FOIA Number: 2012-0741-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Public Liaison

Series/Staff Member: Alexis Herman

Subseries:

OA/ID Number: 2647

FolderID:

Folder Title:
NAFTA [North American Free Trade Agreement] Briefings and State Opinion Leaders Groups 1993 [binder] [1]

Stack:	Row:	Section:	Shelf:	Position:
S	29	4	5	3

ALEXIS HERMAN
STORAGE

BOX 3 + 4

1. NAFTA BY WEXLER

2. NAFTA

3. NAFTA: BRIEFINGS AND STATE OPINION LEADERS' GROUPS--1993 3

4. ECONOMIC GROWTH: JOB CREATION AND INVESTMENT (BC)

5. BC'S ECONOMIC PLAN (x2) 4

6. SUMMARY OF PRESIDENT'S ECONOMIC GROWTH PLAN

7. ECONOMIC COMPONENT STRATEGY

8. ECONOMIC PACKAGE OUTREACH STRATEGY (FEBRUARY)

9. HALLELUJAH, CHANGE IS COMING! (BC)

10. A NEW DIRECTION (BC)

11. TECHNOLOGY FOR AMERICA'S ECONOMIC GROWTH (BC)

12. A VISION OF CHANGE FOR AMERICA (BC)

NAFTA

[BRIEFINGS]

&

STATE OPN. LDRS

•

Groups

1993

THE WEXLER GROUP

1317 F Street, N.W.
Suite 600
Washington D.C. 20004
202-638-2121
202-638-7045 FAX

JUL 16 1993

Alexis Herman
Assistant to the President
& Director of Public Liaison
The White House
1725 17th Street NW
Washington DC

THE WHITE HOUSE
WASHINGTON

cc: The Vice President
cc: Mack McLarty
cc: Roy Neel

COPY

November 17, 1993

MEMORANDUM TO DAVID GERGEN AND MARK GEARAN

FROM: ALEXIS HERMAN

NOV 17 1993

RE: NAFTA TALKING POINTS: RE OPL ACTIVITIES

The following points compiled from the OPL NAFTA activities that began in July and working with the NAFTA war room should be included in talking points developed around NAFTA activities.

- o From July through this week's House vote on NAFTA, over 3,000 individuals received White House briefings on NAFTA. The briefings have been given by administration officials including the President, Vice President and cabinet secretaries.

- o A series of eleven state opinion leaders briefings were conducted with the Vice President and administration officials for business and environmental leaders from 23 states from October through November. In support of each briefing, extensive local media, developed by our Communications Director and working with Media Affairs, assisted in building momentum and support for NAFTA.

- o A series of industry briefings were considered for organizations and groups representing such industries as transportation, energy, and environment (forest and paper).

- o OPL actively sought and built broad-based support for NAFTA resulting in many prominent industries, organizations and individuals endorsing the treaty including women, African-American, Hispanic and small business groups. Organizations such as the National Association of Women Business Owners, the Executive Leadership Council, the Chrysler Minority Dealers Association and the 5 million-member American Legion endorsed NAFTA.

- o Momentum and support for the treaty was generated through NAFTA-related events such as NAFTA Products Day on the South Lawn; an East Room event with three former Presidents, former Secretaries of State and Nobel Prize economists; and a small business event.

See attachments.

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
I. State Opinion Leader Briefings		
7/20	State Leaders (50) Briefing on NAFTA	Ambassador Kantor, Carol Browner, Alexis Herman
10/5	New England (Massachusetts, Maine, New Hampshire) State Opinion Leaders Briefing	VPOTUS, Secretary Bentsen, Ambassador Kantor, Carol Browner, Bill Daley, Alexis Herman
10/6	North Carolina State Opinion Leader Briefing	VPOTUS, Secretary Bentsen, Erskine Bowles, Bill Daley, Alexis Herman
10/7	New Jersey State Opinion Leaders Briefing	VPOTUS, Secretary Bentsen, Bob Rubin, Kurt Campbell, Alexis Herman
10/13	Maryland & Virginia State Opinion Leader Briefing	VPOTUS, Leon Panetta, Carol Browner, Bill Daley, Alexis Herman
10/14	Alabama & Georgia State Opinion Leader Briefing	VPOTUS, Secretary Babbitt, Laura Tyson, Bill Daley, Alexis Herman
10/21	California State Opinion Leader Briefing	VPOTUS, Secretary Bentsen, Attorney General Reno, Secretary Ron Brown, Bill Daley, Alexis Herman
10/27	Texas, Tennessee, and Arizona State Opinion Leader Briefing	VPOTUS, Secretary Ron Brown, Secretary Pena, Laura Tyson, Bill Daley, Alexis Herman
10/28	Kentucky, Louisiana, New York, Connecticut State Opinion Leader Briefing	VPOTUS, Ambassador Kantor, Bob Rubin, Bill Daley, Alexis Herman

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
11/2	Illinois, Ohio, Nebraska	VPOTUS, Secretary Pena, Secretary Espy, Bob Rubin, Alexis Herman
11/3	Florida, Minnesota, Washington State	Attorney General Reno, Secretary Babbitt, Roger Altman, Bill Daley, Alexis Herman
11/9	Final State Opinion Leader Briefing (10 States)	POTUS, Secretary Bentsen, Bill Daley, Richard Feinberg, Alexis Herman

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
II.	Industrial Briefings	
7/22	High-Tech Briefing	Secretary Bentsen, Ambassador Kantor, Erskine Bowles
7/27	Agriculture Briefing	Secretary Espy, Ambassador Kantor
7/28	Chemical Industry Briefing	Secretary Bentsen, Ambassador Kantor
8/3	Briefing for Retailers	Secretary Bentsen, Ambassador Kantor
10/21	Environmental Technology Export Groups	Secretary Ron Brown, Secretary O'Leary, Carol Browner, Alexis Herman
11/4	Agricultural Coalition	Secretary Pena, Secretary Espy, Bob Rubin, Alexis Herman
11/4	Energy Coalition	Secretary O'Leary, Mack McLarty, Leon Panetta, Bob Rubin, Alexis Herman
11/5	Transportation Coalition	Secretary Pena, Leon Panetta, Roger Altman, Alexis Herman
11/9	Lumber and Wood Products	Secretary Brown, Secretary Espy, Bill Daley, Alexis Herman

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
III. Constituency Group Meeting		
9/13	Oklahoma Chamber of Commerce	Glenn Hutchins/Health Care, Bill Daley/NAFTA
9/14	Dallas Chamber of Commerce	Glenn Hutchins/Health Care, Bill Daley/NAFTA
9/16	Hispanic Business Roundtable	HRC, Ira Magaziner, Bill Daley, Joe Velasquez
9/16	Black Chamber of Commerce	Alexis Herman, Glenn Hutchins/Health, Kurt Campbell/NAFTA
9/20	Briefing for Washington Representatives	Secretary Bentsen, Ambassador Kantor, Bill Daley, Alexis Herman, Rep. Matsui, Rep. Richardson
9/22	Hellenic Council	Jane Holl/NSC, Marshall Adair/State Dept., Marilyn Yager/Health Care
9/28	Briefing for Women's Business Working Group	Bill Daley, Alexis Herman, Doris Matsui
9/28	Denver Community Leadership	Glenn Hutchins/Health Care, Kurt Campbell/NAFTA
9/29	Briefing for Associations	Bill Daley
9/30	Briefing for NAWBO	Laura Tyson, Glenn Hutchins/Health Care, Kurt Campbell/NAFTA

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
10/5	Joint Automotive Supplier Governmental Action Council	VPOTUS, Secretary Bentsen, Bill Daley
10/6	San Antonio Chamber of Commerce	Kurt Campbell, Glenn Hutchins
10/7	American Warehouse Association	Kurt Campbell, Rick Kronick
10/19	Computerland Washington Summit (CEO's)	Mike Nelson, Glenn Hutchins, Kurt Campbell
10/22	Economic Leadership Council Briefing	Kurt Campbell
10/22	Italian American CEO's	Mack McLarty, Laura Tyson
10/26	Hartford Chamber of Commerce	Roger Altman, Kurt Campbell
10/29	Minority Business Briefing	Secretary Ron Brown, Mozell Thompson, Kurt Campbell
11/10	Women Business Owners Briefing	Secretary Shalala, Secretary O'Leary, Ambassador Albright, Administrator Browner, Roger Altman
11/10	Chrysler Minority Automobile Dealers	Rufus Yerxa, Bill Daley, Steve Hilton

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
11/12	Hispanic Leaders Briefing	Attorney General Reno, Secretary Pena, Leon Panetta, Bill Daley, Richard Rominger

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
IV. Special Events		
9/14	NAFTA Announcement East Room	POTUS, Presidents Ford, Nixon, Carter and Bush
9/15	Economic Speech/Press Conference	POTUS
10/20	Products Day	POTUS
11/15	Small Business Event	POTUS

CHRYSLER MINORITY DEALERS ASSOCIATION

27777 Franklin Road
Southfield, MI 48034
(313) 350-0580

November 16, 1993

Mr. Steve Hilton
Deputy Assistant to the President
122 Old Executive Office Building
Washington, DC

Dear Mr. Hilton:

The Chrysler Minority Dealers Association, in its endeavors to rally congressional support for NAFTA, wish to give you an update of our activities since we last met on Wednesday, November 10, 1993.

Currently, we are running advertisements in several newspapers in minority communities. We have delivered information concerning our views to a number of Representatives who we have targeted as being "undecided" or "leaning" toward NAFTA. Also, we have sent additional information to Congressional Black Caucus members here and their district offices.

We anticipate that our views on NAFTA from the standpoint of minority businessmen and women will be considered by these individuals in the upcoming vote. The CMDA would like to thank you for your valuable input at our last meeting and look forward to working with you on future issues.

Sincerely,

Ed Fitzpatrick

Ed Fitzpatrick
President
Chrysler Minority
Dealers Association

cc: A.J. Cooper
General Counsel

TALKING POINTS FOR SMALL BUSINESS NAFTA RALLY
PRESIDENT WILLIAM J. CLINTON
November 15, 1993

- **CENTRAL MESSAGE: On Wednesday, Congress will face a choice -- whether to create opportunity by opening markets to our exports, or to shrink opportunity by turning inward. Small business supports NAFTA because it is good for small business, opening new frontiers for exports. The Members of Congress know what the right choice is. Let them know that you want them to do what is good for our country.**

* * *

- ACKNOWLEDGEMENTS

- **Two days from now, the U.S. Congress will cast a momentous vote that will tell us if we will courageously grapple with the changing world economy, or seek to turn inward to protectionism. I wanted to talk to you -- 400 small business people from around the country who employ thousands of people, who export to Mexico and who will benefit from NAFTA -- to spell out the stakes for you and for our country.**

- **It is altogether appropriate that we gather today at a place that celebrates American ingenuity and industriousness and energy. Look around you: It is clear that the greatest <u>constant</u> in our history has been <u>change.</u>**

  - Arrayed around us are the machines and products designed by Americans and used by our parents and grandparents to build our nation. From a <u>metal stamping machine</u> that began pressing pots, and finished its 70 year life making parts for our space program . . . to the <u>telephone switching systems</u> once designed for commercial use that eventually revolutionized daily lives . . . every one of these products is emblematic of the progress that we have made.

  - America is ever a restless, questing nation, always moving forward, never standing still. The entrepreneurs celebrated at this museum created a world of change. But nothing they wrought, and nothing they saw, could compare with the changes we now face. For the greatest economic challenge of our day -- and the greatest of our century -- is how to make the global economy work for us.

The nation that made the McCormick Reaper and the Model-T and the Macintosh Personal Computer has nothing to fear from a world marketplace.

- **America's small businesses -- the men and women who generate the jobs and power our economy -- are leading the way by competing and winning in**

this new economy. You innovate the products. You grow the jobs. And you have pioneered our new economic frontier: exports. Small businesspeople have been on the cutting edge of economic change, constantly responding to new opportunities and generating prosperity.

- Today over 10,000 U.S. firms export to Mexico -- mostly small and medium size.

- Nineteen out of twenty exporting companies in 1987 were small or medium-size firms that employed fewer than 500 workers.

- If you work for a small business, chances are one in five that your business exports. If you work for a medium sized business, chances are one in two that your company export. All told, some seven million Americans earn their bread through exports.

- **NAFTA will open up new frontiers for small businesses by opening up the vast Mexican market to our goods and services.**

  - Now small businesses face tariffs averaging 16% on goods going to Mexico. NAFTA would eliminate those tariffs over time -- a tax cut on all goods going to Mexico.

  - Now, many big businesses can cope with the thicket of rules and requirements erected by Mexico to keep products out -- labelling, standards, customs -- but many small businesses can't. NAFTA will streamline these so everyone can compete on a level playing field.

  - By linking Mexico's economy to ours, NAFTA will help expand a market that is thirsty for our goods. Today, we export $40 billion to Mexico, more than to any country other than Canada. Since Mexico began liberalization of its economy, we turned a $5.6 billion trade deficit into a $5.9 billion trade surplus.

  - Exports create jobs -- 200,000 new jobs by 1995 alone from NAFTA.

- **Across the country, local Chambers of Commerce have mobilized for this agreement. The Small Business Legislative Council has made it a top priority, too. I want you to let your members of Congress know one simple message: the future of small business is in exports, and NAFTA is good for small business.**

- **The vote on NAFTA is a defining moment for our country. It will tell us what kind of people we are in 1993. The Cold War is over; the threat to our security is not military but economic. Will we face the future with confidence, making the economy of tomorrow work for us? Or will we turn** inward to protectionism, clinging to the economy of yesterday? Congress knows what the right choice is. Let them know that you want them to do what is good for our country.

- Make no mistake -- the history of America tells us anything, it tells us that we only hurt ourselves when we pull inward. As the rest of the world retools to compete in the global economy, I am confident that America won't put itself on the wrong side of history. Americans are winners. For that reason, I am confident that NAFTA will win.

COPY

November 17, 1993

MEMORANDUM TO DAVID GERGEN AND MARK GEARAN

FROM: ALEXIS HERMAN

RE: NAFTA TALKING POINTS: RE OPL ACTIVITIES

The following points compiled from the OPL NAFTA activities that began in July and working with the NAFTA war room should be included in talking points developed around NAFTA activities.

- From July through this week's House vote on NAFTA, over 3,000 individuals received White House briefings on NAFTA. The briefings have been given by administration officials including the President, Vice President and cabinet secretaries.

- A series of eleven state opinion leaders briefings were conducted with the Vice President and administration officials for business and environmental leaders from 23 states from October through November. In support of each briefing, extensive local media, developed by our Communications Director and working with Media Affairs, assisted in building momentum and support for NAFTA.

- A series of industry briefings were considered for organizations and groups representing such industries as transportation, energy, and environment (forest and paper).

- OPL actively sought and built broad-based support for NAFTA resulting in many prominent industries, organizations and individuals endorsing the treaty including women, African-American, Hispanic and small business groups. Organizations such as the National Association of Women Business Owners, the Executive Leadership Council, the Chrysler Minority Dealers Association and the 5 million-member American Legion endorsed NAFTA.

- Momentum and support for the treaty was generated through NAFTA-related events such as NAFTA Products Day on the South Lawn; an East Room event with three former Presidents, former Secretaries of State and Nobel Prize economists; and a small business event.

See attachments.

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
I. State Opinion Leader Briefings		
7/20	State Leaders (50) Briefing on NAFTA	Ambassador Kantor, Carol Browner, Alexis Herman
10/5	New England (Massachusetts, Maine, New Hampshire) State Opinion Leaders Briefing	VPOTUS, Secretary Bentsen, Ambassador Kantor, Carol Browner, Bill Daley, Alexis Herman
10/6	North Carolina State Opinion Leader Briefing	VPOTUS, Secretary Bentsen, Erskine Bowles, Bill Daley, Alexis Herman
10/7	New Jersey State Opinion Leaders Briefing	VPOTUS, Secretary Bentsen, Bob Rubin, Kurt Campbell, Alexis Herman
10/13	Maryland & Virginia State Opinion Leader Briefing	VPOTUS, Leon Panetta, Carol Browner, Bill Daley, Alexis Herman
10/14	Alabama & Georgia State Opinion Leader Briefing	VPOTUS, Secretary Babbitt, Laura Tyson, Bill Daley, Alexis Herman
10/21	California State Opinion Leader Briefing	VPOTUS, Secretary Bentsen, Attorney General Reno, Secretary Ron Brown, Bill Daley, Alexis Herman
10/27	Texas, Tennessee, and Arizona State Opinion Leader Briefing	VPOTUS, Secretary Ron Brown, Secretary Pena, Laura Tyson, Bill Daley, Alexis Herman
10/28	Kentucky, Louisiana, New York, Connecticut State Opinion Leader Briefing	VPOTUS, Ambassador Kantor, Bob Rubin, Bill Daley, Alexis Herman

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
11/2	Illinois, Ohio, Nebraska	VPOTUS, Secretary Pena, Secretary Espy, Bob Rubin, Alexis Herman
11/3	Florida, Minnesota, Washington State	Attorney General Reno, Secretary Babbitt, Roger Altman, Bill Daley, Alexis Herman
11/9	Final State Opinion Leader Briefing (10 States)	POTUS, Secretary Bentsen, Bill Daley, Richard Feinberg, Alexis Herman

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)

II. Industrial Briefings

Date	Event	Briefer(s)
7/22	High-Tech Briefing	Secretary Bentsen, Ambassador Kantor, Erskine Bowles
7/27	Agriculture Briefing	Secretary Espy, Ambassador Kantor
7/28	Chemical Industry Briefing	Secretary Bentsen, Ambassador Kantor
8/3	Briefing for Retailers	Secretary Bentsen, Ambassador Kantor
10/21	Environmental Technology Export Groups	Secretary Ron Brown, Secretary O'Leary, Carol Browner, Alexis Herman
11/4	Agricultural Coalition	Secretary Pena, Secretary Espy, Bob Rubin, Alexis Herman
11/4	Energy Coalition	Secretary O'Leary, Mack McLarty, Leon Panetta, Bob Rubin, Alexis Herman
11/5	Transportation Coalition	Secretary Pena, Leon Panetta, Roger Altman, Alexis Herman
11/9	Lumber and Wood Products	Secretary Brown, Secretary Espy, Bill Daley, Alexis Herman

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
III. Constituency Group Meeting		
9/13	Oklahoma Chamber of Commerce	Glenn Hutchins/Health Care, Bill Daley/NAFTA
9/14	Dallas Chamber of Commerce	Glenn Hutchins/Health Care, Bill Daley/NAFTA
9/16	Hispanic Business Roundtable	HRC, Ira Magaziner, Bill Daley, Joe Velasquez
9/16	Black Chamber of Commerce	Alexis Herman, Glenn Hutchins/Health, Kurt Campbell/NAFTA
9/20	Briefing for Washington Representatives	Secretary Bentsen, Ambassador Kantor, Bill Daley, Alexis Herman, Rep. Matsui, Rep. Richardson
9/22	Hellenic Council	Jane Holl/NSC, Marshall Adair/State Dept., Marilyn Yager/Health Care
9/28	Briefing for Women's Business Working Group	Bill Daley, Alexis Herman, Doris Matsui
9/28	Denver Community Leadership	Glenn Hutchins/Health Care, Kurt Campbell/NAFTA
9/29	Briefing for Associations	Bill Daley
9/30	Briefing for NAWBO	Laura Tyson, Glenn Hutchins/Health Care, Kurt Campbell/NAFTA

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
10/5	Joint Automotive Supplier Governmental Action Council	VPOTUS, Secretary Bentsen, Bill Daley
10/6	San Antonio Chamber of Commerce	Kurt Campbell, Glenn Hutchins
10/7	American Warehouse Association	Kurt Campbell, Rick Kronick
10/19	Computerland Washington Summit (CEO's)	Mike Nelson, Glenn Hutchins, Kurt Campbell
10/22	Economic Leadership Council Briefing	Kurt Campbell
10/22	Italian American CEO's	Mack McLarty, Laura Tyson
10/26	Hartford Chamber of Commerce	Roger Altman, Kurt Campbell
10/29	Minority Business Briefing	Secretary Ron Brown, Mozell Thompson, Kurt Campbell
11/10	Women Business Owners Briefing	Secretary Shalala, Secretary O'Leary, Ambassador Albright, Administrator Browner, Roger Altman
11/10	Chrysler Minority Automobile Dealers	Rufus Yerxa, Bill Daley, Steve Hilton

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
11/12	Hispanic Leaders Briefing	Attorney General Reno, Secretary Pena, Leon Panetta, Bill Daley, Richard Rominger

OFFICE OF PUBLIC LIAISON
NAFTA ACTIVITIES REPORT

Date	Event	Briefer(s)
IV. Special Events		
9/14	NAFTA Announcement East Room	POTUS, Presidents Ford, Nixon, Carter and Bush
9/15	Economic Speech/Press Conference	POTUS
10/20	Products Day	POTUS
11/15	Small Business Event	POTUS

CHRYSLER MINORITY DEALERS ASSOCIATION

27777 Franklin Road
Southfield, MI 48034
(313) 350-0580

November 16, 1993

Mr. Steve Hilton
Deputy Assistant to the President
122 Old Executive Office Building
Washington, DC

Dear Mr. Hilton:

The Chrysler Minority Dealers Association, in its endeavors to rally congressional support for NAFTA, wish to give you an update of our activities since we last met on Wednesday, November 10, 1993.

Currently, we are running advertisements in several newspapers in minority communities. We have delivered information concerning our views to a number of Representatives who we have targeted as being "undecided" or "leaning" toward NAFTA. Also, we have sent additional information to Congressional Black Caucus members here and their district offices.

We anticipate that our views on NAFTA from the standpoint of minority businessmen and women will be considered by these individuals in the upcoming vote. The CMDA would like to thank you for your valuable input at our last meeting and look forward to working with you on future issues.

Sincerely,

Ed Fitzpatrick

Ed Fitzpatrick
President
Chrysler Minority
Dealers Association

cc: A.J. Cooper
General Counsel

ALEXIS HERMAN's NOTES on NAFTA
FLORIDA, MINNESOTA, WASHINGTON STATE LEADERS
NOVEMBER 3, 1993

I Jobs = exports We're exporting products not jobs

- 1 bil of exports = 20,000 jobs

-26% of ___ job _______ related to export economy

- 500,000 jobs already lost.

300 companies - we're ______ lending

-18 of 19 studies- ___ job generates

19 ___ to importance ____ workers

- 1995 alone 200,000 net 180,000

these go in the NAFTA OPN LDRS BINDER 1993

-Domestic ____ laws and high tariffs are incentives for companies to relocate to Mexico and more job loss if we don't pass NAFTA

- 2 million jobs lost due to fundamental ______ of the overall economy worker try and dislocate
________ are the issue-0NAFTA helps this restructing - Not this NAFTA

II
-High leadership of US

- other ___ agreements

III
______ leadership of President

VP Briefing
COPY

NAFTA Briefing -- FLORIDA, MINNESOTA, WASHINGTON STATE LEADERS

450 Old Executive Office Building
11:30 AM - 12:00 noon, Wednesday, November 3, 1993

EVENT

o You give the closing remarks for this briefing. Attorney General Janet Reno, Secretary Bruce Babbitt and Bill Daley are the other three speakers who will be briefing the 100 participants from Florida, Minnesota and Washington about the benefits of the North America Free Trade Agreement. This is the tenth in a series of state NAFTA briefings. To date, leaders from Illinois, Ohio, Nebraska California, Texas, Tennessee, Arizona, Kentucky, Louisiana, New York, Connecticut, New Jersey, North Carolina, Alabama, Maryland, Georgia, Virginia and New England (Massachusetts, New Hampshire and Maine) have received briefings.

YOUR ROLE AND CONTRIBUTION

o This group consists of supporters as well as those who are still undecided, therefore it is important to emphasize how NAFTA will create jobs for this country. You should encourage participants to go to the Hill.

LOGISTICS

o You go directly to the holding room and Alexis will announce you onto the stage.

o You give remarks and take questions.

o You depart same way as entered.

