT THE BARGAINING TABLE WITH OUR NEGOTIATORS WILL BE THE SAME ONES REVIEWED BY OUR CONGRESS.

FAST-TRACK DOESN'T AFFECT CONGRESS' POWER TO ACCEPT OR REJECT TRADE AGREEMENTS.

BUT IT DOES PREVENT 11TH-HOUR CHANGES TO AGREEMENTS WE HAVE REACHED, CHANGES THAT FORCE EVERYONE INVOLVED TO START FROM SCRATCH.

WE NEED FAST TRACK AUTHORITY TO PURSUE VITAL TRADE OBJECTIVES -- THE NORTH AMERICAN FREE TRADE AGREEMENT, THE URUGUAY ROUND AND THE ENTERPRISE FOR THE AMERICAS INITIATIVE. IF WE LOSE OUR FAST TRACK AUTHORITY, WE LOSE ANY HOPE OF ACHIEVING THESE THREE AGREEMENTS.

WE LOSE TRADE. WE LOSE JOBS AND JEOPARDIZE ECONOMIC GROWTH.

HERE'S THE KEY: A VOTE AGAINST FAST-TRACK IS A VOTE AGAINST THINGS WE ALL HOLD DEAR -- PROSPERITY AT HOME -- GROWTH IN OTHER LANDS. IT IGNORES THE DRAMATIC AND WONDERFUL CHANGES IN THE WORLD ECONOMY.

WE WANT TO PLAY A LEADING ROLE IN THAT EMERGING, EXCITING WORLD; WE DON'T WANT TO HIDE FROM IT.

WE WANT TO JOIN IN THE THRILLING BUSINESS OF INNOVATION; WE DON'T WANT TO CHAIN PEOPLE TO OUTMODED TECHNOLOGIES AND IDEAS.

RIGHT NOW, WE HAVE THE CHANCE TO EXPAND OPPORTUNITY AND ECONOMIC GROWTH FROM THE YUKON TO THE YUCATAN. THINK OF IT: THE NORTH AMERICAN FREE TRADE AGREEMENT WOULD LINK US WITH OUR LARGEST TRADING PARTNER, CANADA, AND OUR THIRD-LARGEST PARTNER, MEXICO.

IT WOULD CREATE THE LARGEST, RICHEST TRADE ZONE ON EARTH -- 360 MILLION CONSUMERS IN A MARKET THAT GENERATES \$6 TRILLION IN OUTPUT A YEAR.

A UNIFIED NORTH AMERICAN MARKET WOULD LET EACH OF OUR COUNTRIES BUILD ON OUR STRENGTHS. IT WOULD PROVIDE MORE AND BETTER JOBS FOR U.S. WORKERS. IT WOULD STIMULATE PRICE COMPETITION, LOWER CONSUMER PRICES, IMPROVE PRODUCT QUALITY.

THE AGREEMENT WOULD MAKE NECESSITIES SUCH AS FOOD AND CLOTHING MORE AFFORDABLE, AND MORE AVAILABLE TO OUR POOREST CITIZENS. IT WOULD RAISE PRODUCTIVITY AND PRODUCE A HIGHER STANDARD OF LIVING THROUGHOUT THE CONTINENT.

LET ME ILLUSTRATE THE STAKES INVOLVED IN THE FAST-TRACK DEBATE BY DISCUSSING THE MEXICAN COMPONENT OF THE NORTH AMERICAN FREE TRADE AGREEMENT. TRADE WITH MEXICO HAS HELPED BOTH OUR COUNTRIES.

JUST FOUR YEARS AGO, WE HAD A \$4.9 BILLION TRADE DEFICIT WITH MEXICO. SINCE THEN, WE HAVE CUT THAT DEFICIT BY TWO-THIRDS, TO \$1.8 BILLION. THIS TURNAROUND TOOK PLACE IN PART BECAUSE MEXICAN PRESIDENT CARLOS SALINAS BELIEVES IN FREE TRADE. HE HAS SLASHED TARIFF RATES FOR SOME GOODS FROM 100 PERCENT TO 10 PERCENT. ONE RESULT: OUR EXPORTS TO MEXICO HAVE INCREASED 130 PERCENT IN THE PAST FOUR YEARS.