PROGRAM NOTES

o This is a series of briefings we are conducting to educate leaders from their states about the importance of NAFTA.

o NAFTA has been defined by its opponents in a negative way as a job loser. In order to get beyond the large organizations that oppose NAFTA, we must get to the people who can actually make the argument for NAFTA -- the people outside the beltway, the citizenry in their individual communities.

- This briefing gives us an opportunity to present the case to the people who actually vote and who could spread the message at the grassroots level.

ATTACHMENTS

- Talking points
- State Overview
- Agenda
- Participants

THE VICE PRESIDENT

Florida, Minnesota, Washington Opinion Leaders Briefing
Talking Points

November 3, 1993

Yesterday's Events

- Great Americans Gathering at Treasury/East Room
  - President Carter
  - Henry Kissinger
  - James Baker
  - Carla Hills
  - Ed Muskie
  - Speaker Jim Wright
  - Paul Volcker
  - Lee Iacocca
  - Andrew Young
  - Nobel Economists: Paul Samuelson.

- Ohio, Illinois, and Nebraska group of over 100. Briefers: Robert Rubin, Carol Browner, Secretary O'Leary, and Bill Daley.

- President Clinton spoke at the rededication of the John F. Kennedy Library.

Free Trade and the Global Leadership of the United States

- As John F. Kennedy said over thirty years ago, "Economic isolation and political leadership are wholly incompatible. The United States has encouraged sweeping changes in free world economic patterns in order to strengthen the forces of freedom. But we cannot ourselves stand still. We must adapt our own economy to the imperatives of a changing world and once more assert our leadership." Trade Adjustment Assistance Program of 1962.

- There are many in the world who are all too happy to displace our position of leadership in the world. **That is why the Japanese are so upset about NAFTA.**

Minnesota-Mexico Trade

- Minnesota's exports to Mexico grew 191% from 1987 to 1992, 120 percentage points faster than export growth to the rest of the world.

- Minnesota's merchandise exports to Mexico almost tripled from 1987 to 1992, rising from $990 million to $261 million. Minnesota was one of 25 states which more than tripled their exports to Mexico during this periods

- Minnesota boosted exports of a wide range of manufactured products to Mexico in the past five years. Categories that recorded strong growth included: industrial machinery and computers (up $85 million), food products (up $29 million), electric and electronic machinery (up $21 million), scientific and measuring instruments (up $11 million), and rubber and plastic products (up $7 million).

Washington-Mexico Trade

- Washington's exports to Mexico grew 578% from 1987 to 1992, 446 percentage points faster than export growth to the rest of the world.

- Washington greatly expanded exports of a range of manufactured products to Mexico over the past five years. Sectors that recorded strong growth were: rubber and plastic products (from $6,000 to $1 million), miscellaneous manufactures (from $57,000 to $12 million), and agricultural crops (from $1 million to $24 million).

Florida-Mexico Trade

- Florida's exports to Mexico grew 203% from 1987 to 1992, 125 percentage points faster than the state's export growth to the rest of the world.

- Florida boosted exports of a wide range of manufactured products to Mexico over the five years period. All of the 20 major industries that comprise manufacturing registered export growth. Sectors that recorded significant gains were: food products (from $3 million to $19 million), printing and publishing (from $4 million to $41 million), and primary metals industries (from $8 million to $38 million).

Real Business and Real Facts about NAFTA

- Washington: Microsoft Corporation, located in Redmond, Washington, is a leading designer and producer of software products. Mexico is one of the company's fastest-growing markets. Mexico's rapid modernization has directly benefited Microsoft's U.S. based workforce. All the products sold in Mexico are designed and manufactured at the company's Redmond headquarters.

    - **Bill Gates, the founder of Microsoft, is an outspoken NAFTA supporter.** He has written, **"Approval of NAFTA is vitally important to the software industry -- and the country. NAFTA presents us with an opportunity to protect our intellectual property rights and promote U.S. exports. It is an opportunity we should not miss."**

- Florida: Mentra Labs is a minority-owned export management company located in Miami generating demand for medical, laboratory, and hospital supplies in Mexico. Mexico accounted for 15 percent of Mentra Lab's 2.6 million in export sales during 1991. NAFTA offers excellent opportunities to increase those exports.

- Minnesota: The 3M Company, located in St. Paul Minnesota, has already seen the benefits of free trade. Over the last six years, as tariffs on 3M goods have been decreasing, 3M's exports to Mexico have increased almost nine fold.

FLORIDA, MINNESOTA AND WASHINGTON NAFTA FORUM
WEDNESDAY, NOVEMBER 3, 1993

AGENDA

9:30 AM- 9:35 AM	Alexis Herman Welcome and Introduction of Speaker to be Determined
9:35 AM- 10:00 AM	Speaker to be Determined Remarks and Q & A
10:00 AM- 10:30 AM	Attorney General Reno Remarks and Q & A
10:30 AM- 10:45 AM	Break
10:45 AM- 11:00 AM	Special Counsellor Daley Remarks and Q & A
11:00 AM- 11:30 AM	Secretary Babbitt Remarks and Q & A
11:30 AM- 12:00 Noon	Vice President Gore Remarks and Q & A

NAFTA STATE OPINION LEADER BRIEFING
FLORIDA, MINNESOTA, WASHINGTON CONFERENCE
NOVEMBER 3, 1993
LIST OF ATTENDEES AS OF 5:00pm 11/02/93

Mr. Paul Abrams
Chief Executive Officer
Enorx
Seattle WA

Dr. Chester Aiken
Jacksonville FL

Mr. James Albright
President and Chief Executive Officer
Bayfront Medical Center
Saint Petersburg FL

Mr. Charles Anderson
District Director
U.S. Small Business Administration
Coral Gables FL

Mr. Graham Anderson
Chief Executive Officer
Pettit-Morry Company
Seattle WA

Ms. Gwendolyn Appelquist
President
Chamber of Commerce
Penascola FL

Mr. Javier Arechavaleta
Counsel for Foreign Trade
Anchor Glass Container Corporation
Tampa FL

Mr. Juan M. Arimany
Vice President and C.E.O.
Florida Sun Cement Co., Inc.
Fort Pierce FL

Mr. William E. Barton
President
American Express
Jacksonville FL

Mr. Dick J. Batchelor
President
Dick Batchelor Management Group, Inc.
Orlando FL

Honorable J. Dudley Bates
Mayor
City of Altamonte Springs
Sarasota FL

Mr. George Bean
Executive Director
Hillsborough County Aviation Authority
Tampa FL

Dr. Thomas Becker
Professor
Department of Management and International Business
Boca Raton FL

Mr. Mitchell Berger
Attorney
Berger, Shapiro & Davis, P.A.
Fort Lauderdale FL

Mr. Jonathan Bloomberg
Attorney
Oppenheimer, Wolff, Donnelly
Saint Paul MN

Mr. Glenn Borregard
Vice President
World Trade Center
Fort Lauderdale FL

? Aswald Bronson, Sr.
. ,ident
Bethune-Cookman College
Daytona Beach FL

Mr. Ron Brower
Vice President
AT&T
Tallahassee FL

Mr. Edmund Burke
Senior Vice President
Burlington Northern
Fort Worth TX

Mr. William Cadogan
President and Chief Executive Officer
ADC Telecommunications
Minneapolis MN

Mr. William Caples
Vice President of Sales
Pennsylvania House
Seattle WA

Mr. Peter Costello
USA NAFTA
Washington DC

Mr. Seth Craine
Partner
Stearns, Weaver, Miller
Tampa FL

Mr. Tom Cristelli
Executive Vice President
Victory Envelope, Inc.
Chanhassen MN

Mr. Danny Crosby
Manager, Human Resources
Vulcan Gulf Coast Materials
Tampa FL

Ms. Nelda Rivera Cruz
VP Latin American Market Development
Marriott Ownership Resorts Inc.
Orlando FL

Ms. Patsy Jo Davis
Commissioner
Port of Seattle
Seattle WA

Mr. Robert Davis
President
Davis, Keller & Davis
Langley WA

Mr. Rick DeSimone
Seattle WA

Mr. Andrew J. Donelson
Manager, Federal Government Affairs
USA NAFTA
Washington DC

Mr. Daniel Durda
President and Chief Executive
^ficer
ration Industries International
Chaska MN

Commissioner Charles Dusseau
President
CBN Trading Company
Miami FL

M Andreas Ehlebracht
Vice President of Private Banking
and Investment ADvisory
Beutsch-Suidamerikanische Bank AG
Miami FL

Dr. George El-Bahri
Orthopedic Surgeon
Bahri Orthopedic and Sports Medicine
Clinic
Jacksonville FL

Mr. Meade Emory
Professor of Law
Georgetown University Law School
Seattle WA

Ms. Pamela Ernest
Director of Federal Affairs
Honeywell Inc.
Washington DC

Ms. Stephanie Sears Everidge
Special Assistant to the President
American Automobile Association
Heathrow FL

Ms. Ana Maria Fernandez Haar
President
IAC Advertising Group, Inc.
Miami FL

Mr. Alan Fitzwater
Vice President
Burlington Northern Raolroad
Washington DC

Mr. James Fletcher
Senior Vice President
Univar
Seattle WA

Mr. Byron Futton
Orlando World Trade Center
Orlando FL

Mr. Tim Gaffney
Vice President
Seitlin and Company
Miami FL

Mr. J. Scott Gaillard
Rep. Brown's Office
Legislative Assistant on Trade

Mr. Hector Garcia
Executive Director
Minnesotans for NAFTA
Saint Paul MN

Mr. Joseph Geller
Democratic Party Chair
Dania FL

Mr. Howard Glicken
Chairman of the Board
Jillian's Entertainment
Coral Gables FL

Ms. Sandra Hale
President
nterprise Management International
nneapolis MN

Mayor Laura M. Hall
Mayor of Edmonds
City Hall
Edmonds WA

Scott Hardman
Chief Executive Officer
Steel Products
Seattle WA

Mr. Tommy Hazouri
President
Robinson & St. John Advertising
Jacksonville FL

Ms. Marjorie Himber
Partner
Special Services Company
Palm Coast FL

Mr. John Himmelberg
Attorney
Holland & Knight Inc.
Washington DC

Mr. Robert Hudson, Jr.
Partner
Baker, McKenzie
Miami FL

Ms. Connie Ingraham
President
Don Ingraham and Company, Inc.
Gulf Breeze FL

Hjalma Johnson
East Coast Bank Corporation
Dade City FL

Mr. Philip Jones
Director
Jones and Company
Seattle WA

Mr. Arthenia Joyner
Chair
Hillsborough County Aviation Authority
Tampa FL

Mr. Carl Kah, Jr.
Chief Executive Officer
K-Rain
North Palm Beach FL

Mr. Rick Kielmeyer
President
Manufacturers Association of Central Florida
Sanford FL

Mr. Jefferson Knott
International Marketing Manager
Critikon, Inc. -- Johnson & Johnson
Tampa FL

Mr. Michael Kurth
Professor of Economics
McNeese State University
Lake Charles FL

Ms. Barbara Lanning Hudson
Sale Director -- Latin Ameirca
Harris Corporation-Dracon Division
Miami FL

Mr. Fred Lawrence
President and Chief Executive Officer
Sprint United Telephone of Florida
Altamonte Springs FL

Mr. Ray Lawton
President
Lawton Printing, Inc.
Spokane WA

Mr. Ira Leesfield
Attorney
Leesfield & Leighton
Miami FL

Ms. Audrey V. Lennon
Chairman and CEO
A. Lennon Foundation, Inc.
Orlando FL

Mr. Rob Leslie
President
Home Builders International
Hopkins MN

Mr. Gary W. LeTellier
Executive Director
Greater Orlando Aviation Authority
Orlando FL

Mr. John Macho
Director
Florida Department of Commerce
Coral Gables FL

Mr. Tom Mauel
R. J. Steichen
Minneapolis MN

Mr. Carl P. McCormick
President & CEO
Group Technologies Corp.
Tampa FL

Mr. C. Brian Melonakos
Vice President of Marketing
Procyte
Kirkland WA

Mr. Daniel Merkle
Seattle WA

Mr. Nathan Miles
Washington Convention and Trade
Seattle WA

Mr. James Nash
President and Chief Executive Officer
Caupsule Environmental Engineering
Roseville MN

Mr. Russell Natherson
President
Natherson and Company, P.A.
Sarasota FL

Mr. Allen Olson
President
Independent Bankers of Minnesota
Eagan MN

Mr. Larry Osborne
President
Jacksonville Association of Firefighters
Jacksonville FL

Mr. Norman Ostrowski
Project Manager
M, Corp.
oca Raton FL

Mr. Carlos Palomares
President & Chief Executive Officer
Citibank F.S.B.
Miami FL

Mr. J. Kenneth Parker
Chairman
World Trade Center
Tampa Bay FL

Mr. Charles Pedretti
Partner
Arthur Anderson
Minneapolis MN

Mr. Dan Ponce
Attorney
Miami FL

Mr. Charles Ranson
Co-Chair
Floridians for NAFTA
Tallahassee FL

Ms. Carolyn Rehkop
Jacksonville FL

Mr. Taylor Rehkop
retired
Jacksonville FL

Mr. Stephen Rice
Associate Dean
University of Central Florida
Orlando FL

Mr. Thurston Roach
Vice President and Chief Financial Officer
Simpson Investment Company
Seattle WA

Mr. Marvin S. Rosen
Attorney
Greenberg, TRaurig, Hauffman
Miami FL

Mr. Jeffrey Schiff
Manager of Product Operations
Collins General Aviation Division
Melbourne FL

Mr. G. Edward Schuh
Dean and Professor
Hubert H. Humphrey Institute of Public Affairs
Minneapolis MN

Mr. Howard Schultz
Chairman and Chief Executive Officer
Starbuck's Coffee Company
Seattle WA

Mr. Carl Seigler
Vice President
Berg Steel Pipe Corporation
Panama City FL

Mr. George Sheldon
Sheldon, Cusick & Associates
Tallahassee FL

Honorable Harry Shorestein
Attorney General
State's Attorney Office
Jacksonville FL

Mr. Paul P. Skoutelas
Executive Director
LYNX
Orlando FL

Mr. Neal Sonnett, Esq.
Ne[illegible] Sonnett, P.A.
Miami FL

Mr. James Todd
Chairman and CEO
Birmingham Steel
Seattle WA

Mr. Richard M. Vacar
Exec. Director
Sarasota International Airport
Authority
Sarasota FL

Ms. Nancy Welch
President
International Products Inc.
Eagen MN

Mr. Harold W. Worrall
Executive Director
Orlando-Orange County Expressway
Authority
Orlando FL

Mr. Ray Strong
President
Strong International, Inc.
Coral Gables FL

Mr. Ike Tribble
President and Chief Executive
Officer
Florida Endowment Fund
Tampa FL

Mr. Ronald R. Wambolt
Senior Vice President of Worldwide
Sales
Fluke Corporation
Everett WA

Ms. Blair Woolverton
President
Blair Woolverton, Inc.
Jacksonville FL

The State of FLORIDA

and the

NAFTA

- **FLORIDA and NAFTA:** ***EXPORTS and JOBS***
- **FLORIDA EXPORTS to MEXICO**
- **FLORIDA EXPORTS to CANADA**
- **FLORIDA COMPANIES:** ***A Sample in Support of NAFTA***

FLORIDA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

FLORIDA Jobs Supported by Trade with MEXICO and CANADA - 32,600.

• EXPORTS •

FLORIDA Exports to MEXICO and CANADA Reached $2.3 billion in 1992.

- **Florida's merchandise exports to Mexico tripled from 1987 to 1992,** rising from $219 million to $664 million. The South Atlantic states collectively posted the biggest percentage increase, with exports to Mexico rising over 260 percent.

- **9,400 jobs in Florida in 1992 were supported by exports to Mexico.** Over 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Florida ranked eighth among all 50 states in the dollar increase in exports to Mexico over the five year period ($445 million).**

- **With 1992 exports of $664 million, Florida ranked eighth among all 50 states and first among the South Atlantic states in the value of exports to Mexico during the five year period.**

- **Florida's exports to Mexico grew 203 percent from 1987 to 1992,** 125 percentage points faster than the state's export growth to the rest of the world.

- **Mexico in 1992 ranked seventh among Florida's 193 export markets,** up from 14th in 1987. Canada, our other NAFTA partner, was Florida's top export market.

- **Florida's exports to Mexico in 1992 were diverse.** Florida's top export industries were: industrial machinery & computers ($144 million), chemical products ($76 million), electric & electronic equipment ($74 million), paper products ($69 million), and scientific & measuring instruments ($50 million).

- **Florida boosted exports of a wide range of manufactured products to Mexico over the five year period.** All of the 20 major industries that comprise manufacturing registered export growth. Sectors that recorded significant gains were: food products (from $3 million to $19 million), printing & publishing (from $4 million to $41 million), and primary metals industries (from $8 million to $38 million).

- **In 1992, Florida's exports to Canada totalled $1.6 billion.** Florida's exports to Canada more than doubled over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.

FLORIDA'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
FL'S EXPORTS TO MEXICO	$218,998	$663,799	203.1%	$444,800
AGRICULTURE, FORESTRY & FISHERIES	$266	$10,537	3856.7%	$10,271
Agriculture – crops	33	9,260	28315.5%	9,227
Agriculture – livestock	210	859	308.6%	649
Forestry	24	63	168.5%	40
Fishing, Hunting	0	355	--	355
MINING	283	459	62.3%	176
Metal Mining	116	6	−94.9%	−110
Coal Mining	0	0	0.0%	0
Oil & Gas	0	116	--	116
Non-Metallic Minerals	167	337	102.0%	170
MANUFACTURING	208,098	636,732	206.0%	428,633
Food Products	2,984	19,271	545.7%	16,286
Tobacco Products	196	1,202	514.0%	1,006
Textile Mill Products	2,286	5,011	119.2%	2,725
Apparel	1,876	8,724	364.9%	6,848
Lumber & Wood Products	64	953	1396.4%	889
Furniture & Fixtures	1,323	4,962	275.1%	3,639
Paper Products	15,398	68,618	345.6%	53,219
Printing & Publishing	4,080	40,988	904.6%	36,907
Chemical Products	54,441	76,493	40.5%	22,052
Refined Petroleum Products	907	1,399	54.2%	492
Rubber & Plastic Products	1,282	16,250	1167.6%	14,968
Leather Products	450	1,376	205.7%	926
Stone, Clay & Glass Prod.	1,507	7,227	379.4%	5,720
Primary Metal Industries	8,164	37,533	359.8%	29,369
Fabricated Metal Products	3,079	11,934	287.6%	8,855
Indus. Mach. & Computers	71,204	144,360	102.7%	73,155
Electric & Electronic Equip.	14,151	74,302	425.1%	60,151
Transportation Equipment	16,212	46,936	189.5%	30,724
Scientific & Measuring Instr.	7,259	49,645	583.9%	42,386
Miscellaneous Manufactures	1,234	19,549	1484.2%	18,315
OTHER	10,351	16,072	55.3%	5,721
Scrap & Waste	6,223	11,388	83.0%	5,165
Second Hand Goods	674	459	−32.0%	−216
Military Equipment	3,454	4,225	22.3%	772
FL'S EXPORTS TO MEXICO	$218,998	$663,799	203.1%	$444,800

FLORIDA'S EXPORTS TO CANADA, BY INDUSTRY SECTOR
(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANG 1987–9
AGRICULTURE, FORESTRY & FISHING	$83,101	$291,002	$314,631	278.6%	$231,53
Agriculture – crops	80,047	262,526	293,672	266.9%	213,62
Agriculture – livestock	2,561	539	1,832	–28.5%	–72
Forestry	23	819	960	*	93
Fishing & Hunting	471	27,118	18,168	*	17,69
MINING	451	1,106	1,224	171.5%	77
Metal Mining	0	0	0	--	--
Coal Mining	0	0	0	--	--
Oil & Gas	0	75	28	--	2
Non–Metallic Minerals	451	1,031	1,197	165.4%	74
MANUFACTURING	587,590	1,130,198	1,244,087	111.7%	656,49
Food Products	116,347	204,479	191,430	64.5%	75,08
Tobacco Products	0	113	69	--	69
Textile Mill Products	1,903	3,747	6,438	238.3%	4,535
Apparel	2,620	6,728	5,317	102.9%	2,697
Lumber & Wood Products	341	3,435	4,028	*	3,68
Furniture & Fixtures	1,224	4,564	5,669	363.1%	4,445
Paper Products	9,713	9,443	10,571	8.8%	859
Printing & Publishing	5,120	36,947	42,525	730.6%	37,40
Chemical Products	111,627	105,728	81,629	–26.9%	–29,99
Refined Petroleum Products	36	1,570	17,113	*	17,077
Rubber & Plastic Products	2,118	30,036	34,304	*	32,186
Leather Products	285	4,877	5,324	*	5,040
Stone, Clay & Glass Products	2,044	15,336	16,906	727.2%	14,863
Primary Metal Industries	4,770	103,941	128,816	*	124,046
Fabricated Metal Products	13,792	30,267	62,777	355.2%	48,98
Industrial Machinery & Computers	115,494	156,503	157,458	36.3%	41,964
Electric & Electronic Equipment	77,472	125,209	139,853	80.5%	62,382
Transportation Equipment	84,479	171,632	200,946	137.9%	116,467
Scientific & Measuring Instruments	35,748	105,748	122,918	243.8%	87,170
Miscellaneous Manufactures	2,459	9,897	9,995	306.5%	7,536
OTHER	20,466	56,888	73,284	258.1%	52,818
Scrap & Waste	1,346	1,751	892	–33.7%	–454
Second Hand Goods	5,789	2,778	3,775	–34.8%	–2,015
Goods Returned to Canada	0	43,127	58,915	--	58,915
Military & Other Misc. Items	13,330	9,233	9,702	–27.2%	–3,629
FL'S EXPORTS TO CANADA	$691,608	$1,479,194	$1,633,226	136.1%	$941,618

* Indicates percent changes of 1000% or more.

BLOCKBUSTER Video
Ft. Lauderdale, Florida

BLOCKBUSTER Video has grown internationally in an enormous way, this is especially true in Mexico ... Store growth has increased by 72% year to date in Mexico, while it is projected to grow by 260% by the end of 1993. Sales are expected to double in 1993.

Wallace W. Knief
Corporate Communications Manager

Today, BLOCKBUSTER Video total store growth is expected to reach over 280 locations. The positive impact that BLOCKBUSTER Video has had in Mexico is in the increased number of jobs its licensed franchisee Grupo Mexicano de Video S.A. de C.V. can offer to the overall population. Mr. Knief has stated that the franchise employs over 700 store, administrative, and executive level staff positions throughout Mexico. Additionally, BLOCKBUSTER has increased staff in its U.S. based international department to support the Mexico growth efforts.

Mr. Knief emphasized that opening and operating BLOCKBUSTER Video stores in Mexico has been challenging and rewarding. With stores in over 13 cities throughout the country he expects BLOCKBUSTER Video to become as much a household name in Mexico as it is here today in the United States.

Jim Walter International Sales Corporation
Tampa Bay, Florida

"Our business with Mexico has been so great that we are setting up a joint venture there. I think that says it all about how we view Mexico."

Andris Ritums
President

Jim Walter International Sales Corporation, a trading company for building materials, has experienced a dramatic growth in sales since 1988. Since this time, sales have grown from virtually nothing to around $2 million. Approximately 30 employees have jobs which are related to the company's Mexican business.

Andris Ritums, President, attributes this tremendous growth to the high quality of his products and the liberalization of Mexico's foreign trade rules. He predicts that sales will be even more brisk next year.

E & G Food Company
Miami, Florida

"We are looking for a more diversified customer base and expanded operations in Mexico. We see new opportunities to significantly increase our business relationships there."

Carlos V. Perez
Export Manager

E & G Food Company sold $70 million of fresh and frozen food through its import/export and nationwide distribution channels last year. The Hispanic-owned company employs 95 people and exports to Mexico, Latin America, and the Caribbean.

Carlos V. Perez, Export Manager at E & G, decided to enter the Mexican market just three years ago. Today, Mexico represents 10 percent of E & G's total export sales. Since their initial contact in 1989, E & G's exports to Mexico have grown by 15 percent. Perez says that strong export growth created three new jobs at E & G last year.

Dantzler Lumber and Export Co.
Miami Lakes, Florida

> *"We expect sales into Mexico to increase by 10 percent or more in the upcoming year. My last sales trip to Mexico City was a great success."*
>
> Joe Sala
> Export Sales Manager

Dantzler sold over $300,000 worth of yellow pine lumber and plywood in Mexico during 1991, the company's first year in the market. Dantzler, a minority-owned lumber company, employs 40 people with annual sales of $30 million. Export sales manager Joe Sala views Mexico as the top export market for Dantzler's Alabama, Georgia, and Louisiana grown softwoods. Sala has taken a direct sales approach by traveling to Guadalajara, Mexico City, and Merida this year. Common language and culture have enabled Sala to penetrate the market on his own and bypass distributors.

Mentra Labs Inc.
Miami, Florida

> *"Mexico has advantages over our other export markets.... closeness, stability in the economy, strong identification with our products and industry, and a clear understanding of the latest technologies. Mexico is more up to date than other Latin American countries."*

Juan A. Ortiz
Director of Marketing
for Latin America

Mentra Labs is a minority-owned export management company for medical, laboratory, and hospital supplies. Mentra Lab's six person staff exports to Mexico, Latin America, the Caribbean, and the Middle East. Juan A. Ortiz, Mentra's Director of Marketing for Latin America, decided to enter the Mexican market two years ago. Mexico accounted for 15 percent of Mentra Lab's $2.6 million in export sales during 1991. Ortiz says that the market for health care equipment in Mexico is highly competitive but offers excellent opportunities for growth.

Calmaquip Engineering Corporation
Miami, Florida

> *"We feel that with the lifting of trade restrictions, Mexico is becoming a lucrative market for our products and services. We are now pursuing Mexican market opportunities extensively. We see a significant growth potential in both the short and long term for the Mexican market. Our other markets don't show the same prospects for stable growth that we see in Mexico."*

Jorge Portela
Vice President of Operations

Calmaquip Engineering Corporation, a minority-owned firm in Miami, Florida, specializes in airport, health care, and institutional facility projects. Calmaquip provides a unique combination of engineering know-how, equipment procurement, installation, service, and financing expertise to clients abroad. Seventy employees in the United States are supported by ten branch offices in Mexico, the Caribbean, South America, Europe, and the Middle East.

Calmaquip has worked extensively with the Export Import Bank of the United States over the past thirty years in Mexico. Jorge Portela, Vice President of Operations, says that with the help of Eximbank and other commercial bank aid, Calmaquip has built the majority of the air traffic control communication facilities in Mexico.

In 1981 Calmaquip opened a branch office in Mexico City to serve the market better and expand sales. Portela estimates that sales to Mexico have exceeded $12 million over the past eight years. Ninety-five percent of the equipment Calmaquip sold to Mexico over that same period was of U.S. origin.

The bulk of Calmaquip's past sales to Mexico have been to the airport facilities industry. Presently, Calmaquip is seeking new projects in the Mexican health care sector.

FLORIDA

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Florida's leading cash receipt commodities in 1991 included oranges, greenhouse and nursery products, fresh tomatoes, sugarcane, dairy products, grapefruit, and green peppers. These commodities accounted for $4.1 billion, 67 percent of the State's total agricultural cash receipts. Florida also is one of the major producers of sweet corn, strawberries, cucumbers, watermelon, tangerines, snap beans, squash, celery, radishes, cabbage, limes, and eggplants.

Key NAFTA Provisions

Orange juice: U.S. duties on all orange juice will be phased out over 15 years. For frozen concentrated and single-strength orange juice, the U.S. will establish tariff-rate quotas with a duty of 50 percent of the current Most-Favored-Nation (MFN) rate on with-in quota imports. The MFN rate, phased out over 15 years, will apply to over-quota imports.

Greenhouse and Nursery Products: With the exception of the U.S. duty on fresh cut roses, which will be phased out over 5 years, all duties on nursery products will be phase out immediately.

Tomatoes: Several new U.S. tariff lines will be created for tomatoes, including 2 new lines for cherry tomatoes. The special safeguard, a seasonal tariff rate quota, will apply to 2 different periods during the year.

Sugar: U.S. duties on sugar will be phased out over 15 years. During the transition period, Mexico will have duty-free access for its current quota of 7,259 metric tons. Additional access will be limited to Mexico's net production surplus, up to a maximum. For years 1-6, the maximum is 25,000 tons. In year 7, the maximum is 150,000 tons, which grows 10 percent a year.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Citrus: Several new U.S. tariff lines will be created for tangerines and grapefruit to provide the maximum transition period for the more sensitive shipping periods, yet grant Mexico improved access when U.S. product is not in the market. U.S. duties will be phased out either immediately or over 5 or 10 years, depending on the season.

Other vegetables: The U.S. will create several new tariff lines for peppers, squash, and eggplant. Duties will be phased out at different rates depending on the season. The U.S. will use the special agricultural safeguard on seasonal imports of squash and eggplant.

Economic Implications of NAFTA

Florida and Mexico are competitors in the fruit and vegetable industries, both marketing their produce during the winter months. Florida's agriculture, however, clearly dominates the domestic market. Mexican produce has often substituted for Florida produce when Florida suffered from freezes or other natural disasters. Faster income growth in Mexico imply greater Mexican demand for many of the products they now export. This will reduce the amount available for export to the United States from Mexico and increase Mexican imports of U.S. produce. NAFTA also contains long phase-out periods of certain tariffs, as well as quantity-based safeguards to protect U.S. producers of import-sensitive fruits and vegetables from import surges.

Orange juice: The United States imports 30 to 50 percent of its orange juice consumption, but only 10 percent of U.S. imports come from Mexico. NAFTA will eliminate the duties on Mexican frozen concentrated orange juice (FCOJ) but the effect on the U.S. FCOJ industry will be small. Total U.S. FCOJ imports will decline as new orange groves in Florida come into production over the next decade. However, U.S. imports from Mexico will be about 3-4 percent higher with NAFTA than without. Mexican income growth due to NAFTA will increase consumption and raise domestic prices, limiting the amount of Mexican orange juice available for export to the United States.

Greenhouse and Nursery Products: NAFTA will have a relatively small effect on the U.S. greenhouse and nursery industry. Mexico has the potential to increase exports of nursery products to the United States. However, NAFTA only restores Mexico's competitive position relative to its major competitors, Colombia and Bolivia, who gained U.S. duty-free status under the Andean Trade Preference Act. Since Florida is a major producer of greenhouse and nursery products, it is likely that the slower growth in production because of additional imports due to NAFTA will impact Florida to a greater extent than the national average for greenhouse and nursery products.

Tomatoes: Fresh tomatoes are Mexico's most important vegetable export to the United States. Imports of fresh tomatoes will increase under NAFTA. Any price effects will be moderated by the 10 year phase in period, and will be tempered by the safeguards. Florida and Mexico compete on a seasonal basis.

Office of Economics--United States Department of Agriculture Updated, August 1993.

Sugar: Florida and Mexico are major sugar producers. Under NAFTA, there is a 15-year transition period for sugar. U.S. tariffs on sugar from Mexico will decline by 15 percent over the first six years, and then be phased out to zero over the balance of the transition period. By year seven, Mexico will establish border protection equal to that of the United States, for imports from third countries. The United States will continue to be able to use the sugar re-export program for exports of refined sugar. These exports will be assessed Mexico's most-favored-nation tariff rate.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry.

Citrus: NAFTA will provide new export opportunities for U.S. fresh oranges in Mexico, especially for high-quality fruit in urban areas. The U.S. will likely increase exports of fresh oranges to Mexico but continue to be a net importer from Mexico. U.S. imports of limes from Mexico account for about half of U.S. consumption. Under NAFTA, imports will only be about 4 percent higher and prices only about 3 percent lower than without NAFTA.

Other vegetables: Under NAFTA, U.S. imports of some Mexican vegetables will likely increase, including cucumbers, bell peppers, fresh and frozen broccoli, tomatoes, and asparagus. Any price effects on the U.S. industry are expected to be modest and be moderated by the 10- or 15-year transition periods. U.S. exports of some vegetables, such as tomatoes and lettuce, are expected to increase as Mexican duties are eliminated.

Melons: NAFTA will result in increased U.S. imports of melons from Mexico. Any price effects will be moderated by the 10- or 15-year phase in period, as well as by the safeguard which applies to watermelon.

The State of WASHINGTON

and the

NAFTA

- WASHINGTON and NAFTA: *EXPORTS and JOBS*
- WASHINGTON EXPORTS to MEXICO
- WASHINGTON EXPORTS to CANADA
- WASHINGTON COMPANIES: *A Sample in Support of NAFTA*

WASHINGTON and the NAFTA: *EXPORTS and JOBS*

• JOBS •

WASHINGTON Jobs Supported by Trade with MEXICO and CANADA - 18,900.

• EXPORTS •

WASHINGTON Exports to MEXICO and CANADA Reached $2.6 billion in 1992.

- **Washington's merchandise exports to Mexico grew over 570 percent from 1987 to** 1992, rising from $83 million to $565 million.

- **4,200 jobs in Washington in 1992 were supported by exports to Mexico.** Almost 80 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Washington ranked fifth among all 50 states in the percentage increase in exports to Mexico over the past five years.** Nonborder states have registered the greatest percentage growth in shipments to the Mexican market.

- **Over the past five years, Washington's exports to Mexico rose by $482 million, the 11th largest dollar increase among all states.**

- **Washington ranked 11th among all states in the value of 1992 exports to Mexico.**

- **Washington's exports to Mexico grew 578 percent from 1987 to 1992, 446** percentage points faster than export growth to the rest of the world.

- **In 1992, Mexico ranked 15th among Washington's 202 export destinations, up** from 20th place in 1987. Canada, our other NAFTA partner, ranked fourth among Washington's export markets.

- **Washington's 1992 exports to Mexico were led by transportation equipment ($422** million). Other important exports to Mexico were: paper products ($37 million), agricultural crops ($24 million), electric & electronic equipment ($16 million), and food products ($14 million).

- **Washington greatly expanded exports of a range of manufactured products to Mexico over the past five years.** Sectors that recorded strong growth were: rubber & plastic products (from $6,000 to $1 million), miscellaneous manufactures (from $57,000 to $12 million), and agricultural crops (from $1 million to $24 million).

- **In 1992, Washington's exports to Canada totalled $2 billion.** Washington's exports to Canada have grown over 60 percent in the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods.

WASHINGTON'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
WA'S EXPORTS TO MEXICO	$83,382	$564,919	577.5%	$481,537
AGRICULTURE,FORESTRY & FISHERIES	$1,325	$24,507	1750.2%	$23,182
Agriculture – crops	1,278	24,041	1781.2%	22,763
Agriculture – livestock	47	0	–100.0%	–47
Forestry	0	359	--	359
Fishing, Hunting	0	106	--	106
MINING	0	18	--	18
Metal Mining	0	0	0.0%	0
Coal Mining	0	0	0.0%	0
Oil & Gas	0	0	0.0%	0
Non–Metallic Minerals	0	18	--	18
MANUFACTURING	81,533	538,645	560.7%	457,113
Food Products	8,953	14,271	59.4%	5,318
Tobacco Products	0	0	0.0%	0
Textile Mill Products	199	1,182	493.7%	983
Apparel	27	444	1532.6%	417
Lumber & Wood Products	0	630	--	630
Furniture & Fixtures	0	441	--	441
Paper Products	9,413	37,198	295.2%	27,786
Printing & Publishing	412	2,103	410.1%	1,691
Chemical Products	1,170	2,942	151.6%	1,773
Refined Petroleum Products	3,502	4,593	31.2%	1,091
Rubber & Plastic Products	6	1,333	21665.6%	1,327
Leather Products	0	178	--	178
Stone, Clay & Glass Prod.	7	645	9591.6%	638
Primary Metal Industries	1,769	3,192	80.5%	1,424
Fabricated Metal Products	401	1,343	234.7%	942
Indus. Mach. & Computers	2,468	12,926	423.7%	10,458
Electric & Electronic Equip.	1,760	15,902	803.6%	14,142
Transportation Equipment	50,290	421,955	739.0%	371,665
Scientific & Measuring Instr.	1,099	5,831	430.8%	4,732
Miscellaneous Manufactures	57	11,534	20034.9%	11,477
OTHER	524	1,748	233.4%	1,224
Scrap & Waste	352	864	145.8%	513
Second Hand Goods	121	242	99.7%	121
Military Equipment	52	642	1137.9%	591
WA'S EXPORTS TO MEXICO	$83,382	$564,919	577.5%	$481,537

WASHINGTON'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANGE 1987–92
AGRICULTURE, FORESTRY & FISHING	$88,631	$203,027	$205,360	131.7%	$116,729
Agriculture – crops	65,203	118,519	124,223	90.5%	59,021
Agriculture – livestock	20,115	7,246	8,392	–58.3%	–11,723
Forestry	3,229	1,523	1,242	–61.5%	–1,987
Fishing & Hunting	84	75,739	71,502	*	71,418
MINING	5,808	19,880	19,818	241.2%	14,010
Metal Mining	473	6,201	6,139	*	5,666
Coal Mining	0	0	16	--	16
Oil & Gas	0	6,239	4,913	--	4,913
Non–Metallic Minerals	5,335	7,440	8,750	64.0%	3,415
MANUFACTURING	1,109,926	1,517,440	1,705,022	53.6%	595,096
Food Products	178,195	116,955	130,318	–26.9%	–47,877
Tobacco Products	35	0	28	–19.2%	–7
Textile Mill Products	1,474	5,135	5,977	305.6%	4,503
Apparel	2,274	6,910	27,973	*	25,699
Lumber & Wood Products	79,289	108,818	108,635	37.0%	29,346
Furniture & Fixtures	3,879	9,084	11,602	199.1%	7,723
Paper Products	55,176	91,744	118,800	115.3%	63,625
Printing & Publishing	10,504	60,268	56,546	438.3%	46,042
Chemical Products	51,543	73,116	83,368	61.7%	31,825
Refined Petroleum Products	69,464	64,260	68,355	–1.6%	–1,109
Rubber & Plastic Products	26,413	45,886	46,874	77.5%	20,461
Leather Products	589	2,363	2,801	375.9%	2,212
Stone, Clay & Glass Products	14,962	28,692	34,127	128.1%	19,165
Primary Metal Industries	54,853	45,279	40,385	–26.4%	–14,468
Fabricated Metal Products	26,204	84,454	117,696	349.2%	91,492
Industrial Machinery & Computers	158,624	188,398	174,055	9.7%	15,431
Electric & Electronic Equipment	65,299	105,877	125,286	91.9%	59,987
Transportation Equipment	267,212	371,506	409,989	53.4%	142,777
Scientific & Measuring Instruments	33,824	69,456	64,670	91.2%	30,846
Miscellaneous Manufactures	10,115	39,239	77,536	666.6%	67,421
OTHER	26,124	54,959	60,130	130.2%	34,006
Scrap & Waste	14,100	8,579	7,691	–45.5%	–6,409
Second Hand Goods	3,791	1,106	1,945	–48.7%	–1,846
Goods Returned to Canada	0	34,307	45,211	--	45,211
Military & Other Misc. Items	8,233	10,967	5,283	–35.8%	–2,950
WA'S EXPORTS TO CANADA	$1,230,489	$1,795,306	$1,990,330	61.8%	$759,841

* Indicates percent changes of 1000% or more.

Microsoft Corporation
Redmond, Washington

> *Microsoft Corporation supports NAFTA and views continued tariff reduction programs throughout the America's as a very important part of the company's future growth.*
>
> H. Philip Welt
> Chief Executive Officer

Microsoft is a leading designer and producer of software products for the computer industry. Due to international acceptance of Microsoft Windows, the company has released versions in English, Dutch, French, German, Italian, Spanish, and Swedish.

Mexico is one of the company's fastest-growing markets. Mexico's rapid modernization has directly benefited Microsoft's U.S.-based work force. All products sold in Mexico are designed and manufactured at the company's Redmond headquarters. Mr. Welt also believes:

> *NAFTA will include favorable provisions for the American computer industry as a whole, and will create thousands of jobs for distributors, hardware manufacturers, software vendors and major resellers throughout the United States.*

WASHINGTON

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Washington's leading cash receipt commodities in 1991 included apples, dairy products, cattle and calves, wheat, potatoes, greenhouse and nursery, and pears. These commodities accounted for $2.8 billion, 71 percent of Washington's total agricultural cash receipts. Washington is also a leading producer of asparagus, cherries, grapes, onions, green peas, dry peas, dry beans, carrots, and lentils.

Key NAFTA Provisions

Noncitrus fruit: For fresh apples, Mexico's 20-percent tariff on imports from the United States will be phased out over 10 years. Mexico will implement a special agricultural safeguard, a tariff-rate quota, for fresh apples imported from the United States. For fresh pears, quinces, plums and prune plums imported from the United States, Mexico will immediately cut the 20-percent tariff to 15 percent, and phase out this reduced tariff over 5 years.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Beef: On November 11, 1992, the Mexican government announced the imposition of ad-valorem import tariffs on live cattle and beef. The tariff is 15 percent for slaughter cattle. For bovine carcasses or half carcasses, bone-in beef cuts, or boneless beef, the tariff is 20 percent for fresh or chilled and 25 percent for frozen. Previously, the tariffs were zero. They will return to zero once NAFTA takes effect. Duties on other beef products, such as offals, and prepared/preserved beef, range from 10-20 percent and will generally be phased out over 10 years. Mexico will be exempted from restrictions under the U.S. Meat Import Law.

Wheat: Mexico will eliminate its import license on wheat and replace it with a 15 percent duty. This duty will be phased out over 10 years.

Potatoes: Mexico will eliminate its import licensing requirement on fresh table potatoes and provide immediate duty-free access for 15,000 metric tons. Mexico can apply a tariff of 272 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 10 years. Mexico's duties on frozen potatoes and french fries, dried potatoes, and potato chips will be eliminated after 10 years. Mexico will apply the special safeguard, a tariff-rate quota, on processed potato products.

Greenhouse and nursery products: With the exception of the U.S. duty on fresh cut roses, which will be phased out over 5 years, all duties on nursery products will be phase out immediately.

Asparagus: The U.S. will create several new tariff lines for asparagus. Duties on import-sensitive periods will be phased out over 15 years. Duties on processed asparagus will be phased out over 10 years.

Cherries: Upon enactment of the NAFTA, Mexico will eliminate immediately the 20-percent tariff on U.S. exports of fresh cherries.

Grapes: Mexico will eliminate its import licensing requirement on grapes and replace it with a 20 percent duty from June 1 to October 14. U.S. imports will enter duty-free the rest of the year.

Dry beans: Mexico will eliminate its import licensing requirement on dry beans and provide immediate duty-free access for 50,000 metric tons. Mexico can apply a tariff of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years.

Economic Implications of NAFTA

Washington's agriculture will benefit from NAFTA. Liberalization of trade and investment barriers and faster income growth in Mexico imply enhanced opportunities for Washington's agriculture. This means more jobs and higher incomes in agriculture and the State as a whole.

Noncitrus fruit: Among the fruits, apples, peaches, and pears should be significant beneficiaries from NAFTA. Substantial increases in Mexican income due to NAFTA will increase domestic demand for fruit. This increase will reduce the amount available for exports to the United States from Mexico and increase Mexican imports of U.S. produce. By the end of the transition, revenues are expected to increase $18 million annually for the apple industry, and $9 million annually for the pear industry.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow

by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry. NAFTA will, therefore, increase the dairy industries revenues substantially.

Beef: NAFTA will increase U.S. exports of cattle and beef products. U.S. beef trade with Mexico will nearly double with the agreement. Due to the size of Mexican imports and exports relative to the U.S. market, NAFTA will have small effects on total U.S. cattle production and prices. By the end of the transition, an increase in cattle prices by about 1 percent will create an added $200 to $400 million in revenue for the cattle and beef industry.

Wheat: Mexico's wheat imports have been variable over the past decade, ranging from 50,000 tons in 1982 to about 1.2 million tons in 1988. Under NAFTA, U.S. wheat exports are expected to increase. NAFTA is expected to have small aggregate benefits for the U.S. wheat industry over the long term, with industry revenue up at least $30 million. Washington is a major white wheat producer, and Mexico is expected to increase its demand for white wheat.

Potatoes: U.S. exports of fresh and processed potatoes are likely to increase significantly once Mexico's import barriers come down. Mexican demand for processed potatoes is likely to grow sharply as incomes increase.

Greenhouse and nursery products: NAFTA will have a relatively small effect on the U.S. greenhouse and nursery industry. Mexico has the potential to increase exports of nursery products to the United States. However, NAFTA only restores Mexico's competitive position relative to its major competitors, Colombia and Bolivia, who gained U.S. duty-free status under the Andean Trade Preference Act.

Asparagus: The long phase-out periods for duties on asparagus will provide producers time to adjust to potentially higher levels of Mexican imports.

Grapes: U.S. grape exports are likely to increase significantly once Mexico's import licenses are removed. U.S. grapes will be competitive in Mexico, especially during the period when Mexican grapes are not being marketed.

Dry beans: U.S. dry bean exports to Mexico are variable. In recent years, Mexico took roughly 25-30 percent of U.S. exports, but in 1991 the share was only 9 percent. NAFTA will provide improved export opportunities to Mexico for the U.S. dry bean industry. U.S. dry bean exports to Mexico could almost double in 15 years, after Mexico completely phases out the tariff. Revenues for the industry would be expected to increase about 2 percent or $15 million annually by the end of the transition period.

The State of MINNESOTA

and the

NAFTA

- MINNESOTA and NAFTA: *EXPORTS and JOBS*

- MINNESOTA EXPORTS to MEXICO

- MINNESOTA EXPORTS to CANADA

- MINNESOTA COMPANIES: *A Sample in Support of NAFTA*

MINNESOTA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

MINNESOTA Jobs Supported by Trade with MEXICO and CANADA - 44,100.

• EXPORTS •

MINNESOTA Exports to MEXICO and CANADA Reached $2 billion in 1992.

- Minnesota's merchandise exports to Mexico almost tripled from 1987 to 1992, rising from $90 million to $261 million. Minnesota was one of 25 states which more than tripled their exports to Mexico during this period.
- 5,700 jobs in Minnesota in 1992 were supported by exports to Mexico. Over 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.
- Minnesota ranked 19th among all 50 states in the dollar increase in exports to Mexico over the past five years.
- Minnesota's exports to Mexico grew 191 percent from 1987 to 1992, 120 percentage points faster than export growth to the rest of the world.
- Mexico in 1992 ranked seventh among Minnesota's 176 export markets, up from 10th place in 1987. In 1992, Minnesota was one of 39 states which ranked Mexico among their top ten export destinations. Canada, our other NAFTA partner, was Minnesota's top export market.
- Minnesota's exports to Mexico in 1992 were dominated by industrial machinery & computers ($126 million) which accounted for almost half of the state's total.
- Minnesota boosted exports of a wide range of manufactured products to Mexico in the past five years. Categories that recorded strong growth included: industrial machinery & computers (up $85 million), food products (up $29 million), electric & electronic equipment (up $21 million), scientific & measuring instruments (up $11 million), and rubber & plastic products (up $7 million).
- In 1992, Minnesota's exports to Canada totalled $1.8 billion. Minnesota's exports to Canada have increased by almost 65 percent over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods.