THIS EXPORT BOOM HAS CREATED MORE THAN 300,000 NEW JOBS IN THE UNITED STATES, MOST IN THE AREAS OF DESIGN, MANUFACTURING AND ENGINEERING. AND EACH ADDITIONAL BILLION DOLLARS IN EXPORTS CREATES 20,000 NEW JOBS HERE IN THE UNITED STATES.

NOW, I DON'T HAVE TO TELL ANYONE IN THIS ROOM ABOUT MEXICO'S MARKET POTENTIAL -- 85 MILLION CONSUMERS WHO WANT TO BUY OUR GOODS.

NOR DO I HAVE TO TELL YOU THAT AS MEXICO GROWS AND PROSPERS, IT WILL NEED EVEN MORE OF THE GOODS WE'RE BEST AT PRODUCING -- COMPUTERS, MANUFACTURING EQUIPMENT, HIGH-TECH AND HIGH-VALUE PRODUCTS.

UNFORTUNATELY, WE HAVE A TOUGH FIGHT AHEAD OF US. ONE MEMBER OF CONGRESS THE OTHER DAY EXPRESSED HIS CONCERN "THAT OUR TRADE NEGOTIATORS KEEP UPPERMOST IN THEIR MIND THE IMPACT OF THIS AGREEMENT ON AMERICAN JOBS, AMERICAN COMPANIES, AND AMERICAN EXPORTS."

OTHER MEMBERS OF CONGRESS SAY THEY WORRY ABOUT WAGE RATES, ENVIRONMENTAL QUALITY, AND HEALTH AND SAFETY ISSUES. ///

I COULDN'T AGREE MORE.

LET'S TALK ABOUT THOSE CONCERNS. WE'VE ALREADY SEEN WHAT THE REDUCTION IN MEXICAN TARIFFS HAS DONE FOR AMERICAN EXPORTS. A FREE-TRADE AGREEMENT WOULD ELIMINATE THE REMAINING TARIFFS ENTIRELY.

THAT WOULD STIMULATE EXPORTS, CREATE NEW JOBS, GENERATE WEALTH AND HOPE ON BOTH SIDES OF THE BORDER.

LET'S TAKE A LOOK AT THE IMPACT ON AMERICAN COMPANIES. WHEN TRADE BARRIERS VANISH, GOODS FLOW FREELY ACROSS BORDERS. INVESTMENT FLOWS FREELY ACROSS BORDERS. AND EVERYBODY -- BUSINESSMEN AND WORKERS, TO FARMERS AND CONSUMERS -- REAPS THE BENEFITS OF GROWTH.

CONSIDER THE ENVIRONMENT: THE NORTH AMERICAN FREE TRADE AGREEMENT FITS INTO A WINNING STRATEGY FOR IMPROVING ENVIRONMENTAL QUALITY. OPPONENTS OF FAST-TRACK AND THE TRADE PACTS FORGET THAT PROSPERITY OFFERS THE SUREST ROAD TO WORKER SAFETY, PUBLIC HEALTH AND ENVIRONMENTAL QUALITY.

THIS ADMINISTRATION WANTS TO ENSURE THAT MEXICAN ECONOMIC GROWTH GOES HAND IN HAND WITH ENVIRONMENTAL PROTECTION.

OUR E.P.A. IS ALREADY ASSISTING THE SALINAS GOVERNMENT WITH ITS ENVIRONMENTAL PROGRAMS. PRESIDENT SALINAS HAS SHOWN HE'S SERIOUS ABOUT CLEANING UP THE ENVIRONMENT -- BY REQUIRING ALL NEW CARS TO HAVE CATALYTIC CONVERTERS AND RECENTLY BY SHUTTING DOWN MEXICO'S LARGEST OIL REFINERY FOR POLLUTION VIOLATIONS. I BELIEVE THAT PRESIDENT SALINAS CARES DEEPLY ABOUT HIS NATION AND ITS PEOPLE, AND THAT HE MEANS BUSINESS WHEN HE SAYS HE WANTS TO CLEAN UP MEXICO'S AIR AND WATER.

FINALLY, CONSIDER THE MATTER OF WORKING CONDITIONS IN MEXICO. AS OUR TRADE WITH MEXICO HAS GROWN, SO HAVE THE WAGES OF MEXICAN WORKERS. INDEED, MEXICAN WAGES HAVE RISEN VERY QUICKLY IN RECENT YEARS, WITH NO TANGIBLE IMPACT ON AMERICAN PAY SCALES. THAT BEING THE CASE, SOMEONE OUGHT TO ASK THE OPPONENTS OF FAST TRACK WHY THEY OPPOSE PROSPERITY IN MEXICO.

SOMEONE SHOULD ASK WHY THEY OPPOSE LETTING OUR NEIGHBORS ENJOY THE BENEFITS OF PROGRESS. ASK THEM WHAT IS WRONG WITH INCREASED PRODUCTIVITY THROUGHOUT THE CONTINENT.

AND ASK THEM WHAT'S WRONG WITH A MORE STABLE MEXICO. A FREE-TRADE PACT WOULD ENCOURAGE INVESTMENT, CREATE JOBS, LIFT WAGES AND GIVE TALENTED MEXICAN CITIZENS OPPORTUNITIES THEY DON'T ENJOY TODAY.

A STRONGER MEXICO, IN TURN, MEANS A STRONGER UNITED STATES, AND A STRONGER NORTH AMERICAN ALLIANCE.

SO YOU SEE, WE HAVE MUCH TO GAIN FROM EXTENDING FAST TRACK -- A NEW ERA OF OPEN, FREE AND FAIR TRADE -- A FUTURE OF UNPRECEDENTED ECONOMIC GROWTH AND REGIONAL HARMONY.

AS WITH MOST GOOD THINGS IN LIFE, COMPETITION INVOLVES RISK. BUT WE ALWAYS HAVE BEEN A NATION OF RISK-TAKERS, ADVENTURERS.

OUR FOREFATHERS TRANSFORMED A ROUGH WILDERNESS INTO AN INDUSTRIAL SUPERPOWER. WE HAVE CREATED TECHNOLOGIES AND PRODUCTS UNLIKE ANY OTHERS PRODUCED IN HUMAN HISTORY. WE HAVE PLACED THE WISDOM OF THE AGES WITHIN REACH OF ANYONE WHO CAN OPERATE A COMPUTER.

THE VOTE ON FAST-TRACK -- AND ON THE TRADE AGREEMENTS -- REALLY IS A VOTE ON WHAT KIND OF AMERICA WE WANT TO BUILD. A "YES" VOTE EXPRESSES CONFIDENCE IN AMERICAN KNOW-HOW AND INGENUITY. IT SAYS WE BELIEVE IN OURSELVES.

INDEED, AS WE PREPARE TO JOIN A WORLD LINKED PRIMARILY BY ECONOMIC / NOT MILITARY / COMPETITION, WE HAVE NOTHING TO FEAR BUT THE FEAR-MONGERS THEMSELVES.

//

THEY SEEM TO BE THE ONLY ONES WHO HAVEN'T LEARNED LATELY THAT DEFEATISM PRODUCES DEFEAT, WHILE CONFIDENCE AND SELF-RELIANCE PRODUCE GREATNESS.

WE MUST SEIZE THE OPPORTUNITIES THAT THE NEW WORLD ECONOMY OFFERS US. WITH YOUR HELP, I KNOW WE WILL.//

THANK YOU FOR YOUR SUPPORT, AND GOD BLESS OUR GREAT COUNTRY.

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HISPANIC FREE TRADE BREAKFAST
THE HOUSTONIAN / MONDAY, APRIL 8, 1991 / 8:15 A.M.