MINNESOTA'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
MN'S EXPORTS TO MEXICO	$89,975	$261,420	190.5%	$171,445
AGRICULTURE,FORESTRY & FISHERIES	$18,610	$12,347	-33.7%	-$6,263
Agriculture - crops	18,506	10,752	-41.9%	-7,753
Agriculture - livestock	59	1,538	2523.3%	1,479
Forestry	46	17	-63.4%	-29
Fishing, Hunting	0	40	--	40
MINING	355	1,367	285.2%	1,012
Metal Mining	0	0	0.0%	0
Coal Mining	0	0	0.0%	0
Oil & Gas	0	16	--	16
Non-Metallic Minerals	355	1,351	280.7%	996
MANUFACTURING	70,301	246,844	251.1%	176,543
Food Products	10,603	39,737	274.8%	29,133
Tobacco Products	0	0	0.0%	0
Textile Mill Products	57	899	1463.9%	842
Apparel	5	1,321	26702.6%	1,316
Lumber & Wood Products	7	881	11855.3%	874
Furniture & Fixtures	11	1,051	9576.9%	1,040
Paper Products	889	4,179	369.8%	3,289
Printing & Publishing	279	1,840	560.2%	1,561
Chemical Products	1,337	4,481	235.2%	3,144
Refined Petroleum Products	7	138	1875.4%	131
Rubber & Plastic Products	1,159	8,076	597.0%	6,917
Leather Products	0	404	--	404
Stone, Clay & Glass Prod.	101	2,537	2411.4%	2,436
Primary Metal Industries	958	870	-9.3%	-89
Fabricated Metal Products	1,439	4,257	195.7%	2,818
Indus. Mach. & Computers	41,154	125,845	205.8%	84,691
Electric & Electronic Equip.	6,858	30,444	343.9%	23,585
Transportation Equipment	2,627	4,704	79.0%	2,076
Scientific & Measuring Instr.	2,682	13,525	404.3%	10,843
Miscellaneous Manufactures	126	1,657	1219.9%	1,531
OTHER	709	862	21.5%	153
Scrap & Waste	508	154	-69.7%	-354
Second Hand Goods	126	16	-87.0%	-110
Military Equipment	75	691	821.6%	616
MN'S EXPORTS TO MEXICO	$89,975	$261,420	190.5%	$171,445

MINNESOTA'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987-92	$ CHANGE 1987-92
AGRICULTURE, FORESTRY & FISHING	**$14,349**	**$48,253**	**$52,262**	**264.2%**	**$37,913**
Agriculture - crops	10,488	38,334	41,184	292.7%	30,696
Agriculture - livestock	3,556	7,514	7,209	102.7%	3,653
Forestry	30	647	883	*	853
Fishing & Hunting	274	1,757	2,985	989.8%	2,711
MINING	**13,550**	**85,560**	**126,996**	**837.2%**	**113,446**
Metal Mining	7,598	81,789	121,414	*	113,816
Coal Mining	0	0	120	--	120
Oil & Gas	0	7	1,701	--	1,701
Non-Metallic Minerals	5,952	3,764	3,761	-36.8%	-2,191
MANUFACTURING	**1,031,458**	**1,364,517**	**1,546,247**	**49.9%**	**514,789**
Food Products	109,697	137,857	172,978	57.7%	63,281
Tobacco Products	0	0	0	--	--
Textile Mill Products	1,605	5,857	9,691	503.7%	8,086
Apparel	1,153	4,318	5,080	340.7%	3,927
Lumber & Wood Products	12,018	18,914	19,798	64.7%	7,780
Furniture & Fixtures	2,459	8,632	7,939	222.8%	5,480
Paper Products	25,824	47,373	39,754	53.9%	13,929
Printing & Publishing	20,661	34,367	23,278	12.7%	2,617
Chemical Products	32,273	45,552	46,087	42.8%	13,814
Refined Petroleum Products	7,457	4,029	3,569	-52.1%	-3,888
Rubber & Plastic Products	21,078	19,465	30,488	44.6%	9,411
Leather Products	445	1,083	2,176	388.6%	1,731
Stone, Clay & Glass Products	12,105	31,781	32,548	168.9%	20,443
Primary Metal Industries	7,496	15,526	17,346	131.4%	9,850
Fabricated Metal Products	50,853	69,797	82,931	63.1%	32,078
Industrial Machinery & Computers	366,087	276,321	277,298	-24.3%	-88,789
Electric & Electronic Equipment	69,710	122,741	151,740	117.7%	82,030
Transportation Equipment	208,896	387,639	485,734	132.5%	276,839
Scientific & Measuring Instruments	73,251	105,667	103,085	40.7%	29,834
Miscellaneous Manufactures	8,391	27,595	34,726	313.9%	26,335
OTHER	**23,188**	**50,770**	**49,474**	**113.4%**	**26,287**
Scrap & Waste	14,253	12,595	17,035	19.5%	2,781
Second Hand Goods	822	678	781	-4.9%	-41
Goods Returned to Canada	0	32,704	27,900	--	27,900
Military & Other Misc. Items	8,112	4,793	3,758	-53.7%	-4,354
MN'S EXPORTS TO CANADA	**$1,082,544**	**$1,549,099**	**$1,774,979**	**64.0%**	**$692,435**

* Indicates percent changes of 1000% or more.

Honeywell
Minneapolis, Minnesota

> *We believe the NAFTA will substantially expand Honeywell's market opportunities in Mexico. NAFTA will accelerate Mexico's already healthy economic growth rate and capital investment by the private sector, thereby increasing sales opportunities for all our businesses, and in particular, Industrial Automation and Control and its components divisions.*
>
> *Honeywell is enthusiastic about the prospect for economic growth in Latin America and believes the NAFTA will only accelerate the trend for larger, more open markets for our company's goods and services.*
>
> Michael R. Bonsignore
> Chairman and CEO

In moving some assembly work to Mexico in-bond facilities, Honeywell Inc., has improved its ability to remain competitive with foreign competition. Use of in-bond facilities in Mexico has allowed Honeywell to preserve hundreds of jobs in the United States which would have otherwise been moved offshore to Asia or eliminated. Continuing production in North America allows Honeywell to support numerous higher-paying management, support, marketing, sales, and engineering positions in the United States.

The products produced in Mexico contain tens of millions of dollars of U.S. materials and components. Honeywell's Mexican operations source, on average, 85 percent of required materials and components for assembly from United States suppliers. According to Honeywell, NAFTA will provide an additional incentive to source in North America.

Honeywell's Tijuana plant is a prime example of the company's positive experience in Mexico. Approximately 200 manufacturing, engineering and administrative jobs were saved at Honeywell's San Diego facilities and approximately 90 jobs were saved at one of Honeywell's Minneapolis facilities as a result of assembly work performed in Tijuana. Further, the Tijuana plant uses approximately $32 million worth of U.S. produced goods for its assembly operations.

3M
St. Paul, Minnesota

> *As an international corporation, free trade is not an academic issue. Global companies know from experience in the real world that any reduction in trade barriers brings real benefits: sales, profits and secure jobs. The freer the trade, the greater the benefits.*

Allan K. Petersen
Area Vice President,
Latin America and Africa

Over the past six years in Mexico, 3M has seen the effects of free trade at work as Mexican officials have instituted bold reforms, slashing tariffs from 30 percent to 10 percent and removing a host of non-tariff barriers. 3M can measure these effects in sales, profits and secure jobs.

As the average tariff on 3M products dropped, now to 13.8 percent, the company's U.S.-made products have become more competitively priced. As a result, 3M exports to Mexico have increased almost nine fold since 1986. Growth like this can only be found in a market that is opening up.

As Mexico has eased its trade restriction, economic activity has increased in that country, resulting in literally hundreds of new jobs at 3M both in the United States and in Mexico. Contrary to some expectations, the new U.S. jobs are mostly in manufacturing, while the new Mexican jobs are primarily in sales and marketing.

According to Mr. Petersen:

> *All this growth at 3M has taken place to date with only a partial roll-back of trade barriers. The North American Free Trade Agreement will bring even freer trade. It will also give Mexico's trade policies the force of law, which ensures that they will not be revoked for short-term political reasons.*

MINNESOTA

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Minnesota's leading cash receipt commodities in 1991 included corn, dairy products, soybeans, cattle and calves, and hogs. These commodities accounted for $5.3 billion, 76 percent of Minnesota's total agricultural cash receipts. Minnesota is also a leading producer of sugarbeets, turkeys, sweet corn, sunflower, green peas, and oats.

Key NAFTA Provisions

Coarse grains: Mexico will eliminate its import licensing requirement on corn and provide immediate duty-free access for 2.5 million metric tons of corn. Mexico can apply a tariff of 215 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Oilseeds: The current Mexican duty of 15 percent on soybeans will be lowered to 10 percent and the period when the duty is in effect will be shortened. The duty, as well as those on soybean meal and oil, will be eliminate after 10 years.

Beef: On November 11, 1992, the Mexican government announced the imposition of ad-valorem import tariffs on live cattle and beef. The tariff is 15 percent for slaughter cattle. For bovine carcasses or half carcasses, bone-in beef cuts, or boneless beef, the tariff is 20 percent for fresh or chilled and 25 percent for frozen. Previously, the tariffs were zero. They will return to zero once NAFTA takes effect. Duties on other beef products, such as offals, and prepared/preserved beef, range from 10-20 percent and will generally be phased out over 10 years. Mexico will be exempted from restrictions under the U.S. Meat Import Law.

Pork: Mexico will eliminate tariffs on live hogs and pork, generally over a 10-year period. Mexico will apply the special safeguard, a tariff-rate quota, on some live hogs and pork products.

Sugar: U.S. duties on sugar will be phased out over 15 years. During the transition period, Mexico will have duty-free access for its current quota of 7,259 metric tons. Additional access will be limited to Mexico's net production surplus, up to a maximum. For years 1-6, the maximum is 25,000 tons. In year 7, the maximum is 150,000 tons, which grows 10 percent a year.

Poultry: Mexico will eliminate its import licenses on poultry and provide immediate duty-free access on 95,000 metric tons of poultry. Mexico can apply duties ranging from 133 percent to 260 percent on imports above the quotas. The quotas will increase 3 percent a year, and the duties will be phased out over 10 years.

Economic Implications of NAFTA

Minnesota's agriculture will benefit from NAFTA. Liberalization of trade and investment barriers and faster income growth in Mexico imply enhanced opportunities for Minnesota's agriculture. This means more jobs and higher incomes in agriculture and the State as a whole.

Coarse grains: The United States has traditionally supplied most of Mexico's corn imports. In the late 1980's, about 80 percent of Mexico's corn imports originated in the United States. As corn tariffs decline, later in the transition period, corn exports to Mexico will likely increase steadily. At the end of the 15-year transition period, U.S. exports of corn to Mexico will likely be about 6 million metric tons. This is almost 70 percent above the level which would have been expected had there been no NAFTA. By the end of the transition period, industry revenues for coarse grains will likely increase by $400 to $500 million due to NAFTA.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry. NAFTA will, therefore, increase the dairy industries revenues substantially.

Oilseeds: Mexico's soybean imports vary depending on domestic production, domestic coarse grain demand, and availability and price of feed substitutes. Under NAFTA, U.S. soybean exports to Mexico are expected to be about 4.5 million metric tons by the end of the transition period. This is about 20 percent above what would be expected without a NAFTA. In addition, soymeal exports to Mexico will be about 700,000 tons, or about 12 percent above what would have occurred without NAFTA. For the industry, revenues are expected to be up by $400 to $500 million.

Beef: NAFTA will increase U.S. exports of cattle and beef products. U.S. beef trade with Mexico will nearly double with the agreement. Due to the size of Mexican imports and exports relative to the U.S. market, NAFTA will have small effects on total U.S. cattle production and prices. By the end of the transition, an increase in cattle prices by about 1

percent will create an added $200 to $400 million in revenue for the cattle and beef industry.

Pork: Mexico has been a growing market for U.S. pork and hogs, despite high tariffs. Mexico has been the most important buyer of U.S. hogs and accounts for about one quarter of U.S. pork exports. Lower tariffs, removal of other barriers, and higher incomes in Mexico will expand its market for pork. However, reduced Mexican import barriers on grain and other feeds will reduced Mexican feed costs and make Mexican pork producers more competitive with U.S. producers. Therefore, U.S. export growth may moderate over time. Nonetheless, U.S. exports of pork and hogs to Mexico are expected to more than double by the end of the transition period. U.S. producer prices will likely be about $1.00 per hundredweight higher than without NAFTA, adding $150 to $200 million in revenue to the industry.

Sugar: Under NAFTA, the United States will continue the sugar re-export programs to ship refined sugar to Mexico at the Most Favored Nation (MFN) duty rate. Income growth in Mexico will expand its demand for sugar and will also encourage a shift to more highly refined sugar.

Poultry: Mexico has been a growing market for U.S. poultry, despite high Mexican tariffs and import licensing. Currently, the U.S. supplies almost all of Mexico's poultry imports and about 3 percent of Mexico's poultry consumption. NAFTA will lower Mexican tariffs and eliminate import licensing restrictions. Also, the Mexican market for poultry will grow as Mexican incomes grow more rapidly under NAFTA.

I Jobs = Exports - We're exporting products not jobs

2 1 Bil of Export = 20,000 jobs

Salinas
PRI

- 26% of our job growth related to export economy

air
Border
$
1. Environment Plan

more
Con
Spend
2. Domestic Tax

3. mobilize
300,000

- 500,000 jobs already lost -
300 companies - we're over
level

- 18 of 19 studies - good job growth
#19 tied to immigration, inadequate methods

1 1995 alone 200,000, Net 180,000

Domestic Content Laws
& High Tariffs are incentives
for companies to relocate to
Mexico / more job loss if
we don't pass NAFTA

- 2 million jobs lost due to
fundamental restructuring of the overall
economy / Worker Training & Dislocated
Program are the answer - NAFTA helps
this restructuring - Not This NAFTA

Defense
Conversion

Roger Altman

Florida, Minnesota, Washington Opinion Leaders Briefing
Talking Points

November 3, 1993

Economic Opportunities for the United States

- Our trade balance with Mexico shifted from a $5.7 billion deficit in 1987 to a $5.4 billion surplus in 1992. Compare that with our trade deficits of $49 billion with Japan, $19 billion with China and $9 billion with Taiwan.

- Since 1986, U.S. merchandise exports to Mexico have increased 228 percent -- 2.3 times faster than U.S. exports to the rest of the world.

The Stakes in this Debate are High

- Salinas: "Closing markets means the prelude to trading wars, and once the Cold War is over, the worst outcome would be to have trading wars, which is the prelude for nastier wars."

Economic Opportunities for the State of Washington

- Washington's merchandise exports to Mexico grew over 570 percent from 1987 to 1992, rising from $83 million to $565 million.

- Washington's 1992 exports to Mexico were led by transportation equipment ($422 million). Other important exports to Mexico were: paper products ($37 million), agricultural crops ($24 million), electric and electronic equipment ($16 million), and food products ($14 million).

Economic Opportunities for Minnesota

- Minnesota's exports to Mexico were dominated by industrial machinery and computers ($126 million) which accounted for almost half of the state's total.

Economic Opportunities for Florida

- Florida's exports to Mexico in 1992 were diverse. Florida's top export industries were: industrial machinery and computers ($144 million), chemical products ($76 million), electric and electronic equipment ($74 million), paper products ($69 million), and scientific and measuring instruments ($50 million).

[illegible]

II

I Highest Leadership of US

II Other Strategic agreements

III Political Leadership of President

THE WHITE HOUSE

WASHINGTON

AGENDA

THE NORTH AMERICAN FREE TRADE AGREEMENT
WHITE HOUSE FORUM

OLD EXECUTIVE OFFICE BUILDING
ROOM 450

November 3, 1993

****

WELCOME
Alexis Herman
Assistant to the President
Director of Public Liaison

BRIEFING
Roger Altman
Deputy Secretary of the Treasury

BRIEFING
Janet Reno
United States Attorney General

BREAK

BRIEFING
Bill Daley
Special Counsellor to the
President for NAFTA

BRIEFING
Bruce Babbit
Secretary of the Interior

***

VICE PRESIDENT AL GORE

***

ATTORNEY GENERAL RENO

Florida, Minnesota, Washington Opinion Leaders Briefing
Talking Points

November 3, 1993

FYI: Trade Statistics for the State of Florida:

- The jobs of 9,400 Floridians are supported by trade with Mexico.
- Merchandise exports to Mexico more than tripled from 1987-1992, rising from $219 million to $664 million.
- This five year period saw big gains in a wide range of exports
  - Food products went from $3 million to $19 million.
  - Printing and publishing went from $4 million to $41 million.
  - Primary metals went from $8 million to $38 million.
- Last year:
  - Industrial machinery and computer exports brought in $144 million.
  - Chemical products $76 million
  - Electric and Electronic equipment: $74 million.

Immigration

- Only an improvement in economic and living conditions in Mexico will end the immigration problem.

- As President Salinas said, "Mexicans prefer to live in their own country. And this is so when they find the proper economic and job conditions to do so." (Interview with David Frost).

- Three studies indicate that NAFTA will help stem to flow of illegal immigration.
  - Commission for the Study of International Migration study in 1986.
  - A University of California study in 1991 concluded that between 250,000 and 1.1 million fewer illegal immigrants will come to the United States if NAFTA is passed.
  - Even a group that is opposed to NAFTA, the Economic Policy Institute, concluded in 1991 that NAFTA would reduce illegal immigration from Mexico by as many as 1.6 million people by the turn of the century.

- Without an opportunity to participate in the benefits of free trade, hard-working Mexicans will continue to move to the United States.

Intellectual Property Rights

- Worldwide, software piracy costs U.S. industries $10 billion a year in lost revenue.

- **NAFTA is extremely important for such companies as "Microsoft," located in Redmond, Washington.** According to Bill Gates, the founder of Microsoft, **In Mexico alone last year an estimated $293 million in sales was lost to piracy of**

copyrighted works, including software, books and recorded music." **NAFTA HELPS PUT AN END TO THIS.** This agreement provides unprecedented protection for intellectual property. It safeguards the risk that entrepreneurs from this country have taken to make investments in technology for our future.

WILLIAM DALEY

Florida, Minnesota, Washington Opinion Leaders Briefing
Talking Points

November 3, 1993

Momentum is Building for NAFTA

- The vote is scheduled for November 17. What is our plan: **a full-court press.**

- Yesterday we had two great events
  - The "Great Americans for NAFTA." Treasury/White House
    - The President and Vice President
    - President Carter
    - Speaker Tip O'Neil
    - Speaker Jim Wright
    - James Baker
    - Alexander Haig
    - Paul Volcker
    - Lee Iacocca
    - Andrew Young
    - Carla Hills
    - Henry Kissenger
    - Nobel Economists

  - Opinion Leaders Briefing
    - Over a hundred people from Ohio, Illinois and Nebraska

- I am sure you heard President Clinton's eloquent rededication of the John F. Kennedy Library in Boston where he spoke passionately about how free trade fit squarely within the vision of the New Frontier that President Kennedy so boldly launched over thirty years ago.

- On Monday, the President participated in a town hall meeting that was simulcast to over 600 sites around the U.S.A. We had hundreds of calls in support of NAFTA. The support is growing.

- Secretary Christopher is in California.

- Madeline Albright has spoken in Colorado.

- Next week the President will be traveling to Kentucky to speak about NAFTA.

Washington Statistics

- 4,200 jobs in Washington in 1992 were supported by exports to Mexico. Almost 80% of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

Florida Statistics

- 9,400 jobs in Florida in 1992 were supported by exports to Mexico. Over 50% of those jobs were created in the past five years, since Mexico began liberalizing its important regime.

- Florida's merchandise exports to Mexico tripled from 1987 to 1992, rising from $219 million to $664 million. The South Atlantic states collectively posted the biggest percentage increase, with exports to Mexico rising over 260%.

- Florida ranked eighth among all 50 states in the dollar increase in exports to Mexico over the five year period ($445 million).

Minnesota

- 5,700 jobs in Minnesota in 1992 were supported by exports to Mexico. Over 50% of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

SECRETARY BABBITT

Florida, Minnesota, Washington Opinion Leaders Briefing
Talking Points

November 3, 1993

The Side Agreements: Cooperating to Clean-Up the Environment

- NAFTA: the first international trade agreement to even mention the word "environment."

- Opportunity for unprecedented cooperation between the U.S. and Mexico to clean-up the border area.

- For this reason NAFTA endorsed by National Wildlife Federation, the World Wildlife Fund, the Audubon Society, the Environmental Defense Fund, the National Resources Council and Conservation International.

The North American Development Bank (NADBank): Providing the Resources to Clean-Up the Environment

- NADBank backs this commitment with the funds necessary to get the job done.

- $225 million from both Mexico and the U.S. provide the leveraging power.

- $2 billion or more in loans and guarantees certified by the Border Environmental Cooperation Commission (BECC).

- Leveraging power of more than $20 billion over five years. -- Esteban Torees, U.S. House of Representatives, October 27, 1993.

- NADBank has intensified the support of the environmental groups. Peter A.A. Berle, President of the National Audubon Society stated: **"The creation of NADBank is essential to address the horrible conditions affection the human environment not only along the US-Mexican border but throughout the region."**

NAFTA: a vision for America's future

- Vote is about courage to step into the future.
- Yesterday, at the Great Americans event, one after another Americans stepped forward to testify to the importance of this agreement. Bi-partisan support.
- Must counter the fear with fact.

THE VICE PRESIDENT

Florida, Minnesota, Washington Opinion Leaders Briefing
Talking Points

November 3, 1993

Yesterday's Events

- Great Americans Gathering at Treasury/East Room
  - President Carter
  - Henry Kissinger
  - James Baker
  - Carla Hills
  - Ed Muskie
  - Speaker Jim Wright
  - Paul Volcker
  - Lee Iacocca
  - Andrew Young
  - Nobel Economists: Paul Samuelson.

- Ohio, Illinois, and Nebraska group of over 100. Briefers: Robert Rubin, Carol Browner, Secretary O'Leary, and Bill Daley.

- President Clinton spoke at the rededication of the John F. Kennedy Library.

Free Trade and the Global Leadership of the United States

- As John F. Kennedy said over thirty years ago, "Economic isolation and political leadership are wholly incompatible. The United States has encouraged sweeping changes in free world economic patterns in order to strengthen the forces of freedom. But we cannot ourselves stand still. We must adapt our own economy to the imperatives of a changing world and once more assert our leadership." Trade Adjustment Assistance Program of 1962.

- There are many in the world who are all too happy to displace our position of leadership in the world. **That is why the Japanese are so upset about NAFTA.**

Minnesota-Mexico Trade

- Minnesota's exports to Mexico grew 191% from 1987 to 1992, 120 percentage points faster than export growth to the rest of the world.

- Minnesota's merchandise exports to Mexico almost tripled from 1987 to 1992, rising from $990 million to $261 million. Minnesota was one of 25 states which more than tripled their exports to Mexico during this periods

- Minnesota boosted exports of a wide range of manufactured products to Mexico in the past five years. Categories that recorded strong growth included: industrial machinery and computers (up $85 million), food products (up $29 million), electric and electronic machinery (up $21 million), scientific and measuring instruments (up $11 million), and rubber and plastic products (up $7 million).

Washington-Mexico Trade

- Washington's exports to Mexico grew 578% from 1987 to 1992, 446 percentage points faster than export growth to the rest of the world.

- Washington greatly expanded exports of a range of manufactured products to Mexico over the past five years. Sectors that recorded strong growth were: rubber and plastic products (from $6,000 to $1 million), miscellaneous manufactures (from $57,000 to $12 million), and agricultural crops (from $1 million to $24 million).

Florida-Mexico Trade

- Florida's exports to Mexico grew 203% from 1987 to 1992, 125 percentage points faster than the state's export growth to the rest of the world.

- Florida boosted exports of a wide range of manufactured products to Mexico over the five years period. All of the 20 major industries that comprise manufacturing registered export growth. Sectors that recorded significant gains were: food products (from $3 million to $19 million), printing and publishing (from $4 million to $41 million), and primary metals industries (from $8 million to $38 million).

Real Business and Real Facts about NAFTA

- Washington: Microsoft Corporation, located in Redmond, Washington, is a leading designer and producer of software products. Mexico is one of the company's fastest-growing markets. Mexico's rapid modernization has directly benefited Microsoft's U.S. based workforce. All the products sold in Mexico are designed and manufactured at the company's Redmond headquarters.

    - **Bill Gates, the founder of Microsoft, is an outspoken NAFTA supporter.** He has written, **"Approval of NAFTA is vitally important to the software industry -- and the country. NAFTA presents us with an opportunity to protect our intellectual property rights and promote U.S. exports. It is an opportunity we should not miss."**

- Florida: Mentra Labs is a minority-owned export management company located in Miami generating demand for medical, laboratory, and hospital supplies in Mexico. Mexico accounted for 15 percent of Mentra Lab's 2.6 million in export sales during 1991. NAFTA offers excellent opportunities to increase those exports.