THANK YOU, MIGUEL [MIGUEL SAN JUAN, VICE CHAIRMAN GREATER HOUSTON PARTNERSHIP], AND THANK YOU FOR ALL YOUR HARD WORK ON BEHALF OF THIS VERY IMPORTANT ISSUE. AND LIONEL SOSA, THOSE ADS WERE TERRIFIC! THANKS SO MUCH FOR ALL YOU HAVE DONE. MY OLD FRIEND, BOB MOSBACHER, OUR ABLE SECRETARY OF COMMERCE, GREAT TO SEE YOU HERE TODAY.

- 2 -

BOB, MIGUEL, LIONEL, FRIENDS OF THE HOUSTON CHAPTER OF THE HISPANIC ALLIANCE FOR FREE TRADE, AND ALL THOSE WHO ARE SUPPORTING FREER TRADE BETWEEN THE UNITED STATES AND OUR NEIGHBORS, GOOD MORNING.

I'VE BEEN LOOKING FORWARD TO MEETING WITH YOU TODAY, BECAUSE I WANT TO DISCUSS TWO ISSUES IMPORTANT TO US ALL: AMERICA'S ABILITY TO COMPETE IN THE GLOBAL MARKETPLACE AND OUR ABILITY TO NEGOTIATE WITH OUR TRADING PARTNERS.

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WE WANT TO PLAY A LEADING ROLE IN THAT EMERGING, EXCITING WORLD; WE DON'T WANT TO HIDE FROM IT.

WE WANT TO JOIN IN THE THRILLING BUSINESS OF INNOVATION; WE DON'T WANT TO CHAIN PEOPLE TO OUTMODED TECHNOLOGIES AND IDEAS.

RIGHT NOW, WE HAVE THE CHANCE TO EXPAND OPPORTUNITY AND ECONOMIC GROWTH FROM THE YUKON TO THE YUCATAN. THINK OF IT: THE NORTH AMERICAN FREE TRADE AGREEMENT WOULD LINK US WITH OUR LARGEST TRADING PARTNER, CANADA, AND OUR THIRD-LARGEST PARTNER, MEXICO.

IT WOULD CREATE THE LARGEST, RICHEST TRADE ZONE ON EARTH -- 360 MILLION CONSUMERS IN A MARKET THAT GENERATES \$6 TRILLION IN OUTPUT A YEAR.

A UNIFIED NORTH AMERICAN MARKET WOULD LET EACH OF OUR COUNTRIES BUILD ON OUR STRENGTHS. IT WOULD PROVIDE MORE AND BETTER JOBS FOR U.S. WORKERS. IT WOULD STIMULATE PRICE COMPETITION, LOWER CONSUMER PRICES, IMPROVE PRODUCT QUALITY.

THE AGREEMENT WOULD MAKE NECESSITIES SUCH AS FOOD AND CLOTHING MORE AFFORDABLE, AND MORE AVAILABLE TO OUR POOREST CITIZENS. IT WOULD RAISE PRODUCTIVITY AND PRODUCE A HIGHER STANDARD OF LIVING THROUGHOUT THE CONTINENT.

LET ME ILLUSTRATE THE STAKES INVOLVED IN THE FAST-TRACK DEBATE BY DISCUSSING THE MEXICAN COMPONENT OF THE NORTH AMERICAN FREE TRADE AGREEMENT. TRADE WITH MEXICO HAS HELPED BOTH OUR COUNTRIES.

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JUST FOUR YEARS AGO, WE HAD A \$4.9 BILLION TRADE DEFICIT WITH MEXICO. SINCE THEN, WE HAVE CUT THAT DEFICIT BY TWO-THIRDS, TO \$1.8 BILLION. THIS TURNAROUND TOOK PLACE IN PART BECAUSE MEXICAN PRESIDENT CARLOS SALINAS BELIEVES IN FREE TRADE. HE HAS SLASHED TARIFF RATES FOR SOME GOODS FROM 100 PERCENT TO 10 PERCENT. ONE RESULT: OUR EXPORTS TO MEXICO HAVE INCREASED 130 PERCENT IN THE PAST FOUR YEARS.