- Minnesota: The 3M Company, located in St. Paul Minnesota, has already seen the benefits of free trade. Over the last six years, as tariffs on 3M goods have been decreasing, 3M's exports to Mexico have increased almost nine fold.

NAFTA STATE OPINION LEADER BRIEFING
FLORIDA, MINNESOTA, WASHINGTON CONFERENCE
NOVEMBER 3, 1993
LIST OF ATTENDEES AS OF 5:00pm 11/02/93

M Paul Abrams
Chief Executive Officer
Enorx
Seattle WA

Dr. Chester Aiken
Jacksonville FL

Mr. James Albright
President and Chief Executive Officer
Bayfront Medical Center
Saint Petersburg FL

Mr. Charles Anderson
District Director
U.S. Small Business Administration
Coral Gables FL

Mr. Graham Anderson
Chief Executive Officer
Pettit-Morry Company
Seattle WA

Ms. Gwendolyn Appelquist
President
Chamber of Commerce
Penascola FL

Mr. Javier Arechavaleta
Counsel for Foreign Trade
Anchor Glass Container Corporation
Tampa FL

Mr. Juan M. Arimany
Vice President and C.E.O.
Florida Sun Cement Co., Inc.
Fort Pierce FL

Mr. William E. Barton
President
American Express
Jacksonville FL

Mr. Dick J. Batchelor
President
Dick Batchelor Management Group, Inc.
Orlando FL

Honorable J. Dudley Bates
Mayor
City of Altamonte Springs
Sarasota FL

Mr. George Bean
Executive Director
Hillsborough County Aviation Authority
Tampa FL

Dr. Thomas Becker
Professor
Department of Management and International Business
Boca Raton FL

Mr. Mitchell Berger
Attorney
Berger, Shapiro & Davis, P.A.
Fort Lauderdale FL

Mr. Jonathan Bloomberg
Attorney
enheimer, Wolff, Donnelly
aint Paul MN

Mr. Glenn Borregard
Vice President
World Trade Center
Fort Lauderdale FL

M Aswald Bronson, Sr.
President
Bethune-Cookman College
Daytona Beach FL

Mr. Ron Brower
Vice President
AT&T
Tallahassee FL

Mr. Edmund Burke
Senior Vice President
Burlington Northern
Fort Worth TX

Mr. William Cadogan
President and Chief Executive Officer
ADC Telecommunications
Minneapolis MN

Mr. William Caples
Vice President of Sales
Pennsylvania House
Seattle WA

Mr. Peter Costello
USA NAFTA
Washington DC

Mr. Seth Craine
Partner
Stearns, Weaver, Miller
Tampa FL

Mr. Tom Cristelli
Executive Vice President
Victory Envelope, Inc.
Chanhassen MN

Mr. Danny Crosby
Manager, Human Resources
Vulcan Gulf Coast Materials
Tampa FL

Ms. Nelda Rivera Cruz
VP Latin American Market Development
Marriott Ownership Resorts Inc.
Orlando FL

Ms. Patsy Jo Davis
Commissioner
Port of Seattle
Seattle WA

Mr. Robert Davis
President
Davis, Keller & Davis
Langley WA

Mr. Rick DeSimone
Seattle WA

Mr. Andrew J. Donelson
Manager, Federal Government Affairs
USA NAFTA
Washington DC

Mr. Daniel Durda
President and Chief Executive Officer
Aeration Industries International
Chaska MN

Commissioner Charles Dusseau
President
CBN Trading Company
Miami FL

M Andreas Ehlebracht
Vice President of Private Banking
and Investment ADvisory
Beutsch-Suidamerikanische Bank AG
Miami FL

Dr. George El-Bahri
Orthopedic Surgeon
Bahri Orthopedic and Sports Medicine
Clinic
Jacksonville FL

Mr. Meade Emory
Professor of Law
Georgetown University Law School
Seattle WA

Ms. Pamela Ernest
Director of Federal Affairs
Honeywell Inc.
Washington DC

Ms. Stephanie Sears Everidge
Special Assistant to the President
American Automobile Association
Heathrow FL

Ms. Ana Maria Fernandez Haar
President
IAC Advertising Group, Inc.
Miami FL

Mr. Alan Fitzwater
Vice President
Burlington Northern Raolroad
Washington DC

Mr. James Fletcher
Senior Vice President
Univar
Seattle WA

Mr. Byron Futton
Orlando World Trade Center
Orlando FL

Mr. Tim Gaffney
Vice President
Seitlin and Company
Miami FL

Mr. J. Scott Gaillard
Rep. Brown's Office
Legislative Assistant on Trade

Mr. Hector Garcia
Executive Director
Minnesotans for NAFTA
Saint Paul MN

Mr. Joseph Geller
Democratic Party Chair
Dania FL

Mr. Howard Glicken
Chairman of the Board
Jillian's Entertainment
Coral Gables FL

Ms. Sandra Hale
President
erprise Management International
Minneapolis MN

Mayor Laura M. Hall
Mayor of Edmonds
City Hall
Edmonds WA

l Scott Hardman
Chief Executive Officer
Steel Products
Seattle WA

Mr. Tommy Hazouri
President
Robinson & St. John Advertising
Jacksonville FL

Ms. Marjorie Himber
Partner
Special Services Company
Palm Coast FL

Mr. John Himmelberg
Attorney
Holland & Knight Inc.
Washington DC

Mr. Robert Hudson, Jr.
Partner
Baker, McKenzie
Miami FL

Ms. Connie Ingraham
President
Don Ingraham and Company, Inc.
Gulf Breeze FL

Hjalma Johnson
East Coast Bank Corporation
Dade City FL

Mr. Philip Jones
Director
Jones and Company
Seattle WA

Mr. Arthenia Joyner
Chair
Hillsborough County Aviation Authority
Tampa FL

Mr. Carl Kah, Jr.
Chief Executive Officer
K-Rain
North Palm Beach FL

Mr. Rick Kielmeyer
President
Manufacturers Association of Central Florida
Sanford FL

Mr. Jefferson Knott
International Marketing Manager
Critikon, Inc. -- Johnson & Johnson
Tampa FL

Mr. Michael Kurth
Professor of Economics
McNeese State University
Lake Charles FL

Ms. Barbara Lanning Hudson
Sale Director -- Latin Ameirca
Harris Corporation-Dracon Division
Miami FL

Mr. Fred Lawrence
President and Chief Executive icer
Sprint United Telephone of Florida
Altamonte Springs FL

Mr. Ray Lawton
President
Lawton Printing, Inc.
Spokane WA

Mr. Ira Leesfield
Attorney
Leesfield & Leighton
Miami FL

Ms. Audrey V. Lennon
Chairman and CEO
A. Lennon Foundation, Inc.
Orlando FL

Mr. Rob Leslie
President
Home Builders International
Hopkins MN

Mr. Gary W. LeTellier
Executive Director
Greater Orlando Aviation Authority
Orlando FL

Mr. John Macho
Director
Florida Department of Commerce
Coral Gables FL

Mr. Tom Mauel
R. J. Steichen
Minneapolis MN

Mr. Carl P. McCormick
President & CEO
Group Technologies Corp.
Tampa FL

Mr. C. Brian Melonakos
Vice President of Marketing
Procyte
Kirkland WA

Mr. Daniel Merkle
Seattle WA

Mr. Nathan Miles
Washington Convention and Trade
Seattle WA

Mr. James Nash
President and Chief Executive Officer
Caupsule Environmental Engineering
Roseville MN

Mr. Russell Natherson
President
Natherson and Company, P.A.
Sarasota FL

Mr. Allen Olson
President
Independent Bankers of Minnesota
Eagan MN

Mr. Larry Osborne
President
Jacksonville Association of Firefighters
Jacksonville FL

Mr. Norman Ostrowski
Project Manager
[illegible], Corp.
Boca Raton FL

Mr. Carlos Palomares
President & Chief Executive Officer
Citibank F.S.B.
Miami FL

M J. Kenneth Parker
Chairman
World Trade Center
Tampa Bay   FL

Mr. Charles Pedretti
Partner
Arthur Anderson
Minneapolis   MN

Mr. Dan Ponce
Attorney
Miami   FL

Mr. Charles Ranson
Co-Chair
Floridians for NAFTA
Tallahassee   FL

Ms. Carolyn Rehkop
Jacksonville   FL

Mr. Taylor Rehkop
retired
Jacksonville   FL

Mr. Stephen Rice
Associate Dean
University of Central Florida
Orlando   FL

Mr. Thurston Roach
Vice President and Chief Financial Officer
Simpson Investment Company
Seattle   WA

Mr. Marvin S. Rosen
Attorney
Greenberg, TRaurig, Hauffman
Miami   FL

Mr. Jeffrey Schiff
Manager of Product Operations
Collins General Aviation Division
Melbourne   FL

Mr. G. Edward Schuh
Dean and Professor
Hubert H. Humphrey Institute of Public Affairs
Minneapolis   MN

Mr. Howard Schultz
Chairman and Chief Executive Officer
Starbuck's Coffee Company
Seattle   WA

Mr. Carl Seigler
Vice President
Berg Steel Pipe Corporation
Panama City   FL

Mr. George Sheldon
Sheldon, Cusick & Associates
Tallahassee   FL

Honorable Harry Shorestein
Attorney General
State's Attorney Office
Jacksonville   FL

Mr. Paul P. Skoutelas
Executive Director
LYNX
Orlando   FL

Neal Sonnett, Esq.
New Sonnett, P.A.
Miami FL

Mr. Ray Strong
President
Strong International, Inc.
Coral Gables FL

Mr. James Todd
Chairman and CEO
Birmingham Steel
Seattle WA

Mr. Ike Tribble
President and Chief Executive Officer
Florida Endowment Fund
Tampa FL

Mr. Richard M. Vacar
Exec. Director
Sarasota International Airport Authority
Sarasota FL

Mr. Ronald R. Wambolt
Senior Vice President of Worldwide Sales
Fluke Corporation
Everett WA

Ms. Nancy Welch
President
International Products Inc.
Eagen MN

Ms. Blair Woolverton
President
Blair Woolverton, Inc.
Jacksonville FL

Mr. Harold W. Worrall
Executive Director
Orlando-Orange County Expressway Authority
Orlando FL

The State of FLORIDA

and the

NAFTA

- **FLORIDA and NAFTA: *EXPORTS and JOBS***

- **FLORIDA EXPORTS to MEXICO**

- **FLORIDA EXPORTS to CANADA**

- **FLORIDA COMPANIES: *A Sample in Support of NAFTA***

FLORIDA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

FLORIDA Jobs Supported by Trade with MEXICO and CANADA - 32,600.

• EXPORTS •

FLORIDA Exports to MEXICO and CANADA Reached $2.3 billion in 1992.

- **Florida's merchandise exports to Mexico tripled from 1987 to 1992,** rising from $219 million to $664 million. The South Atlantic states collectively posted the biggest percentage increase, with exports to Mexico rising over 260 percent.

- **9,400 jobs in Florida in 1992 were supported by exports to Mexico.** Over 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Florida ranked eighth among all 50 states in the dollar increase in exports to Mexico over the five year period ($445 million).**

- **With 1992 exports of $664 million, Florida ranked eighth among all 50 states and first among the South Atlantic states in the value of exports to Mexico during the five year period.**

- **Florida's exports to Mexico grew 203 percent from 1987 to 1992,** 125 percentage points faster than the state's export growth to the rest of the world.

- **Mexico in 1992 ranked seventh among Florida's 193 export markets, up from 14th** in 1987. Canada, our other NAFTA partner, was Florida's top export market.

- **Florida's exports to Mexico in 1992 were diverse.** Florida's top export industries were: industrial machinery & computers ($144 million), chemical products ($76 million), electric & electronic equipment ($74 million), paper products ($69 million), and scientific & measuring instruments ($50 million).

- **Florida boosted exports of a wide range of manufactured products to Mexico over the five year period.** All of the 20 major industries that comprise manufacturing registered export growth. Sectors that recorded significant gains were: food products (from $3 million to $19 million), printing & publishing (from $4 million to $41 million), and primary metals industries (from $8 million to $38 million).

- **In 1992, Florida's exports to Canada totalled $1.6 billion.** Florida's exports to Canada more than doubled over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.

FLORIDA'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
FL'S EXPORTS TO MEXICO	$218,998	$663,799	203.1%	$444,800
AGRICULTURE,FORESTRY & FISHERIES	$266	$10,537	3856.7%	$10,271
Agriculture – crops	33	9,260	28315.5%	9,227
Agriculture – livestock	210	859	308.6%	649
Forestry	24	63	168.5%	40
Fishing, Hunting	0	355	--	355
MINING	283	459	62.3%	176
Metal Mining	116	6	−94.9%	−110
Coal Mining	0	0	0.0%	0
Oil & Gas	0	116	--	116
Non-Metallic Minerals	167	337	102.0%	170
MANUFACTURING	208,098	636,732	206.0%	428,633
Food Products	2,984	19,271	545.7%	16,286
Tobacco Products	196	1,202	514.0%	1,006
Textile Mill Products	2,286	5,011	119.2%	2,725
Apparel	1,876	8,724	364.9%	6,848
Lumber & Wood Products	64	953	1396.4%	889
Furniture & Fixtures	1,323	4,962	275.1%	3,639
Paper Products	15,398	68,618	345.6%	53,219
Printing & Publishing	4,080	40,988	904.6%	36,907
Chemical Products	54,441	76,493	40.5%	22,052
Refined Petroleum Products	907	1,399	54.2%	492
Rubber & Plastic Products	1,282	16,250	1167.6%	14,968
Leather Products	450	1,376	205.7%	926
Stone, Clay & Glass Prod.	1,507	7,227	379.4%	5,720
Primary Metal Industries	8,164	37,533	359.8%	29,369
Fabricated Metal Products	3,079	11,934	287.6%	8,855
Indus. Mach. & Computers	71,204	144,360	102.7%	73,155
Electric & Electronic Equip.	14,151	74,302	425.1%	60,151
Transportation Equipment	16,212	46,936	189.5%	30,724
Scientific & Measuring Instr.	7,259	49,645	583.9%	42,386
Miscellaneous Manufactures	1,234	19,549	1484.2%	18,315
OTHER	10,351	16,072	55.3%	5,721
Scrap & Waste	6,223	11,388	83.0%	5,165
Second Hand Goods	674	459	−32.0%	−216
Military Equipment	3,454	4,225	22.3%	772
FL'S EXPORTS TO MEXICO	$218,998	$663,799	203.1%	$444,800

FLORIDA'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANG 1987–9
AGRICULTURE, FORESTRY & FISHING	$83,101	$291,002	$314,631	278.6%	$231,53
Agriculture – crops	80,047	262,526	293,672	266.9%	213,62
Agriculture – livestock	2,561	539	1,832	–28.5%	–72
Forestry	23	819	960	*	93
Fishing & Hunting	471	27,118	18,168	*	17,69
MINING	451	1,106	1,224	171.5%	77
Metal Mining	0	0	0	--	--
Coal Mining	0	0	0	--	--
Oil & Gas	0	75	28	--	2
Non–Metallic Minerals	451	1,031	1,197	165.4%	74
MANUFACTURING	587,590	1,130,198	1,244,087	111.7%	656,49
Food Products	116,347	204,479	191,430	64.5%	75,08
Tobacco Products	0	113	69	--	69
Textile Mill Products	1,903	3,747	6,438	238.3%	4,535
Apparel	2,620	6,728	5,317	102.9%	2,697
Lumber & Wood Products	341	3,435	4,028	*	3,687
Furniture & Fixtures	1,224	4,564	5,669	363.1%	4,445
Paper Products	9,713	9,443	10,571	8.8%	859
Printing & Publishing	5,120	36,947	42,525	730.6%	37,405
Chemical Products	111,627	105,728	81,629	–26.9%	–29,998
Refined Petroleum Products	36	1,570	17,113	*	17,077
Rubber & Plastic Products	2,118	30,036	34,304	*	32,186
Leather Products	285	4,877	5,324	*	5,040
Stone, Clay & Glass Products	2,044	15,336	16,906	727.2%	14,863
Primary Metal Industries	4,770	103,941	128,816	*	124,046
Fabricated Metal Products	13,792	30,267	62,777	355.2%	48,985
Industrial Machinery & Computers	115,494	156,503	157,458	36.3%	41,964
Electric & Electronic Equipment	77,472	125,209	139,853	80.5%	62,382
Transportation Equipment	84,479	171,632	200,946	137.9%	116,467
Scientific & Measuring Instruments	35,748	105,748	122,918	243.8%	87,170
Miscellaneous Manufactures	2,459	9,897	9,995	306.5%	7,536
OTHER	20,466	56,888	73,284	258.1%	52,818
Scrap & Waste	1,346	1,751	892	–33.7%	–454
Second Hand Goods	5,789	2,778	3,775	–34.8%	–2,015
Goods Returned to Canada	0	43,127	58,915	--	58,915
Military & Other Misc. Items	13,330	9,233	9,702	–27.2%	–3,629
FL'S EXPORTS TO CANADA	$691,608	$1,479,194	$1,633,226	136.1%	$941,618

* Indicates percent changes of 1000% or more.

BLOCKBUSTER Video
Ft. Lauderdale, Florida

> *BLOCKBUSTER Video has grown internationally in an enormous way, this is especially true in Mexico ... Store growth has increased by 72% year to date in Mexico, while it is projected to grow by 260% by the end of 1993. Sales are expected to double in 1993.*
>
> Wallace W. Knief
> Corporate Communications Manager

Today, BLOCKBUSTER Video total store growth is expected to reach over 280 locations. The positive impact that BLOCKBUSTER Video has had in Mexico is in the increased number of jobs its licensed franchisee Grupo Mexicano de Video S.A. de C.V. can offer to the overall population. Mr. Knief has stated that the franchise employs over 700 store, administrative, and executive level staff positions throughout Mexico. Additionally, BLOCKBUSTER has increased staff in its U.S. based international department to support the Mexico growth efforts.

Mr. Knief emphasized that opening and operating BLOCKBUSTER Video stores in Mexico has been challenging and rewarding. With stores in over 13 cities throughout the country he expects BLOCKBUSTER Video to become as much a household name in Mexico as it is here today in the United States.

Jim Walter International Sales Corporation
Tampa Bay, Florida

> *"Our business with Mexico has been so great that we are setting up a joint venture there. I think that says it all about how we view Mexico."*

Andris Ritums
President

Jim Walter International Sales Corporation, a trading company for building materials, has experienced a dramatic growth in sales since 1988. Since this time, sales have grown from virtually nothing to around $2 million. Approximately 30 employees have jobs which are related to the company's Mexican business.

Andris Ritums, President, attributes this tremendous growth to the high quality of his products and the liberalization of Mexico's foreign trade rules. He predicts that sales will be even more brisk next year.

E & G Food Company
Miami, Florida

> *"We are looking for a more diversified customer base and expanded operations in Mexico. We see new opportunities to significantly increase our business relationships there."*
>
> Carlos V. Perez
> Export Manager

E & G Food Company sold $70 million of fresh and frozen food through its import/export and nationwide distribution channels last year. The Hispanic-owned company employs 95 people and exports to Mexico, Latin America, and the Caribbean.

Carlos V. Perez, Export Manager at E & G, decided to enter the Mexican market just three years ago. Today, Mexico represents 10 percent of E & G's total export sales. Since their initial contact in 1989, E & G's exports to Mexico have grown by 15 percent. Perez says that strong export growth created three new jobs at E & G last year.

Dantzler Lumber and Export Co.
Miami Lakes, Florida

> *"We expect sales into Mexico to increase by 10 percent or more in the upcoming year. My last sales trip to Mexico City was a great success."*

Joe Sala
Export Sales Manager

Dantzler sold over $300,000 worth of yellow pine lumber and plywood in Mexico during 1991, the company's first year in the market. Dantzler, a minority-owned lumber company, employs 40 people with annual sales of $30 million. Export sales manager Joe Sala views Mexico as the top export market for Dantzler's Alabama, Georgia, and Louisiana grown softwoods. Sala has taken a direct sales approach by traveling to Guadalajara, Mexico City, and Merida this year. Common language and culture have enabled Sala to penetrate the market on his own and bypass distributors.

Mentra Labs Inc.
Miami, Florida

> *"Mexico has advantages over our other export markets.... closeness, stability in the economy, strong identification with our products and industry, and a clear understanding of the latest technologies. Mexico is more up to date than other Latin American countries."*

Juan A. Ortiz
Director of Marketing
for Latin America

Mentra Labs is a minority-owned export management company for medical, laboratory, and hospital supplies. Mentra Lab's six person staff exports to Mexico, Latin America, the Caribbean, and the Middle East. Juan A. Ortiz, Mentra's Director of Marketing for Latin America, decided to enter the Mexican market two years ago. Mexico accounted for 15 percent of Mentra Lab's $2.6 million in export sales during 1991. Ortiz says that the market for health care equipment in Mexico is highly competitive but offers excellent opportunities for growth.

Calmaquip Engineering Corporation
Miami, Florida

"We feel that with the lifting of trade restrictions, Mexico is becoming a lucrative market for our products and services. We are now pursuing Mexican market opportunities extensively. We see a significant growth potential in both the short and long term for the Mexican market. Our other markets don't show the same prospects for stable growth that we see in Mexico."

Jorge Portela
Vice President of Operations

Calmaquip Engineering Corporation, a minority-owned firm in Miami, Florida, specializes in airport, health care, and institutional facility projects. Calmaquip provides a unique combination of engineering know-how, equipment procurement, installation, service, and financing expertise to clients abroad. Seventy employees in the United States are supported by ten branch offices in Mexico, the Caribbean, South America, Europe, and the Middle East.

Calmaquip has worked extensively with the Export Import Bank of the United States over the past thirty years in Mexico. Jorge Portela, Vice President of Operations, says that with the help of Eximbank and other commercial bank aid, Calmaquip has built the majority of the air traffic control communication facilities in Mexico.

In 1981 Calmaquip opened a branch office in Mexico City to serve the market better and expand sales. Portela estimates that sales to Mexico have exceeded $12 million over the past eight years. Ninety-five percent of the equipment Calmaquip sold to Mexico over that same period was of U.S. origin.

The bulk of Calmaquip's past sales to Mexico have been to the airport facilities industry. Presently, Calmaquip is seeking new projects in the Mexican health care sector.

FLORIDA

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Florida's leading cash receipt commodities in 1991 included oranges, greenhouse and nursery products, fresh tomatoes, sugarcane, dairy products, grapefruit, and green peppers. These commodities accounted for $4.1 billion, 67 percent of the State's total agricultural cash receipts. Florida also is one of the major producers of sweet corn, strawberries, cucumbers, watermelon, tangerines, snap beans, squash, celery, radishes, cabbage, limes, and eggplants.

Key NAFTA Provisions

Orange juice: U.S. duties on all orange juice will be phased out over 15 years. For frozen concentrated and single-strength orange juice, the U.S. will establish tariff-rate quotas with a duty of 50 percent of the current Most-Favored-Nation (MFN) rate on with-in quota imports. The MFN rate, phased out over 15 years, will apply to over-quota imports.

Greenhouse and Nursery Products: With the exception of the U.S. duty on fresh cut roses, which will be phased out over 5 years, all duties on nursery products will be phase out immediately.

Tomatoes: Several new U.S. tariff lines will be created for tomatoes, including 2 new lines for cherry tomatoes. The special safeguard, a seasonal tariff rate quota, will apply to 2 different periods during the year.

Sugar: U.S. duties on sugar will be phased out over 15 years. During the transition period, Mexico will have duty-free access for its current quota of 7,259 metric tons. Additional access will be limited to Mexico's net production surplus, up to a maximum. For years 1-6, the maximum is 25,000 tons. In year 7, the maximum is 150,000 tons, which grows 10 percent a year.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Citrus: Several new U.S. tariff lines will be created for tangerines and grapefruit to provide the maximum transition period for the more sensitive shipping periods, yet grant Mexico improved access when U.S. product is not in the market. U.S. duties will be phased out either immediately or over 5 or 10 years, depending on the season.

Other vegetables: The U.S. will create several new tariff lines for peppers, squash, and eggplant. Duties will be phased out at different rates depending on the season. The U.S. will use the special agricultural safeguard on seasonal imports of squash and eggplant.

Economic Implications of NAFTA

Florida and Mexico are competitors in the fruit and vegetable industries, both marketing their produce during the winter months. Florida's agriculture, however, clearly dominates the domestic market. Mexican produce has often substituted for Florida produce when Florida suffered from freezes or other natural disasters. Faster income growth in Mexico imply greater Mexican demand for many of the products they now export. This will reduce the amount available for export to the United States from Mexico and increase Mexican imports of U.S. produce. NAFTA also contains long phase-out periods of certain tariffs, as well as quantity-based safeguards to protect U.S. producers of import-sensitive fruits and vegetables from import surges.

Orange juice: The United States imports 30 to 50 percent of its orange juice consumption, but only 10 percent of U.S. imports come from Mexico. NAFTA will eliminate the duties on Mexican frozen concentrated orange juice (FCOJ) but the effect on the U.S. FCOJ industry will be small. Total U.S. FCOJ imports will decline as new orange groves in Florida come into production over the next decade. However, U.S. imports from Mexico will be about 3-4 percent higher with NAFTA than without. Mexican income growth due to NAFTA will increase consumption and raise domestic prices, limiting the amount of Mexican orange juice available for export to the United States.

Greenhouse and Nursery Products: NAFTA will have a relatively small effect on the U.S. greenhouse and nursery industry. Mexico has the potential to increase exports of nursery products to the United States. However, NAFTA only restores Mexico's competitive position relative to its major competitors, Colombia and Bolivia, who gained U.S. duty-free status under the Andean Trade Preference Act. Since Florida is a major producer of greenhouse and nursery products, it is likely that the slower growth in production because of additional imports due to NAFTA will impact Florida to a greater extent than the national average for greenhouse and nursery products.

Tomatoes: Fresh tomatoes are Mexico's most important vegetable export to the United States. Imports of fresh tomatoes will increase under NAFTA. Any price effects will be moderated by the 10 year phase in period, and will be tempered by the safeguards. Florida and Mexico compete on a seasonal basis.

Office of Economics--United States Department of Agriculture Updated, August 1993.

Sugar: Florida and Mexico are major sugar producers. Under NAFTA, there is a 15-year transition period for sugar. U.S. tariffs on sugar from Mexico will decline by 15 percent over the first six years, and then be phased out to zero over the balance of the transition period. By year seven, Mexico will establish border protection equal to that of the United States, for imports from third countries. The United States will continue to be able to use the sugar re-export program for exports of refined sugar. These exports will be assessed Mexico's most-favored-nation tariff rate.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry.

Citrus: NAFTA will provide new export opportunities for U.S. fresh oranges in Mexico, especially for high-quality fruit in urban areas. The U.S. will likely increase exports of fresh oranges to Mexico but continue to be a net importer from Mexico. U.S. imports of limes from Mexico account for about half of U.S. consumption. Under NAFTA, imports will only be about 4 percent higher and prices only about 3 percent lower than without NAFTA.

Other vegetables: Under NAFTA, U.S. imports of some Mexican vegetables will likely increase, including cucumbers, bell peppers, fresh and frozen broccoli, tomatoes, and asparagus. Any price effects on the U.S. industry are expected to be modest and be moderated by the 10- or 15-year transition periods. U.S. exports of some vegetables, such as tomatoes and lettuce, are expected to increase as Mexican duties are eliminated.

Melons: NAFTA will result in increased U.S. imports of melons from Mexico. Any price effects will be moderated by the 10- or 15-year phase in period, as well as by the safeguard which applies to watermelon.

The State of WASHINGTON

and the

NAFTA

- **WASHINGTON and NAFTA: *EXPORTS and JOBS***
- **WASHINGTON EXPORTS to MEXICO**
- **WASHINGTON EXPORTS to CANADA**
- **WASHINGTON COMPANIES: *A Sample in Support of NAFTA***

WASHINGTON and the NAFTA: *EXPORTS and JOBS*

• JOBS •

WASHINGTON Jobs Supported by Trade with MEXICO and CANADA - 18,900.

• EXPORTS •

WASHINGTON Exports to MEXICO and CANADA Reached $2.6 billion in 1992.

- **Washington's merchandise exports to Mexico grew over 570 percent from 1987 to 1992,** rising from $83 million to $565 million.

- **4,200 jobs in Washington in 1992 were supported by exports to Mexico.** Almost 80 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Washington ranked fifth among all 50 states in the percentage increase in exports to Mexico over the past five years.** Nonborder states have registered the greatest percentage growth in shipments to the Mexican market.

- **Over the past five years, Washington's exports to Mexico rose by $482 million, the 11th largest dollar increase among all states.**

- **Washington ranked 11th among all states in the value of 1992 exports to Mexico.**

- **Washington's exports to Mexico grew 578 percent from 1987 to 1992, 446** percentage points faster than export growth to the rest of the world.

- **In 1992, Mexico ranked 15th among Washington's 202 export destinations,** up from 20th place in 1987. Canada, our other NAFTA partner, ranked fourth among Washington's export markets.

- **Washington's 1992 exports to Mexico were led by transportation equipment ($422** million). Other important exports to Mexico were: paper products ($37 million), agricultural crops ($24 million), electric & electronic equipment ($16 million), and food products ($14 million).

- **Washington greatly expanded exports of a range of manufactured products to Mexico over the past five years.** Sectors that recorded strong growth were: rubber & plastic products (from $6,000 to $1 million), miscellaneous manufactures (from $57,000 to $12 million), and agricultural crops (from $1 million to $24 million).

- **In 1992, Washington's exports to Canada totalled $2 billion.** Washington's exports to Canada have grown over 60 percent in the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods.

WASHINGTON'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
WA'S EXPORTS TO MEXICO	$83,382	$564,919	577.5%	$481,537
AGRICULTURE, FORESTRY & FISHERIES	$1,325	$24,507	1750.2%	$23,182
Agriculture – crops	1,278	24,041	1781.2%	22,763
Agriculture – livestock	47	0	–100.0%	–47
Forestry	0	359	––	359
Fishing, Hunting	0	106	––	106
MINING	0	18	––	18
Metal Mining	0	0	0.0%	0
Coal Mining	0	0	0.0%	0
Oil & Gas	0	0	0.0%	0
Non–Metallic Minerals	0	18	––	18
MANUFACTURING	81,533	538,645	560.7%	457,113
Food Products	8,953	14,271	59.4%	5,318
Tobacco Products	0	0	0.0%	0
Textile Mill Products	199	1,182	493.7%	983
Apparel	27	444	1532.6%	417
Lumber & Wood Products	0	630	––	630
Furniture & Fixtures	0	441	––	441
Paper Products	9,413	37,198	295.2%	27,786
Printing & Publishing	412	2,103	410.1%	1,691
Chemical Products	1,170	2,942	151.6%	1,773
Refined Petroleum Products	3,502	4,593	31.2%	1,091
Rubber & Plastic Products	6	1,333	21665.6%	1,327
Leather Products	0	178	––	178
Stone, Clay & Glass Prod.	7	645	9591.6%	638
Primary Metal Industries	1,769	3,192	80.5%	1,424
Fabricated Metal Products	401	1,343	234.7%	942
Indus. Mach. & Computers	2,468	12,926	423.7%	10,458
Electric & Electronic Equip.	1,760	15,902	803.6%	14,142
Transportation Equipment	50,290	421,955	739.0%	371,665
Scientific & Measuring Instr.	1,099	5,831	430.8%	4,732
Miscellaneous Manufactures	57	11,534	20034.9%	11,477
OTHER	524	1,748	233.4%	1,224
Scrap & Waste	352	864	145.8%	513
Second Hand Goods	121	242	99.7%	121
Military Equipment	52	642	1137.9%	591
WA'S EXPORTS TO MEXICO	$83,382	$564,919	577.5%	$481,537

WASHINGTON'S EXPORTS TO CANADA, BY INDUSTRY SECTOR
(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987-92	$ CHANGE 1987-92
AGRICULTURE, FORESTRY & FISHING	**$88,631**	**$203,027**	**$205,360**	**131.7%**	**$116,729**
Agriculture - crops	65,203	118,519	124,223	90.5%	59,021
Agriculture - livestock	20,115	7,246	8,392	-58.3%	-11,723
Forestry	3,229	1,523	1,242	-61.5%	-1,987
Fishing & Hunting	84	75,739	71,502	*	71,418
MINING	**5,808**	**19,880**	**19,818**	**241.2%**	**14,010**
Metal Mining	473	6,201	6,139	*	5,666
Coal Mining	0	0	16	--	16
Oil & Gas	0	6,239	4,913	--	4,913
Non-Metallic Minerals	5,335	7,440	8,750	64.0%	3,415
MANUFACTURING	**1,109,926**	**1,517,440**	**1,705,022**	**53.6%**	**595,096**
Food Products	178,195	116,955	130,318	-26.9%	-47,877
Tobacco Products	35	0	28	-19.2%	-7
Textile Mill Products	1,474	5,135	5,977	305.6%	4,503
Apparel	2,274	6,910	27,973	*	25,699
Lumber & Wood Products	79,289	108,818	108,635	37.0%	29,346
Furniture & Fixtures	3,879	9,084	11,602	199.1%	7,723
Paper Products	55,176	91,744	118,800	115.3%	63,625
Printing & Publishing	10,504	60,268	56,546	438.3%	46,042
Chemical Products	51,543	73,116	83,368	61.7%	31,825
Refined Petroleum Products	69,464	64,260	68,355	-1.6%	-1,109
Rubber & Plastic Products	26,413	45,886	46,874	77.5%	20,461
Leather Products	589	2,363	2,801	375.9%	2,212
Stone, Clay & Glass Products	14,962	28,692	34,127	128.1%	19,165
Primary Metal Industries	54,853	45,279	40,385	-26.4%	-14,468
Fabricated Metal Products	26,204	84,454	117,696	349.2%	91,492
Industrial Machinery & Computers	158,624	188,398	174,055	9.7%	15,431
Electric & Electronic Equipment	65,299	105,877	125,286	91.9%	59,987
Transportation Equipment	267,212	371,506	409,989	53.4%	142,777
Scientific & Measuring Instruments	33,824	69,456	64,670	91.2%	30,846
Miscellaneous Manufactures	10,115	39,239	77,536	666.6%	67,421
OTHER	**26,124**	**54,959**	**60,130**	**130.2%**	**34,006**
Scrap & Waste	14,100	8,579	7,691	-45.5%	-6,409
Second Hand Goods	3,791	1,106	1,945	-48.7%	-1,846
Goods Returned to Canada	0	34,307	45,211	--	45,211
Military & Other Misc. Items	8,233	10,967	5,283	-35.8%	-2,950
WA'S EXPORTS TO CANADA	**$1,230,489**	**$1,795,306**	**$1,990,330**	**61.8%**	**$759,841**

* Indicates percent changes of 1000% or more.

Microsoft Corporation
Redmond, Washington

> *Microsoft Corporation supports NAFTA and views continued tariff reduction programs throughout the America's as a very important part of the company's future growth.*

H. Philip Welt
Chief Executive Officer

Microsoft is a leading designer and producer of software products for the computer industry. Due to international acceptance of Microsoft Windows, the company has released versions in English, Dutch, French, German, Italian, Spanish, and Swedish.

Mexico is one of the company's fastest-growing markets. Mexico's rapid modernization has directly benefited Microsoft's U.S.-based work force. All products sold in Mexico are designed and manufactured at the company's Redmond headquarters. Mr. Welt also believes:

> *NAFTA will include favorable provisions for the American computer industry as a whole, and will create thousands of jobs for distributors, hardware manufacturers, software vendors and major resellers throughout the United States.*

WASHINGTON

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Washington's leading cash receipt commodities in 1991 included apples, dairy products, cattle and calves, wheat, potatoes, greenhouse and nursery, and pears. These commodities accounted for $2.8 billion, 71 percent of Washington's total agricultural cash receipts. Washington is also a leading producer of asparagus, cherries, grapes, onions, green peas, dry peas, dry beans, carrots, and lentils.

Key NAFTA Provisions

Noncitrus fruit: For fresh apples, Mexico's 20-percent tariff on imports from the United States will be phased out over 10 years. Mexico will implement a special agricultural safeguard, a tariff-rate quota, for fresh apples imported from the United States. For fresh pears, quinces, plums and prune plums imported from the United States, Mexico will immediately cut the 20-percent tariff to 15 percent, and phase out this reduced tariff over 5 years.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Beef: On November 11, 1992, the Mexican government announced the imposition of ad-valorem import tariffs on live cattle and beef. The tariff is 15 percent for slaughter cattle. For bovine carcasses or half carcasses, bone-in beef cuts, or boneless beef, the tariff is 20 percent for fresh or chilled and 25 percent for frozen. Previously, the tariffs were zero. They will return to zero once NAFTA takes effect. Duties on other beef products, such as offals, and prepared/preserved beef, range from 10-20 percent and will generally be phased out over 10 years. Mexico will be exempted from restrictions under the U.S. Meat Import Law.

Wheat: Mexico will eliminate its import license on wheat and replace it with a 15 percent duty. This duty will be phased out over 10 years.

Potatoes: Mexico will eliminate its import licensing requirement on fresh table potatoes and provide immediate duty-free access for 15,000 metric tons. Mexico can apply a tariff of 272 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 10 years. Mexico's duties on frozen potatoes and french fries, dried potatoes, and potato chips will be eliminated after 10 years. Mexico will apply the special safeguard, a tariff-rate quota, on processed potato products.

Greenhouse and nursery products: With the exception of the U.S. duty on fresh cut roses, which will be phased out over 5 years, all duties on nursery products will be phase out immediately.

Asparagus: The U.S. will create several new tariff lines for asparagus. Duties on import-sensitive periods will be phased out over 15 years. Duties on processed asparagus will be phased out over 10 years.

Cherries: Upon enactment of the NAFTA, Mexico will eliminate immediately the 20-percent tariff on U.S. exports of fresh cherries.

Grapes: Mexico will eliminate its import licensing requirement on grapes and replace it with a 20 percent duty from June 1 to October 14. U.S. imports will enter duty-free the rest of the year.

Dry beans: Mexico will eliminate its import licensing requirement on dry beans and provide immediate duty-free access for 50,000 metric tons. Mexico can apply a tariff of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years.

Economic Implications of NAFTA

Washington's agriculture will benefit from NAFTA. Liberalization of trade and investment barriers and faster income growth in Mexico imply enhanced opportunities for Washington's agriculture. This means more jobs and higher incomes in agriculture and the State as a whole.

Noncitrus fruit: Among the fruits, apples, peaches, and pears should be significant beneficiaries from NAFTA. Substantial increases in Mexican income due to NAFTA will increase domestic demand for fruit. This increase will reduce the amount available for exports to the United States from Mexico and increase Mexican imports of U.S. produce. By the end of the transition, revenues are expected to increase $18 million annually for the apple industry, and $9 million annually for the pear industry.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow

by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry. NAFTA will, therefore, increase the dairy industries revenues substantially.

Beef: NAFTA will increase U.S. exports of cattle and beef products. U.S. beef trade with Mexico will nearly double with the agreement. Due to the size of Mexican imports and exports relative to the U.S. market, NAFTA will have small effects on total U.S. cattle production and prices. By the end of the transition, an increase in cattle prices by about 1 percent will create an added $200 to $400 million in revenue for the cattle and beef industry.

Wheat: Mexico's wheat imports have been variable over the past decade, ranging from 50,000 tons in 1982 to about 1.2 million tons in 1988. Under NAFTA, U.S. wheat exports are expected to increase. NAFTA is expected to have small aggregate benefits for the U.S. wheat industry over the long term, with industry revenue up at least $30 million. Washington is a major white wheat producer, and Mexico is expected to increase its demand for white wheat.

Potatoes: U.S. exports of fresh and processed potatoes are likely to increase significantly once Mexico's import barriers come down. Mexican demand for processed potatoes is likely to grow sharply as incomes increase.

Greenhouse and nursery products: NAFTA will have a relatively small effect on the U.S. greenhouse and nursery industry. Mexico has the potential to increase exports of nursery products to the United States. However, NAFTA only restores Mexico's competitive position relative to its major competitors, Colombia and Bolivia, who gained U.S. duty-free status under the Andean Trade Preference Act.

Asparagus: The long phase-out periods for duties on asparagus will provide producers time to adjust to potentially higher levels of Mexican imports.

Grapes: U.S. grape exports are likely to increase significantly once Mexico's import licenses are removed. U.S. grapes will be competitive in Mexico, especially during the period when Mexican grapes are not being marketed.

Dry beans: U.S. dry bean exports to Mexico are variable. In recent years, Mexico took roughly 25-30 percent of U.S. exports, but in 1991 the share was only 9 percent. NAFTA will provide improved export opportunities to Mexico for the U.S. dry bean industry. U.S. dry bean exports to Mexico could almost double in 15 years, after Mexico completely phases out the tariff. Revenues for the industry would be expected to increase about 2 percent or $15 million annually by the end of the transition period.

The State of MINNESOTA

and the

NAFTA

- MINNESOTA and NAFTA: ***EXPORTS and JOBS***
- **MINNESOTA EXPORTS to MEXICO**
- **MINNESOTA EXPORTS to CANADA**
- **MINNESOTA COMPANIES:** *A Sample in Support of NAFTA*

MINNESOTA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

MINNESOTA Jobs Supported by Trade with MEXICO and CANADA - 44,100.

• EXPORTS •

MINNESOTA Exports to MEXICO and CANADA Reached $2 billion in 1992.

- Minnesota's merchandise exports to Mexico almost tripled from 1987 to 1992, rising from $90 million to $261 million. Minnesota was one of 25 states which more than tripled their exports to Mexico during this period.

- 5,700 jobs in Minnesota in 1992 were supported by exports to Mexico. Over 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- Minnesota ranked 19th among all 50 states in the dollar increase in exports to Mexico over the past five years.

- Minnesota's exports to Mexico grew 191 percent from 1987 to 1992, 120 percentage points faster than export growth to the rest of the world.

- Mexico in 1992 ranked seventh among Minnesota's 176 export markets, up from 10th place in 1987. In 1992, Minnesota was one of 39 states which ranked Mexico among their top ten export destinations. Canada, our other NAFTA partner, was Minnesota's top export market.

- Minnesota's exports to Mexico in 1992 were dominated by industrial machinery & computers ($126 million) which accounted for almost half of the state's total.

- Minnesota boosted exports of a wide range of manufactured products to Mexico in the past five years. Categories that recorded strong growth included: industrial machinery & computers (up $85 million), food products (up $29 million), electric & electronic equipment (up $21 million), scientific & measuring instruments (up $11 million), and rubber & plastic products (up $7 million).

- In 1992, Minnesota's exports to Canada totalled $1.8 billion. Minnesota's exports to Canada have increased by almost 65 percent over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods.

MINNESOTA'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
MN'S EXPORTS TO MEXICO	$89,975	$261,420	190.5%	$171,445
AGRICULTURE,FORESTRY & FISHERIES	$18,610	$12,347	−33.7%	−$6,263
Agriculture − crops	18,506	10,752	−41.9%	−7,753
Agriculture − livestock	59	1,538	2523.3%	1,479
Forestry	46	17	−63.4%	−29
Fishing, Hunting	0	40	−−	40
MINING	355	1,367	285.2%	1,012
Metal Mining	0	0	0.0%	0
Coal Mining	0	0	0.0%	0
Oil & Gas	0	16	−−	16
Non−Metallic Minerals	355	1,351	280.7%	996
MANUFACTURING	70,301	246,844	251.1%	176,543
Food Products	10,603	39,737	274.8%	29,133
Tobacco Products	0	0	0.0%	0
Textile Mill Products	57	899	1463.9%	842
Apparel	5	1,321	26702.6%	1,316
Lumber & Wood Products	7	881	11855.3%	874
Furniture & Fixtures	11	1,051	9576.9%	1,040
Paper Products	889	4,179	369.8%	3,289
Printing & Publishing	279	1,840	560.2%	1,561
Chemical Products	1,337	4,481	235.2%	3,144
Refined Petroleum Products	7	138	1875.4%	131
Rubber & Plastic Products	1,159	8,076	597.0%	6,917
Leather Products	0	404	−−	404
Stone, Clay & Glass Prod.	101	2,537	2411.4%	2,436
Primary Metal Industries	958	870	−9.3%	−89
Fabricated Metal Products	1,439	4,257	195.7%	2,818
Indus. Mach. & Computers	41,154	125,845	205.8%	84,691
Electric & Electronic Equip.	6,858	30,444	343.9%	23,585
Transportation Equipment	2,627	4,704	79.0%	2,076
Scientific & Measuring Instr.	2,682	13,525	404.3%	10,843
Miscellaneous Manufactures	126	1,657	1219.9%	1,531
OTHER	709	862	21.5%	153
Scrap & Waste	508	154	−69.7%	−354
Second Hand Goods	126	16	−87.0%	−110
Military Equipment	75	691	821.6%	616
MN'S EXPORTS TO MEXICO	$89,975	$261,420	190.5%	$171,445

MINNESOTA'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANGE 1987–92
AGRICULTURE, FORESTRY & FISHING	**$14,349**	**$48,253**	**$52,262**	**264.2%**	**$37,913**
Agriculture – crops	10,488	38,334	41,184	292.7%	30,696
Agriculture – livestock	3,556	7,514	7,209	102.7%	3,653
Forestry	30	647	883	*	853
Fishing & Hunting	274	1,757	2,985	989.8%	2,711
MINING	**13,550**	**85,560**	**126,996**	**837.2%**	**113,446**
Metal Mining	7,598	81,789	121,414	*	113,816
Coal Mining	0	0	120	--	120
Oil & Gas	0	7	1,701	--	1,701
Non–Metallic Minerals	5,952	3,764	3,761	–36.8%	–2,191
MANUFACTURING	**1,031,458**	**1,364,517**	**1,546,247**	**49.9%**	**514,789**
Food Products	109,697	137,857	172,978	57.7%	63,281
Tobacco Products	0	0	0	--	--
Textile Mill Products	1,605	5,857	9,691	503.7%	8,086
Apparel	1,153	4,318	5,080	340.7%	3,927
Lumber & Wood Products	12,018	18,914	19,798	64.7%	7,780
Furniture & Fixtures	2,459	8,632	7,939	222.8%	5,480
Paper Products	25,824	47,373	39,754	53.9%	13,929
Printing & Publishing	20,661	34,367	23,278	12.7%	2,617
Chemical Products	32,273	45,552	46,087	42.8%	13,814
Refined Petroleum Products	7,457	4,029	3,569	–52.1%	–3,888
Rubber & Plastic Products	21,078	19,465	30,488	44.6%	9,411
Leather Products	445	1,083	2,176	388.6%	1,731
Stone, Clay & Glass Products	12,105	31,781	32,548	168.9%	20,443
Primary Metal Industries	7,496	15,526	17,346	131.4%	9,850
Fabricated Metal Products	50,853	69,797	82,931	63.1%	32,078
Industrial Machinery & Computers	366,087	276,321	277,298	–24.3%	–88,789
Electric & Electronic Equipment	69,710	122,741	151,740	117.7%	82,030
Transportation Equipment	208,896	387,639	485,734	132.5%	276,839
Scientific & Measuring Instruments	73,251	105,667	103,085	40.7%	29,834
Miscellaneous Manufactures	8,391	27,595	34,726	313.9%	26,335
OTHER	**23,188**	**50,770**	**49,474**	**113.4%**	**26,287**
Scrap & Waste	14,253	12,595	17,035	19.5%	2,781
Second Hand Goods	822	678	781	–4.9%	–41
Goods Returned to Canada	0	32,704	27,900	--	27,900
Military & Other Misc. Items	8,112	4,793	3,758	–53.7%	–4,354
MN'S EXPORTS TO CANADA	**$1,082,544**	**$1,549,099**	**$1,774,979**	**64.0%**	**$692,435**

* Indicates percent changes of 1000% or more.