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THIS EXPORT BOOM HAS CREATED MORE THAN 300,000 NEW JOBS IN THE UNITED STATES. AND EACH ADDITIONAL BILLION DOLLARS IN EXPORTS CREATES 20,000 NEW JOBS HERE IN THE UNITED STATES.

NOW, I DON'T HAVE TO TELL ANYONE IN THIS ROOM ABOUT MEXICO'S MARKET POTENTIAL -- 85 MILLION CONSUMERS WHO WANT TO BUY OUR GOODS.

NOR DO I HAVE TO TELL YOU THAT AS MEXICO GROWS AND PROSPERS, IT WILL NEED EVEN MORE OF THE GOODS WE'RE BEST AT PRODUCING -- COMPUTERS, MANUFACTURING EQUIPMENT, HIGH-TECH AND HIGH-VALUE PRODUCTS.

UNFORTUNATELY, WE HAVE A TOUGH FIGHT AHEAD OF US. SOME MEMBERS OF CONGRESS ARE CONCERNED ABOUT THE POTENTIAL IMPACT THAT ANY AGREEMENT MAY HAVE ON AMERICAN JOBS, AMERICAN COMPANIES, AND AMERICAN EXPORTS.

OTHER MEMBERS OF CONGRESS SAY THEY WORRY ABOUT WAGE RATES, ENVIRONMENTAL QUALITY, AND HEALTH AND SAFETY ISSUES. ///

I BELIEVE CONCERN ABOUT THOSE VERY SAME ISSUES IS THE STRONGEST ARGUMENT FOR SUPPORTING FAST-TRACK.

LET'S TALK ABOUT THOSE CONCERNS. WE'VE ALREADY SEEN WHAT THE REDUCTION IN MEXICAN TARIFFS HAS DONE FOR AMERICAN EXPORTS. A FREE-TRADE AGREEMENT WOULD ELIMINATE THE REMAINING TARIFFS ENTIRELY.

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THAT WOULD STIMULATE EXPORTS, CREATE NEW JOBS, GENERATE WEALTH AND HOPE ON BOTH SIDES OF THE BORDER.

LET'S TAKE A LOOK AT THE IMPACT ON AMERICAN COMPANIES. WHEN TRADE BARRIERS VANISH, GOODS FLOW FREELY ACROSS BORDERS. AND EVERYBODY -- BUSINESSMEN AND WORKERS, TO FARMERS AND CONSUMERS -- REAPS THE BENEFITS OF GROWTH.

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CONSIDER THE ENVIRONMENT: THE NORTH AMERICAN FREE TRADE AGREEMENT FITS INTO A WINNING STRATEGY FOR IMPROVING ENVIRONMENTAL QUALITY. OPPONENTS OF FAST-TRACK AND THE TRADE PACTS FORGET THAT PROSPERITY OFFERS THE SUREST ROAD TO WORKER SAFETY, PUBLIC HEALTH AND ENVIRONMENTAL QUALITY.

THIS ADMINISTRATION WANTS TO ENSURE THAT MEXICAN ECONOMIC GROWTH GOES HAND IN HAND WITH ENVIRONMENTAL PROTECTION.

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OUR E.P.A. IS ALREADY ASSISTING THE SALINAS GOVERNMENT WITH ITS ENVIRONMENTAL PROGRAMS. PRESIDENT SALINAS HAS SHOWN HE'S SERIOUS ABOUT CLEANING UP THE ENVIRONMENT - - BY REQUIRING ALL NEW CARS TO HAVE CATALYTIC CONVERTERS AND RECENTLY BY SHUTTING DOWN MEXICO'S LARGEST OIL REFINERY BECAUSE IT WAS POLLUTING THE AIR. I BELIEVE THAT PRESIDENT SALINAS CARES DEEPLY ABOUT HIS NATION AND ITS PEOPLE, AND THAT HE MEANS BUSINESS WHEN HE SAYS HE WANTS TO CLEAN UP MEXICO'S AIR AND WATER.