Honeywell
Minneapolis, Minnesota

> *We believe the NAFTA will substantially expand Honeywell's market opportunities in Mexico. NAFTA will accelerate Mexico's already healthy economic growth rate and capital investment by the private sector, thereby increasing sales opportunities for all our businesses, and in particular, Industrial Automation and Control and its components divisions.*
>
> *Honeywell is enthusiastic about the prospect for economic growth in Latin America and believes the NAFTA will only accelerate the trend for larger, more open markets for our company's goods and services.*

Michael R. Bonsignore
Chairman and CEO

In moving some assembly work to Mexico in-bond facilities, Honeywell Inc., has improved its ability to remain competitive with foreign competition. Use of in-bond facilities in Mexico has allowed Honeywell to preserve hundreds of jobs in the United States which would have otherwise been moved offshore to Asia or eliminated. Continuing production in North America allows Honeywell to support numerous higher-paying management, support, marketing, sales, and engineering positions in the United States.

The products produced in Mexico contain tens of millions of dollars of U.S. materials and components. Honeywell's Mexican operations source, on average, 85 percent of required materials and components for assembly from United States suppliers. According to Honeywell, NAFTA will provide an additional incentive to source in North America.

Honeywell's Tijuana plant is a prime example of the company's positive experience in Mexico. Approximately 200 manufacturing, engineering and administrative jobs were saved at Honeywell's San Diego facilities and approximately 90 jobs were saved at one of Honeywell's Minneapolis facilities as a result of assembly work performed in Tijuana. Further, the Tijuana plant uses approximately $32 million worth of U.S. produced goods for its assembly operations.

3M
St. Paul, Minnesota

> *At an international corporation, free trade is not an academic issue. Global companies know from experience in the real world that any reduction in trade barriers brings real benefits: sales, profits and secure jobs. The freer the trade, the greater the benefits.*

Allan K. Petersen
Area Vice President,
Latin America and Africa

Over the past six years in Mexico, 3M has seen the effects of free trade at work as Mexican officials have instituted bold reforms, slashing tariffs from 30 percent to 10 percent and removing a host of non-tariff barriers. 3M can measure these effects in sales, profits and secure jobs.

As the average tariff on 3M products dropped, now to 13.8 percent, the company's U.S.-made products have become more competitively priced. As a result, 3M exports to Mexico have increased almost nine fold since 1986. Growth like this can only be found in a market that is opening up.

As Mexico has eased its trade restriction, economic activity has increased in that country, resulting in literally hundreds of new jobs at 3M both in the United States and in Mexico. Contrary to some expectations, the new U.S. jobs are mostly in manufacturing, while the new Mexican jobs are primarily in sales and marketing.

According to Mr. Petersen:

> *All this growth at 3M has taken place to date with only a partial roll-back of trade barriers. The North American Free Trade Agreement will bring even freer trade. It will also give Mexico's trade policies the force of law, which ensures that they will not be revoked for short-term political reasons.*

MINNESOTA

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Minnesota's leading cash receipt commodities in 1991 included corn, dairy products, soybeans, cattle and calves, and hogs. These commodities accounted for $5.3 billion, 76 percent of Minnesota's total agricultural cash receipts. Minnesota is also a leading producer of sugarbeets, turkeys, sweet corn, sunflower, green peas, and oats.

Key NAFTA Provisions

Coarse grains: Mexico will eliminate its import licensing requirement on corn and provide immediate duty-free access for 2.5 million metric tons of corn. Mexico can apply a tariff of 215 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Oilseeds: The current Mexican duty of 15 percent on soybeans will be lowered to 10 percent and the period when the duty is in effect will be shortened. The duty, as well as those on soybean meal and oil, will be eliminate after 10 years.

Beef: On November 11, 1992, the Mexican government announced the imposition of ad-valorem import tariffs on live cattle and beef. The tariff is 15 percent for slaughter cattle. For bovine carcasses or half carcasses, bone-in beef cuts, or boneless beef, the tariff is 20 percent for fresh or chilled and 25 percent for frozen. Previously, the tariffs were zero. They will return to zero once NAFTA takes effect. Duties on other beef products, such as offals, and prepared/preserved beef, range from 10-20 percent and will generally be phased out over 10 years. Mexico will be exempted from restrictions under the U.S. Meat Import Law.

Pork: Mexico will eliminate tariffs on live hogs and pork, generally over a 10-year period. Mexico will apply the special safeguard, a tariff-rate quota, on some live hogs and pork products.

Sugar: U.S. duties on sugar will be phased out over 15 years. During the transition period, Mexico will have duty-free access for its current quota of 7,259 metric tons. Additional access will be limited to Mexico's net production surplus, up to a maximum. For years 1-6, the maximum is 25,000 tons. In year 7, the maximum is 150,000 tons, which grows 10 percent a year.

Poultry: Mexico will eliminate its import licenses on poultry and provide immediate duty-free access on 95,000 metric tons of poultry. Mexico can apply duties ranging from 133 percent to 260 percent on imports above the quotas. The quotas will increase 3 percent a year, and the duties will be phased out over 10 years.

Economic Implications of NAFTA

Minnesota's agriculture will benefit from NAFTA. Liberalization of trade and investment barriers and faster income growth in Mexico imply enhanced opportunities for Minnesota's agriculture. This means more jobs and higher incomes in agriculture and the State as a whole.

Coarse grains: The United States has traditionally supplied most of Mexico's corn imports. In the late 1980's, about 80 percent of Mexico's corn imports originated in the United States. As corn tariffs decline, later in the transition period, corn exports to Mexico will likely increase steadily. At the end of the 15-year transition period, U.S. exports of corn to Mexico will likely be about 6 million metric tons. This is almost 70 percent above the level which would have been expected had there been no NAFTA. By the end of the transition period, industry revenues for coarse grains will likely increase by $400 to $500 million due to NAFTA.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry. NAFTA will, therefore, increase the dairy industries revenues substantially.

Oilseeds: Mexico's soybean imports vary depending on domestic production, domestic coarse grain demand, and availability and price of feed substitutes. Under NAFTA, U.S. soybean exports to Mexico are expected to be about 4.5 million metric tons by the end of the transition period. This is about 20 percent above what would be expected without a NAFTA. In addition, soymeal exports to Mexico will be about 700,000 tons, or about 12 percent above what would have occurred without NAFTA. For the industry, revenues are expected to be up by $400 to $500 million.

Beef: NAFTA will increase U.S. exports of cattle and beef products. U.S. beef trade with Mexico will nearly double with the agreement. Due to the size of Mexican imports and exports relative to the U.S. market, NAFTA will have small effects on total U.S. cattle production and prices. By the end of the transition, an increase in cattle prices by about 1

percent will create an added $200 to $400 million in revenue for the cattle and beef industry.

Pork: Mexico has been a growing market for U.S. pork and hogs, despite high tariffs. Mexico has been the most important buyer of U.S. hogs and accounts for about one quarter of U.S. pork exports. Lower tariffs, removal of other barriers, and higher incomes in Mexico will expand its market for pork. However, reduced Mexican import barriers on grain and other feeds will reduced Mexican feed costs and make Mexican pork producers more competitive with U.S. producers. Therefore, U.S. export growth may moderate over time. Nonetheless, U.S. exports of pork and hogs to Mexico are expected to more than double by the end of the transition period. U.S. producer prices will likely be about $1.00 per hundredweight higher than without NAFTA, adding $150 to $200 million in revenue to the industry.

Sugar: Under NAFTA, the United States will continue the sugar re-export programs to ship refined sugar to Mexico at the Most Favored Nation (MFN) duty rate. Income growth in Mexico will expand its demand for sugar and will also encourage a shift to more highly refined sugar.

Poultry: Mexico has been a growing market for U.S. poultry, despite high Mexican tariffs and import licensing. Currently, the U.S. supplies almost all of Mexico's poultry imports and about 3 percent of Mexico's poultry consumption. NAFTA will lower Mexican tariffs and eliminate import licensing restrictions. Also, the Mexican market for poultry will grow as Mexican incomes grow more rapidly under NAFTA.

ALEXIS

THE WHITE HOUSE

WASHINGTON

November 2, 1993

NAFTA BRIEFING WITH FLORIDA, MINNESOTA, AND WASHINGTON

TO: Alexis Herman
DATE: Wednesday, November 3, 1993
LOCATION: 450 Old Executive Office Building
TIME: 9:30 AM - 12:00 noon
FROM: Doris Matsui

I. PURPOSE

This is a briefing for approximately 100 leaders from Florida, Minnesota, and Washington State about the benefits and importance of the North America Free Trade Agreement (NAFTA). This is the tenth in a series of state NAFTA briefings. We have given briefings to leaders from New England (Massachusetts, New Hampshire and Maine), New Jersey, North Carolina, Maryland, Virginia, Alabama, Georgia, California, Texas, Tennessee, Arizona, Kentucky, Louisiana, New York, Connecticut, Illinois, Nebraska and Ohio.

II. BACKGROUND

NAFTA has been defined by its opponents in a negative way as a job loser. In order to get beyond the large organizations that oppose NAFTA, we must get to the people who can actually make the argument for NAFTA -- the people outside the beltway, the citizenry in their individual communities.

This briefing gives us an opportunity to present the case to the people who actually vote and who could spread the message at the grassroots level.

This group consists of supporters as well as those who are still undecided, therefore it is important to emphasize how NAFTA will create jobs for this country.

III. PARTICIPANTS

Vice President Gore
Attorney General Janet Reno
Secretary Bruce Babbitt
Special Counsellor Bill Daley

IV. PRESS PLAN

Closed. There will be a stakeout following the briefing.

V. SEQUENCE OF EVENTS

- You will enter the holding room of Room 450 of the Old Executive Office Building.
- You will introduce speaker to be determined
- Speaker to be determined will give remarks. Questions and answers.
- You will introduce Attorney General Reno
- Attorney General Reno will give remarks. Questions and answers.
- Break
- You will introduce Special Counsellor Bill Daley.
- Special Counsellor Bill Daley will give remarks. Questions and answers.
- You will introduce Secretary Babbitt
- Secretary Babbitt will give remarks. Questions and answers.
- You will introduce the Vice President.
- The Vice President will give remarks. Questions and answers.
- Close

VI. ATTACHMENTS

- Agenda
- Florida, Minnesota, and Washington Participants
- Other speakers talking points
- Other supportive material

WASHINGTON

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Washington's leading cash receipt commodities in 1991 included apples, dairy products, cattle and calves, wheat, potatoes, greenhouse and nursery, and pears. These commodities accounted for $2.8 billion, 71 percent of Washington's total agricultural cash receipts. Washington is also a leading producer of asparagus, cherries, grapes, onions, green peas, dry peas, dry beans, carrots, and lentils.

Key NAFTA Provisions

Noncitrus fruit: For fresh apples, Mexico's 20-percent tariff on imports from the United States will be phased out over 10 years. Mexico will implement a special agricultural safeguard, a tariff-rate quota, for fresh apples imported from the United States. For fresh pears, quinces, plums and prune plums imported from the United States, Mexico will immediately cut the 20-percent tariff to 15 percent, and phase out this reduced tariff over 5 years.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Beef: On November 11, 1992, the Mexican government announced the imposition of ad-valorem import tariffs on live cattle and beef. The tariff is 15 percent for slaughter cattle. For bovine carcasses or half carcasses, bone-in beef cuts, or boneless beef, the tariff is 20 percent for fresh or chilled and 25 percent for frozen. Previously, the tariffs were zero. They will return to zero once NAFTA takes effect. Duties on other beef products, such as offals, and prepared/preserved beef, range from 10-20 percent and will generally be phased out over 10 years. Mexico will be exempted from restrictions under the U.S. Meat Import Law.

Wheat: Mexico will eliminate its import license on wheat and replace it with a 15 percent duty. This duty will be phased out over 10 years.

Potatoes: Mexico will eliminate its import licensing requirement on fresh table potatoes and provide immediate duty-free access for 15,000 metric tons. Mexico can apply a tariff of 272 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 10 years. Mexico's duties on frozen potatoes and french fries, dried potatoes, and potato chips will be eliminated after 10 years. Mexico will apply the special safeguard, a tariff-rate quota, on processed potato products.

Greenhouse and nursery products: With the exception of the U.S. duty on fresh cut roses, which will be phased out over 5 years, all duties on nursery products will be phase out immediately.

Asparagus: The U.S. will create several new tariff lines for asparagus. Duties on import-sensitive periods will be phased out over 15 years. Duties on processed asparagus will be phased out over 10 years.

Cherries: Upon enactment of the NAFTA, Mexico will eliminate immediately the 20-percent tariff on U.S. exports of fresh cherries.

Grapes: Mexico will eliminate its import licensing requirement on grapes and replace it with a 20 percent duty from June 1 to October 14. U.S. imports will enter duty-free the rest of the year.

Dry beans: Mexico will eliminate its import licensing requirement on dry beans and provide immediate duty-free access for 50,000 metric tons. Mexico can apply a tariff of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years.

Economic Implications of NAFTA

Washington's agriculture will benefit from NAFTA. Liberalization of trade and investment barriers and faster income growth in Mexico imply enhanced opportunities for Washington's agriculture. This means more jobs and higher incomes in agriculture and the State as a whole.

Noncitrus fruit: Among the fruits, apples, peaches, and pears should be significant beneficiaries from NAFTA. Substantial increases in Mexican income due to NAFTA will increase domestic demand for fruit. This increase will reduce the amount available for exports to the United States from Mexico and increase Mexican imports of U.S. produce. By the end of the transition, revenues are expected to increase $18 million annually for the apple industry, and $9 million annually for the pear industry.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow

by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry. NAFTA will, therefore, increase the dairy industries revenues substantially.

Beef: NAFTA will increase U.S. exports of cattle and beef products. U.S. beef trade with Mexico will nearly double with the agreement. Due to the size of Mexican imports and exports relative to the U.S. market, NAFTA will have small effects on total U.S. cattle production and prices. By the end of the transition, an increase in cattle prices by about 1 percent will create an added $200 to $400 million in revenue for the cattle and beef industry.

Wheat: Mexico's wheat imports have been variable over the past decade, ranging from 50,000 tons in 1982 to about 1.2 million tons in 1988. Under NAFTA, U.S. wheat exports are expected to increase. NAFTA is expected to have small aggregate benefits for the U.S. wheat industry over the long term, with industry revenue up at least $30 million. Washington is a major white wheat producer, and Mexico is expected to increase its demand for white wheat.

Potatoes: U.S. exports of fresh and processed potatoes are likely to increase significantly once Mexico's import barriers come down. Mexican demand for processed potatoes is likely to grow sharply as incomes increase.

Greenhouse and nursery products: NAFTA will have a relatively small effect on the U.S. greenhouse and nursery industry. Mexico has the potential to increase exports of nursery products to the United States. However, NAFTA only restores Mexico's competitive position relative to its major competitors, Colombia and Bolivia, who gained U.S. duty-free status under the Andean Trade Preference Act.

Asparagus: The long phase-out periods for duties on asparagus will provide producers time to adjust to potentially higher levels of Mexican imports.

Grapes: U.S. grape exports are likely to increase significantly once Mexico's import licenses are removed. U.S. grapes will be competitive in Mexico, especially during the period when Mexican grapes are not being marketed.

Dry beans: U.S. dry bean exports to Mexico are variable. In recent years, Mexico took roughly 25-30 percent of U.S. exports, but in 1991 the share was only 9 percent. NAFTA will provide improved export opportunities to Mexico for the U.S. dry bean industry. U.S. dry bean exports to Mexico could almost double in 15 years, after Mexico completely phases out the tariff. Revenues for the industry would be expected to increase about 2 percent or $15 million annually by the end of the transition period.

MINNESOTA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

MINNESOTA Jobs Supported by Trade with MEXICO and CANADA - 44,100.

• EXPORTS •

MINNESOTA Exports to MEXICO and CANADA Reached $2 billion in 1992.

- **Minnesota's merchandise exports to Mexico almost tripled from 1987 to 1992,** rising from $90 million to $261 million. Minnesota was one of 25 states which more than tripled their exports to Mexico during this period.

- **5,700 jobs in Minnesota in 1992 were supported by exports to Mexico.** Over 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Minnesota ranked 19th among all 50 states in the dollar increase in exports to Mexico over the past five years.**

- **Minnesota's exports to Mexico grew 191 percent from 1987 to 1992,** 120 percentage points faster than export growth to the rest of the world.

- **Mexico in 1992 ranked seventh among Minnesota's 176 export markets,** up from 10th place in 1987. In 1992, Minnesota was one of 39 states which ranked Mexico among their top ten export destinations. Canada, our other NAFTA partner, was Minnesota's top export market.

- **Minnesota's exports to Mexico in 1992 were dominated by industrial machinery & computers ($126 million) which accounted for almost half of the state's total.**

- **Minnesota boosted exports of a wide range of manufactured products to Mexico in the past five years.** Categories that recorded strong growth included: industrial machinery & computers (up $85 million), food products (up $29 million), electric & electronic equipment (up $21 million), scientific & measuring instruments (up $11 million), and rubber & plastic products (up $7 million).

- **In 1992, Minnesota's exports to Canada totalled $1.8 billion.** Minnesota's exports to Canada have increased by almost 65 percent over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods.

Honeywell
Minneapolis, Minnesota

> *We believe the NAFTA will substantially expand Honeywell's market opportunities in Mexico. NAFTA will accelerate Mexico's already healthy economic growth rate and capital investment by the private sector, thereby increasing sales opportunities for all our businesses, and in particular, Industrial Automation and Control and its components divisions.*
>
> *Honeywell is enthusiastic about the prospect for economic growth in Latin America and believes the NAFTA will only accelerate the trend for larger, more open markets for our company's goods and services.*

Michael R. Bonsignore
Chairman and CEO

In moving some assembly work to Mexico in-bond facilities, Honeywell Inc., has improved its ability to remain competitive with foreign competition. Use of in-bond facilities in Mexico has allowed Honeywell to preserve hundreds of jobs in the United States which would have otherwise been moved offshore to Asia or eliminated. Continuing production in North America allows Honeywell to support numerous higher-paying management, support, marketing, sales, and engineering positions in the United States.

The products produced in Mexico contain tens of millions of dollars of U.S. materials and components. Honeywell's Mexican operations source, on average, 85 percent of required materials and components for assembly from United States suppliers. According to Honeywell, NAFTA will provide an additional incentive to source in North America.

Honeywell's Tijuana plant is a prime example of the company's positive experience in Mexico. Approximately 200 manufacturing, engineering and administrative jobs were saved at Honeywell's San Diego facilities and approximately 90 jobs were saved at one of Honeywell's Minneapolis facilities as a result of assembly work performed in Tijuana. Further, the Tijuana plant uses approximately $32 million worth of U.S. produced goods for its assembly operations.

3M
St. Paul, Minnesota

> *At an international corporation, free trade is not an academic issue. Global companies know from experience in the real world that any reduction in trade barriers brings real benefits: sales, profits and secure jobs. The freer the trade, the greater the benefits.*
>
> Allan K. Petersen
> Area Vice President,
> Latin America and Africa

Over the past six years in Mexico, 3M has seen the effects of free trade at work as Mexican officials have instituted bold reforms, slashing tariffs from 30 percent to 10 percent and removing a host of non-tariff barriers. 3M can measure these effects in sales, profits and secure jobs.

As the average tariff on 3M products dropped, now to 13.8 percent, the company's U.S.-made products have become more competitively priced. As a result, 3M exports to Mexico have increased almost nine fold since 1986. Growth like this can only be found in a market that is opening up.

As Mexico has eased its trade restriction, economic activity has increased in that country, resulting in literally hundreds of new jobs at 3M both in the United States and in Mexico. Contrary to some expectations, the new U.S. jobs are mostly in manufacturing, while the new Mexican jobs are primarily in sales and marketing.

According to Mr. Petersen:

> *All this growth at 3M has taken place to date with only a partial roll-back of trade barriers. The North American Free Trade Agreement will bring even freer trade. It will also give Mexico's trade policies the force of law, which ensures that they will not be revoked for short-term political reasons.*

MINNESOTA

The United States, Canada, and Mexico have concluded negotiations on the North American Free Trade Agreement (NAFTA), eliminating many barriers among the three countries, which will stimulate trade and economic growth in each country. The agricultural trade agreement will increase trade in both directions between Mexico and the United States. At the end of the transition period, an additional $2.0 to $2.5 billion per year of U.S. agricultural exports are likely. These exports alone translate into over 50,000 new jobs in the United States.

Minnesota's leading cash receipt commodities in 1991 included corn, dairy products, soybeans, cattle and calves, and hogs. These commodities accounted for $5.3 billion, 76 percent of Minnesota's total agricultural cash receipts. Minnesota is also a leading producer of sugarbeets, turkeys, sweet corn, sunflower, green peas, and oats.

Key NAFTA Provisions

Coarse grains: Mexico will eliminate its import licensing requirement on corn and provide immediate duty-free access for 2.5 million metric tons of corn. Mexico can apply a tariff of 215 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years.

Dairy: Mexico will eliminate its import license on milk powder and provide immediate duty-free access for 40,000 metric tons. Mexico can apply a duty of 139 percent on imports above the quota. The quota will increase 3 percent a year, and the duty will be phased out over 15 years. Mexico will also eliminate import licenses on cheese and evaporated milk and replace them with tariffs of generally 20 percent.

Oilseeds: The current Mexican duty of 15 percent on soybeans will be lowered to 10 percent and the period when the duty is in effect will be shortened. The duty, as well as those on soybean meal and oil, will be eliminate after 10 years.

Beef: On November 11, 1992, the Mexican government announced the imposition of ad-valorem import tariffs on live cattle and beef. The tariff is 15 percent for slaughter cattle. For bovine carcasses or half carcasses, bone-in beef cuts, or boneless beef, the tariff is 20 percent for fresh or chilled and 25 percent for frozen. Previously, the tariffs were zero. They will return to zero once NAFTA takes effect. Duties on other beef products, such as offals, and prepared/preserved beef, range from 10-20 percent and will generally be phased out over 10 years. Mexico will be exempted from restrictions under the U.S. Meat Import Law.

Pork: Mexico will eliminate tariffs on live hogs and pork, generally over a 10-year period. Mexico will apply the special safeguard, a tariff-rate quota, on some live hogs and pork products.

Sugar: U.S. duties on sugar will be phased out over 15 years. During the transition period, Mexico will have duty-free access for its current quota of 7,259 metric tons. Additional access will be limited to Mexico's net production surplus, up to a maximum. For years 1-6, the maximum is 25,000 tons. In year 7, the maximum is 150,000 tons, which grows 10 percent a year.

Poultry: Mexico will eliminate its import licenses on poultry and provide immediate duty-free access on 95,000 metric tons of poultry. Mexico can apply duties ranging from 133 percent to 260 percent on imports above the quotas. The quotas will increase 3 percent a year, and the duties will be phased out over 10 years.

Economic Implications of NAFTA

Minnesota's agriculture will benefit from NAFTA. Liberalization of trade and investment barriers and faster income growth in Mexico imply enhanced opportunities for Minnesota's agriculture. This means more jobs and higher incomes in agriculture and the State as a whole.

Coarse grains: The United States has traditionally supplied most of Mexico's corn imports. In the late 1980's, about 80 percent of Mexico's corn imports originated in the United States. As corn tariffs decline, later in the transition period, corn exports to Mexico will likely increase steadily. At the end of the 15-year transition period, U.S. exports of corn to Mexico will likely be about 6 million metric tons. This is almost 70 percent above the level which would have been expected had there been no NAFTA. By the end of the transition period, industry revenues for coarse grains will likely increase by $400 to $500 million due to NAFTA.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry. NAFTA will, therefore, increase the dairy industries revenues substantially.

Oilseeds: Mexico's soybean imports vary depending on domestic production, domestic coarse grain demand, and availability and price of feed substitutes. Under NAFTA, U.S. soybean exports to Mexico are expected to be about 4.5 million metric tons by the end of the transition period. This is about 20 percent above what would be expected without a NAFTA. In addition, soymeal exports to Mexico will be about 700,000 tons, or about 12 percent above what would have occurred without NAFTA. For the industry, revenues are expected to be up by $400 to $500 million.