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FINALLY, CONSIDER THE MATTER OF WORKING CONDITIONS IN MEXICO. AS OUR TRADE WITH MEXICO HAS GROWN, SO HAVE THE WAGES OF MEXICAN WORKERS. INDEED, MEXICAN WAGES HAVE RISEN VERY QUICKLY IN RECENT YEARS, WITH NO TANGIBLE IMPACT ON AMERICAN PAY SCALES. THAT BEING THE CASE, SOMEONE OUGHT TO ASK THE OPPONENTS OF FAST TRACK WHY THEY OPPOSE PROSPERITY IN MEXICO.

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SOMEONE SHOULD ASK WHY THEY OPPOSE LETTING OUR NEIGHBORS ENJOY THE BENEFITS OF PROGRESS. ASK THEM WHAT IS WRONG WITH INCREASED PRODUCTIVITY THROUGHOUT THE CONTINENT.

AND ASK THEM WHAT'S WRONG WITH A MORE STABLE MEXICO. A FREE-TRADE PACT WOULD ENCOURAGE INVESTMENT, CREATE JOBS, LIFT WAGES AND GIVE TALENTED MEXICAN CITIZENS OPPORTUNITIES THEY DON'T ENJOY TODAY.

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A STRONGER MEXICO, IN TURN, MEANS A STRONGER UNITED STATES, AND A STRONGER NORTH AMERICAN ALLIANCE.

SO YOU SEE, WE HAVE MUCH TO GAIN FROM EXTENDING FAST TRACK -- A NEW ERA OF OPEN, FREE AND FAIR TRADE -- A FUTURE OF UNPRECEDENTED ECONOMIC GROWTH AND REGIONAL HARMONY.

AS WITH MOST GOOD THINGS IN LIFE, COMPETITION INVOLVES RISK. BUT WE ALWAYS HAVE BEEN A NATION OF RISK-TAKERS, ADVENTURERS.

OUR FOREFATHERS TRANSFORMED A ROUGH WILDERNESS INTO AN INDUSTRIAL SUPERPOWER. WE HAVE CREATED TECHNOLOGIES AND PRODUCTS UNLIKE ANY OTHERS PRODUCED IN HUMAN HISTORY. WE HAVE PLACED THE WISDOM OF THE AGES WITHIN REACH OF ANYONE WHO CAN OPERATE A COMPUTER.

THE VOTE ON FAST-TRACK REALLY IS A VOTE ON WHAT KIND OF AMERICA WE WANT TO BUILD. A "YES" VOTE EXPRESSES CONFIDENCE IN AMERICAN KNOW-HOW AND INGENUITY.

IT SAYS WE BELIEVE IN OURSELVES.

INDEED, AS WE PREPARE TO JOIN A WORLD LINKED PRIMARILY BY ECONOMIC / NOT MILITARY / COMPETITION, WE HAVE NOTHING TO FEAR BUT THE FEAR-MONGERS THEMSELVES. // THEY SEEM TO BE THE ONLY ONES WHO HAVEN'T LEARNED LATELY THAT DEFEATISM PRODUCES DEFEAT, WHILE CONFIDENCE AND SELF-RELIANCE PRODUCE GREATNESS.

WE MUST SEIZE THE OPPORTUNITIES THAT THE NEW WORLD ECONOMY OFFERS US. WITH YOUR HELP, I KNOW WE WILL.//

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THANK YOU FOR YOUR SUPPORT, AND GOD BLESS OUR GREAT
COUNTRY.

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THE WHITE HOUSE

Office of the Press Secretary
(Houston, Texas)

For Immediate Release

April 8, 1991

REMARKS BY THE PRESIDENT
AT HISPANIC FREE TRADE BREAKFAST

The Houstonian
Houston, Texas

8:30 A.M. CDT

THE PRESIDENT: Thank you all very much. And Miguel, thank you for your leadership for the Greater Houston Partnership. And to all of you who managed to get through security and struggle in here, why, -- (laughter) -- apologies for the delay, but I'm sure glad to see you.

You know, these lights are bright. I can see many, many friendly faces out there, people with whom I've worked for one cause or another over the years. You have this wonderful way of making a guy feel at home. So thank you for coming. Lionel Sosa, I love those ads. They're terrific. I believe they're going to be very effective. And I thank you for your energy and your expertise. Those are the people that -- also, would thank all of those who are helping you on this project.

To my old friend, Bob Mosbacher, our able Secretary of Commerce, I'm glad to see him. He's slightly jet lagged out, having just returned from Japan on yet another mission to try to encourage our exports -- a mission in favor of free and fair trade -- something we must continue to press for, whether it's halfway across the world or whether it's in relation to our own neighbors to the south. And Bob is doing a great job, a leadership role in fighting for free trade, because he knows as I do, and as all of you do, that the freer the trade is, the more job opportunities there are for the people of the United States of America, say nothing of our trading partners. And so I'm glad to see him back from his mission.

I've been looking forward to this meeting today. We've had a series of these, as some of you know. Some have attended one in Washington, then we had one out in California, and now this. Because I do want to discuss with you two issues that are vitally important to all of us: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. That's what's at stake right now. I've said many times that the hard work of freedom awaits us. And now, I'm asking for your help in that challenge.

I love the way that Mexico's very able President Carlos Salinas talked yesterday about the vision -- the vision of free and fair trade between the two countries. It's a vision that we share.

Last month, I asked Congress to support this Fast-Track authority in trade negotiations. You see, Fast-Track is a way of assuring our trading counterparts that the agreements that they reach with us at that bargaining table, the one they reach with our negotiators will be the same ones that Congress has a chance to vote on, up or down. Some are alleging Congress has no say. And that's simply not true.

Fast-Track doesn't affect Congress' power to accept or reject trade agreements. But it does prevent these 11th-hour changes to agreements that have been hammered out, changes that force everyone to start all over again.

MORE

We need Fast-Track authority to pursue vital trade objectives -- the North American Free Trade Agreement, the Uruguay Round and the Enterprise for the Americas Initiative. If we lose our Fast-Track authority, we lose any hope of achieving these three vital agreements. The North American Free Trade Agreement, the Uruguay Round, and the Enterprise for the Americas Initiative. We lose trade. We lose jobs. And we jeopardize economic growth.

Here's the key: A vote against Fast-Track is a vote against things that we all hold dear -- prosperity at home, and growth in other lands. It ignores the dramatic and wonderful changes in the world economy.

We want to play a leading role in that emerging, exciting world; and we don't want to hide from it. We want to join in the thrilling business of innovation; and we do not want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. Think of it. The North American Free Trade Agreement would link us with our largest trading partner, Canada, and our third-largest trading partner, Mexico. It would create the largest, richest trade zone on Earth -- 360 million consumers in a market that generates \$6 trillion in output in a single year.

A unified North American market would let each of our countries build on our own strengths. It would provide more and better jobs for U.S. workers. Let me repeat that one: It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. The agreement would make necessities such as food and clothing more affordable, more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the Fast-Track debate by discussing the Mexican component of the North American Free Trade Agreement. Trade with Mexico has helped both our countries.

Just four years ago, we had a \$4.9 billion trade deficit with Mexico. Since then, we've cut that deficit by two-thirds, to \$1.8 billion. This turnaround took place in part because Mexico's President believes in free trade. He's slashed tariff rates for some goods from 100 percent to 10 percent. One result: our exports to Mexico have increased 130 percent in the past four years.

This export boom has created more than 300,000 new jobs here in the United States of America. And each additional billion dollars in exports creates 20,000 new jobs here in the United States.

I don't have to tell anyone in this room about Mexico's market potential -- 85 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing -- computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we've got a tough fight ahead of us. Some members of Congress are concerned about the potential impact that any agreement may have on American jobs, American companies, American exports.

Other members of Congress say that they worry about wage rates or environmental quality, health and safety issues. I believe -- I firmly believe that concern about those very same issues is the strongest argument for support for Fast-Track.

Let me just talk about those concerns. We've already seen what the reduction in Mexican tariffs has done for our exports -- American exports to Mexico. A free trade agreement would eliminate the remaining tariffs entirely. That would stimulate

exports, create new jobs, generate wealth -- and hope, I might add, on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment. The North American Free Trade Agreement fits into a winning strategy of improving environmental quality. Opponents of Fast-Track and the trade pacts forget that prosperity offers the surest road to worker safety, public health and, indeed, environmental quality.

This administration wants to ensure that Mexican economic growth goes hand in hand with the environmental protection. Our EPA is already assisting the Salinas government with its environmental programs. President Salinas has shown that he's serious about cleaning up the environment -- by requiring all new cars to have catalytic converters, and recently, I'm sure all of us noticed with pride and pleasure the fact that he shut down Mexico's largest oil refinery because, frankly, it was just too much pollution into the air. I believe that -- I know that President Salinas cares deeply about his nation and its people, and that he means business when he says he wants to clean up Mexico's air and water.

Finally, consider the matter of working conditions in Mexico. As our trade with Mexico has grown, so have the wages of Mexican workers. Indeed, Mexican wages have risen very quickly in recent years, with no tangible impact on America's pay scales. That being the case, someone ought to ask the opponents of Fast-Track why they oppose prosperity in Mexico.

Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. These are our friends. These are our neighbors. Ask them what's wrong with increased productivity throughout the whole continent. We benefit when others in this continent prosper. And ask them what's wrong with a more stable Mexico. A free-trade pact would encourage investment, would create jobs, would lift wages and give talented Mexican citizens opportunities that they don't enjoy today. A stronger Mexico, in turn, means a stronger United States; it means a stronger North American alliance.

So, you see, we have much to gain from extending Fast-Track -- a new era of open, free and fair trade -- a future of unprecedented economic growth and regional harmony. As with most good things in life, competition involves risk. But we always have been a nation of risk-takers, of adventurers.

Our forefathers transformed a rough wilderness into an industrial superpower. We've created technologies and products unlike any others produced in human history. We've placed the wisdom of the ages within reach of anyone who can operate a computer.

The vote on Fast-Track is really a vote on what kind of America we want to build. A "yes" vote expresses confidence in American know-how and ingenuity. I say we believe in ourselves.

I want to make clear that this isn't a partisan political issue. I want to salute those Democratic leaders in the United States Congress, including our own Senator Lloyd Bentsen, who's a key player in this debate; and others in the House -- Speaker Foley -- who have the vision to say this is good for the United States and it's good for Mexico. I'm going to approach this strictly in a nonpartisan, nonpolitical manner. It is too important to get it bogged down in partisan politics. I take great pride in the fact that the relationship between Mexico and the United States has never been better. But it is my view that we owe the Mexicans the opportunity that they will get from Fast-Track. And when they get that opportunity it is going to benefit the United States of America.

And so I will be fighting my heart out to win passage of this. I was very privileged to receive for the second time in Houston the able President of Mexico yesterday. He's doing a first-class job. He's moved that country in ways that some of his critics would have never dared dream possible. And I think that it is in our interest now to build on this improved and strengthened relationship to give them and give ourselves the benefit of free and fair trade.

So as we join a world that is linked primarily by economic -- not military -- competition, we have nothing to fear except the fear-mongers themselves. They seem to be the only ones who haven't learned lately that defeatism produces defeat, while confidence and self-reliance produce greatness. We've got to seize the opportunities that this new world economy offers us. And with your help, I am absolutely convinced that we will do it.

So once again, thank you for coming. And I pledge to each and every one of you that this goal is so important to the United States that it will be priority with me, with Secretary Mosbacher, with every other member of the Bush administration in Washington, D.C. We are going to win this fight. But we need your help. Thank you all very, very much. (Applause.)

END

8:45 A.M. CDT