Beef: NAFTA will increase U.S. exports of cattle and beef products. U.S. beef trade with Mexico will nearly double with the agreement. Due to the size of Mexican imports and exports relative to the U.S. market, NAFTA will have small effects on total U.S. cattle production and prices. By the end of the transition, an increase in cattle prices by about 1

percent will create an added $200 to $400 million in revenue for the cattle and beef industry.

Pork: Mexico has been a growing market for U.S. pork and hogs, despite high tariffs. Mexico has been the most important buyer of U.S. hogs and accounts for about one quarter of U.S. pork exports. Lower tariffs, removal of other barriers, and higher incomes in Mexico will expand its market for pork. However, reduced Mexican import barriers on grain and other feeds will reduced Mexican feed costs and make Mexican pork producers more competitive with U.S. producers. Therefore, U.S. export growth may moderate over time. Nonetheless, U.S. exports of pork and hogs to Mexico are expected to more than double by the end of the transition period. U.S. producer prices will likely be about $1.00 per hundredweight higher than without NAFTA, adding $150 to $200 million in revenue to the industry.

Sugar: Under NAFTA, the United States will continue the sugar re-export programs to ship refined sugar to Mexico at the Most Favored Nation (MFN) duty rate. Income growth in Mexico will expand its demand for sugar and will also encourage a shift to more highly refined sugar.

Poultry: Mexico has been a growing market for U.S. poultry, despite high Mexican tariffs and import licensing. Currently, the U.S. supplies almost all of Mexico's poultry imports and about 3 percent of Mexico's poultry consumption. NAFTA will lower Mexican tariffs and eliminate import licensing restrictions. Also, the Mexican market for poultry will grow as Mexican incomes grow more rapidly under NAFTA.

Press Conference

2154 Rayburn Building
1:15 -1:45 pm, Wednesday, November 3, 1993

EVENT
You are going to the Hill for a press conference regarding the EPA bill that would elevate Administrator Browner's position to a cabinet level position . **The memo will be provided by Kathy Zoi and the remarks will be provided by Bob Lehrman on Wednesday morning.**

Mr. Ira Leesfield
Attorney
Leesfield & Leighton
Miami FL

Ms. Audrey V. Lennon
Chairman and CEO
A. Lennon Foundation, Inc.
Orlando FL

Mr. Rob Leslie
President
Home Builders International
Hopkins MN

Mr. Gary W. LeTellier
Executive Director
Greater Orlando Aviation Authority
Orlando FL

Mr. John Macho
Director
Florida Department of Commerce
Coral Gables FL

Mr. Tom Mauel
R. J. Steichen
Minneapolis MN

Mr. Carl P. McCormick
President & CEO
Group Technologies Corp.
Tampa FL

Mr. C. Brian Melonakos
Vice President of Marketing
Procyte
Kirkland WA

Mr. Daniel Merkle
Seattle WA

Mr. Nathan Miles
Washington Convention and Trade
Seattle WA

Mr. James Nash
President and Chief Executive Officer
Caupsule Environmental Engineering
Roseville MN

Mr. Russell Natherson
President
Natherson and Company, P.A.
Sarasota FL

Mr. Allen Olson
President
Independent Bankers of Minnesota
Eagan MN

Mr. Larry Osborne
President
Jacksonville Association of Firefighters
Jacksonville FL

Mr. Norman Ostrowski
Project Manager
IBM, Corp.
Boca Raton FL

Mr. Carlos Palomares
President & Chief Executive Officer
Citibank F.S.B.
Miami FL

Mr. Scott Hardman
C ef Executive Officer
. el Products
Seattle WA

Mr. Tommy Hazouri
President
Robinson & St. John Advertising
Jacksonville FL

Ms. Marjorie Himber
Partner
Special Services Company
Palm Coast FL

Mr. John Himmelberg
Attorney
Holland & Knight Inc.
Washington DC

Mr. Robert Hudson, Jr.
Partner
Baker, McKenzie
Miami FL

Ms. Connie Ingraham
President
Don Ingraham and Company, Inc.
Gulf Breeze FL

Hjalma Johnson
East Coast Bank Corporation
Dade City FL

Mr. Philip Jones
Director
Jones and Company
Seattle WA

Arthenia Joyner
Chair
Hillsborough County Aviation Authority
Tampa FL

Mr. Carl Kah, Jr.
Chief Executive Officer
K-Rain
North Palm Beach FL

Mr. Rick Kielmeyer
President
Manufacturers Association of Central Florida
Sanford FL

Mr. Jefferson Knott
International Marketing Manager
Critikon, Inc. -- Johnson & Johnson
Tampa FL

Mr. Michael Kurth
Professor of Economics
McNeese State University
Lake Charles FL

Ms. Barbara Lanning Hudson
Sale Director -- Latin Ameirca
Harris Corporation-Dracon Division
Miami FL

Mr. Fred Lawrence
President and Chief Executive Officer
Sprint United Telephone of Florida
.amonte Springs FL

Mr. Ray Lawton
President
Lawton Printing, Inc.
Spokane WA

Mr. Neal Sonnett, Esq.
New Sonnett, P.A.
Miami FL

Mr. Ray Strong
President
Strong International, Inc.
Coral Gables FL

Mr. James Todd
Chairman and CEO
Birmingham Steel
Seattle WA

Mr. Ike Tribble
President and Chief Executive Officer
Florida Endowment Fund
Tampa FL

Mr. Richard M. Vacar
Exec. Director
Sarasota International Airport Authority
Sarasota FL

Mr. Ronald R. Wambolt
Senior Vice President of Worldwide Sales
Fluke Corporation
Everett WA

Ms. Nancy Welch
President
International Products Inc.
Eagen MN

Ms. Blair Woolverton
President
Blair Woolverton, Inc.
Jacksonville FL

Mr. Harold W. Worrall
Executive Director
Orlando-Orange County Expressway Authority
Orlando FL

Mr. J. Kenneth Parker
Chairman
World Trade Center
Tampa Bay FL

Mr. Charles Pedretti
Partner
Arthur Anderson
Minneapolis MN

Mr. Dan Ponce
Attorney
Miami FL

Mr. Charles Ranson
Co-Chair
Floridians for NAFTA
Tallahassee FL

Ms. Carolyn Rehkop
Jacksonville FL

Mr. Taylor Rehkop
retired
Jacksonville FL

Mr. Stephen Rice
Associate Dean
University of Central Florida
Orlando FL

Mr. Thurston Roach
Vice President and Chief Financial Officer
Simpson Investment Company
Seattle WA

l Marvin S. Rosen
Attorney
Greenberg, TRaurig, Hauffman
Miami FL

Mr. Jeffrey Schiff
Manager of Product Operations
Collins General Aviation Division
Melbourne FL

Mr. G. Edward Schuh
Dean and Professor
Hubert H. Humphrey Institute of Public Affairs
Minneapolis MN

Mr. Howard Schultz
Chairman and Chief Executive Officer
Starbuck's Coffee Company
Seattle WA

Mr. Carl Seigler
Vice President
Berg Steel Pipe Corporation
Panama City FL

Mr. George Sheldon
Sheldon, Cusick & Associates
Tallahassee FL

Honorable Harry Shorestein
Attorney General
State's Attorney Office
Jacksonville FL

Mr. Paul P. Skoutelas
Executive Director
LYNX
Orlando FL

Mr. Andreas Ehlebracht
Vice President of Private Banking
and Investment ADvisory
Beutsch-Suidamerikanische Bank AG
Miami FL

Dr. George El-Bahri
Orthopedic Surgeon
Bahri Orthopedic and Sports Medicine
Clinic
Jacksonville FL

Mr. Meade Emory
Professor of Law
Georgetown University Law School
Seattle WA

Ms. Pamela Ernest
Director of Federal Affairs
Honeywell Inc.
Washington DC

Ms. Stephanie Sears Everidge
Special Assistant to the President
American Automobile Association
Heathrow FL

Ms. Ana Maria Fernandez Haar
President
IAC Advertising Group, Inc.
Miami FL

Mr. Alan Fitzwater
Vice President
Burlington Northern Raolroad
Washington DC

Mr. James Fletcher
Senior Vice President
Univar
Seattle WA

Mr. Byron Futton
Orlando World Trade Center
Orlando FL

Mr. Tim Gaffney
Vice President
Seitlin and Company
Miami FL

Mr. J. Scott Gaillard
Rep. Brown's Office
Legislative Assistant on Trade

Mr. Hector Garcia
Executive Director
Minnesotans for NAFTA
Saint Paul MN

Mr. Joseph Geller
Democratic Party Chair
Dania FL

Mr. Howard Glicken
Chairman of the Board
Jillian's Entertainment
Coral Gables FL

Ms. Sandra Hale
President
Enterprise Management International
Minneapolis MN

Mayor Laura M. Hall
Mayor of Edmonds
City Hall
Edmonds WA

Mr. Aswald Bronson, Sr.
F ident
B une-Cookman College
Daytona Beach FL

Mr. Ron Brower
Vice President
AT&T
Tallahassee FL

Mr. Edmund Burke
Senior Vice President
Burlington Northern
Fort Worth TX

Mr. William Cadogan
President and Chief Executive Officer
ADC Telecommunications
Minneapolis MN

Mr. William Caples
Vice President of Sales
Pennsylvania House
Seattle WA

Mr. Peter Costello
USA NAFTA
Washington DC

Mr. Seth Craine
Partner
Stearns, Weaver, Miller
Tampa FL

Mr. Tom Cristelli
Executive Vice President
Victory Envelope, Inc.
Chanhassen MN

l. Danny Crosby
Manager, Human Resources
Vulcan Gulf Coast Materials
Tampa FL

Ms. Nelda Rivera Cruz
VP Latin American Market Development
Marriott Ownership Resorts Inc.
Orlando FL

Ms. Patsy Jo Davis
Commissioner
Port of Seattle
Seattle WA

Mr. Robert Davis
President
Davis, Keller & Davis
Langley WA

Mr. Rick DeSimone
Seattle WA

Mr. Andrew J. Donelson
Manager, Federal Government Affairs
USA NAFTA
Washington DC

Mr. Daniel Durda
President and Chief Executive Officer
Aeration Industries International
aska MN

Commissioner Charles Dusseau
President
CBN Trading Company
Miami FL

FLORIDA, MINNESOTA AND WASHINGTON NAFTA FORUM
WEDNESDAY, NOVEMBER 3, 1993

AGENDA

9:30 AM- 9:35 AM	Alexis Herman Welcome and Introduction of Speaker to be Determined
9:35 AM- 10:00 AM	Speaker to be Determined Remarks and Q & A
10:00 AM- 10:30 AM	Attorney General Reno Remarks and Q & A
10:30 AM- 10:45 AM	Break
10:45 AM- 11:00 AM	Special Counsellor Daley Remarks and Q & A
11:00 AM- 11:30 AM	Secretary Babbitt Remarks and Q & A
11:30 AM- 12:00 Noon	Vice President Gore Remarks and Q & A

List of Attendees

Mr. Paul Abrams
C' 'ef Executive Officer
x
S.. ctle WA

Dr. Chester Aiken
Jacksonville FL

Mr. James Albright
President and Chief Executive Officer
Bayfront Medical Center
Saint Petersburg FL

Mr. Charles Anderson
District Director
U.S. Small Business Administration
Coral Gables FL

Mr. Graham Anderson
Chief Executive Officer
Pettit-Morry Company
Seattle WA

Ms. Gwendolyn Appelquist
President
Chamber of Commerce
Penascola FL

Mr. Javier Arechavaleta
Counsel for Foreign Trade
Anchor Glass Container Corporation
Tampa FL

Mr. Juan M. Arimany
Vice President and C.E.O.
Florida Sun Cement Co., Inc.
Fort Pierce FL

I William E. Barton
P. esident
American Express
Jacksonville FL

Mr. Dick J. Batchelor
President
Dick Batchelor Management Group, Inc.
Orlando FL

Honorable J. Dudley Bates
Mayor
City of Altamonte Springs
Sarasota FL

Mr. George Bean
Executive Director
Hillsborough County Aviation Authority
Tampa FL

Dr. Thomas Becker
Professor
Department of Management and International Business
Boca Raton FL

Mr. Mitchell Berger
Attorney
Berger, Shapiro & Davis, P.A.
Fort Lauderdale FL

Mr. Jonathan Bloomberg
Attorney
Oppenheimer, Wolff, Donnelly
Saint Paul MN

Mr. Glenn Borregard
Vice President
World Trade Center
Fort Lauderdale FL

BLOCKBUSTER Video
Ft. Lauderdale, Florida

> *BLOCKBUSTER Video has grown internationally in an enormous way, this is especially true in Mexico ... Store growth has increased by 72% year to date in Mexico, while it is projected to grow by 260% by the end of 1993. Sales are expected to double in 1993.*
>
> Wallace W. Knief
> Corporate Communications Manager

Today, BLOCKBUSTER Video total store growth is expected to reach over 280 locations. The positive impact that BLOCKBUSTER Video has had in Mexico is in the increased number of jobs its licensed franchisee Grupo Mexicano de Video S.A. de C.V. can offer to the overall population. Mr. Knief has stated that the franchise employs over 700 store, administrative, and executive level staff positions throughout Mexico. Additionally, BLOCKBUSTER has increased staff in its U.S. based international department to support the Mexico growth efforts.

Mr. Knief emphasized that opening and operating BLOCKBUSTER Video stores in Mexico has been challenging and rewarding. With stores in over 13 cities throughout the country he expects BLOCKBUSTER Video to become as much a household name in Mexico as it is here today in the United States.

FLORIDA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

FLORIDA Jobs Supported by Trade with MEXICO and CANADA - 32,600.

• EXPORTS •

FLORIDA Exports to MEXICO and CANADA Reached $2.3 billion in 1992.

- **Florida's merchandise exports to Mexico tripled from 1987 to 1992,** rising from $219 million to $664 million. The South Atlantic states collectively posted the biggest percentage increase, with exports to Mexico rising over 260 percent.

- **9,400 jobs in Florida in 1992 were supported by exports to Mexico.** Over 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Florida ranked eighth among all 50 states in the dollar increase in exports to Mexico over the five year period ($445 million).**

- **With 1992 exports of $664 million, Florida ranked eighth among all 50 states and first among the South Atlantic states in the value of exports to Mexico during the five year period.**

- **Florida's exports to Mexico grew 203 percent from 1987 to 1992,** 125 percentage points faster than the state's export growth to the rest of the world.

- **Mexico in 1992 ranked seventh among Florida's 193 export markets,** up from 14th in 1987. Canada, our other NAFTA partner, was Florida's top export market.

- **Florida's exports to Mexico in 1992 were diverse.** Florida's top export industries were: industrial machinery & computers ($144 million), chemical products ($76 million), electric & electronic equipment ($74 million), paper products ($69 million), and scientific & measuring instruments ($50 million).

- **Florida boosted exports of a wide range of manufactured products to Mexico over the five year period.** All of the 20 major industries that comprise manufacturing registered export growth. Sectors that recorded significant gains were: food products (from $3 million to $19 million), printing & publishing (from $4 million to $41 million), and primary metals industries (from $8 million to $38 million).

- **In 1992, Florida's exports to Canada totalled $1.6 billion.** Florida's exports to Canada more than doubled over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.

E & G Food Company
Miami, Florida

"We are looking for a more diversified customer base and expanded operations in Mexico. We see new opportunities to significantly increase our business relationships there."

Carlos V. Perez
Export Manager

E & G Food Company sold $70 million of fresh and frozen food through its import/export and nationwide distribution channels last year. The Hispanic-owned company employs 95 people and exports to Mexico, Latin America, and the Caribbean.

Carlos V. Perez, Export Manager at E & G, decided to enter the Mexican market just three years ago. Today, Mexico represents 10 percent of E & G's total export sales. Since their initial contact in 1989, E & G's exports to Mexico have grown by 15 percent. Perez says that strong export growth created three new jobs at E & G last year.

Jim Walter International Sales Corporation
Tampa Bay, Florida

> *"Our business with Mexico has been so great that we are setting up a joint venture there. I think that says it all about how we view Mexico."*

Andris Ritums
President

Jim Walter International Sales Corporation, a trading company for building materials, has experienced a dramatic growth in sales since 1988. Since this time, sales have grown from virtually nothing to around $2 million. Approximately 30 employees have jobs which are related to the company's Mexican business.

Andris Ritums, President, attributes this tremendous growth to the high quality of his products and the liberalization of Mexico's foreign trade rules. He predicts that sales will be even more brisk next year.

Mentra Labs Inc.
Miami, Florida

> *"Mexico has advantages over our other export markets.... closeness, stability in the economy, strong identification with our products and industry, and a clear understanding of the latest technologies. Mexico is more up to date than other Latin American countries."*
>
> Juan A. Ortiz
> Director of Marketing
> for Latin America

Mentra Labs is a minority-owned export management company for medical, laboratory, and hospital supplies. Mentra Lab's six person staff exports to Mexico, Latin America, the Caribbean, and the Middle East. Juan A. Ortiz, Mentra's Director of Marketing for Latin America, decided to enter the Mexican market two years ago. Mexico accounted for 15 percent of Mentra Lab's $2.6 million in export sales during 1991. Ortiz says that the market for health care equipment in Mexico is highly competitive but offers excellent opportunities for growth.

Dantzler Lumber and Export Co.
Miami Lakes, Florida

> *"We expect sales into Mexico to increase by 10 percent or more in the upcoming year. My last sales trip to Mexico City was a great success."*
>
> Joe Sala
> Export Sales Manager

Dantzler sold over $300,000 worth of yellow pine lumber and plywood in Mexico during 1991, the company's first year in the market. Dantzler, a minority-owned lumber company, employs 40 people with annual sales of $30 million. Export sales manager Joe Sala views Mexico as the top export market for Dantzler's Alabama, Georgia, and Louisiana grown softwoods. Sala has taken a direct sales approach by traveling to Guadalajara, Mexico City, and Merida this year. Common language and culture have enabled Sala to penetrate the market on his own and bypass distributors.

Sugar: Florida and Mexico are major sugar producers. Under NAFTA, there is a 15-year transition period for sugar. U.S. tariffs on sugar from Mexico will decline by 15 percent over the first six years, and then be phased out to zero over the balance of the transition period. By year seven, Mexico will establish border protection equal to that of the United States, for imports from third countries. The United States will continue to be able to use the sugar re-export program for exports of refined sugar. These exports will be assessed Mexico's most-favored-nation tariff rate.

Dairy: Dairy access will improve and Mexican income and population growth will expand the market for U.S. dairy products. Mexican imports of U.S. milk powder are expected to grow by about 20,000 metric tons by the end of the transition period. At present world prices, the additional imports will add $236 to $256 million in revenue for the dairy industry.

Citrus: NAFTA will provide new export opportunities for U.S. fresh oranges in Mexico, especially for high-quality fruit in urban areas. The U.S. will likely increase exports of fresh oranges to Mexico but continue to be a net importer from Mexico. U.S. imports of limes from Mexico account for about half of U.S. consumption. Under NAFTA, imports will only be about 4 percent higher and prices only about 3 percent lower than without NAFTA.

Other vegetables: Under NAFTA, U.S. imports of some Mexican vegetables will likely increase, including cucumbers, bell peppers, fresh and frozen broccoli, tomatoes, and asparagus. Any price effects on the U.S. industry are expected to be modest and be moderated by the 10- or 15-year transition periods. U.S. exports of some vegetables, such as tomatoes and lettuce, are expected to increase as Mexican duties are eliminated.

Melons: NAFTA will result in increased U.S. imports of melons from Mexico. Any price effects will be moderated by the 10- or 15-year phase in period, as well as by the safeguard which applies to watermelon.

Citrus: Several new U.S. tariff lines will be created for tangerines and grapefruit to provide the maximum transition period for the more sensitive shipping periods, yet grant Mexico improved access when U.S. product is not in the market. U.S. duties will be phased out either immediately or over 5 or 10 years, depending on the season.

Other vegetables: The U.S. will create several new tariff lines for peppers, squash, and eggplant. Duties will be phased out at different rates depending on the season. The U.S. will use the special agricultural safeguard on seasonal imports of squash and eggplant.

Economic Implications of NAFTA

Florida and Mexico are competitors in the fruit and vegetable industries, both marketing their produce during the winter months. Florida's agriculture, however, clearly dominates the domestic market. Mexican produce has often substituted for Florida produce when Florida suffered from freezes or other natural disasters. Faster income growth in Mexico imply greater Mexican demand for many of the products they now export. This will reduce the amount available for export to the United States from Mexico and increase Mexican imports of U.S. produce. NAFTA also contains long phase-out periods of certain tariffs, as well as quantity-based safeguards to protect U.S. producers of import-sensitive fruits and vegetables from import surges.

Orange juice: The United States imports 30 to 50 percent of its orange juice consumption, but only 10 percent of U.S. imports come from Mexico. NAFTA will eliminate the duties on Mexican frozen concentrated orange juice (FCOJ) but the effect on the U.S. FCOJ industry will be small. Total U.S. FCOJ imports will decline as new orange groves in Florida come into production over the next decade. However, U.S. imports from Mexico will be about 3-4 percent higher with NAFTA than without. Mexican income growth due to NAFTA will increase consumption and raise domestic prices, limiting the amount of Mexican orange juice available for export to the United States.

Greenhouse and Nursery Products: NAFTA will have a relatively small effect on the U.S. greenhouse and nursery industry. Mexico has the potential to increase exports of nursery products to the United States. However, NAFTA only restores Mexico's competitive position relative to its major competitors, Colombia and Bolivia, who gained U.S. duty-free status under the Andean Trade Preference Act. Since Florida is a major producer of greenhouse and nursery products, it is likely that the slower growth in production because of additional imports due to NAFTA will impact Florida to a greater extent than the national average for greenhouse and nursery products.

Tomatoes: Fresh tomatoes are Mexico's most important vegetable export to the United States. Imports of fresh tomatoes will increase under NAFTA. Any price effects will be moderated by the 10 year phase in period, and will be tempered by the safeguards. Florida and Mexico compete on a seasonal basis.

Office of Economics--United States Department of Agriculture Updated, August 1993.

Microsoft Corporation
Redmond, Washington

> *Microsoft Corporation supports NAFTA and views continued tariff reduction programs throughout the America's as a very important part of the company's future growth.*
>
> H. Philip Welt
> Chief Executive Officer

Microsoft is a leading designer and producer of software products for the computer industry. Due to international acceptance of Microsoft Windows, the company has released versions in English, Dutch, French, German, Italian, Spanish, and Swedish.

Mexico is one of the company's fastest-growing markets. Mexico's rapid modernization has directly benefited Microsoft's U.S.-based work force. All products sold in Mexico are designed and manufactured at the company's Redmond headquarters. Mr. Welt also believes:

> *NAFTA will include favorable provisions for the American computer industry as a whole, and will create thousands of jobs for distributors, hardware manufacturers, software vendors and major resellers throughout the United States.*

WASHINGTON and the NAFTA: *EXPORTS and JOBS*

• JOBS •

WASHINGTON Jobs Supported by Trade with MEXICO and CANADA - 18,900.

• EXPORTS •

WASHINGTON Exports to MEXICO and CANADA Reached $2.6 billion in 1992.

- **Washington's merchandise exports to Mexico grew over 570 percent from 1987 to** 1992, rising from $83 million to $565 million.
- **4,200 jobs in Washington in 1992 were supported by exports to Mexico.** Almost 80 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.
- **Washington ranked fifth among all 50 states in the percentage increase in exports to Mexico over the past five years.** Nonborder states have registered the greatest percentage growth in shipments to the Mexican market.
- **Over the past five years, Washington's exports to Mexico rose by $482 million, the 11th largest dollar increase among all states.**
- **Washington ranked 11th among all states in the value of 1992 exports to Mexico.**
- **Washington's exports to Mexico grew 578 percent from 1987 to 1992,** 446 percentage points faster than export growth to the rest of the world.
- **In 1992, Mexico ranked 15th among Washington's 202 export destinations,** up from 20th place in 1987. Canada, our other NAFTA partner, ranked fourth among Washington's export markets.
- **Washington's 1992 exports to Mexico were led by transportation equipment** ($422 million). Other important exports to Mexico were: paper products ($37 million), agricultural crops ($24 million), electric & electronic equipment ($16 million), and food products ($14 million).
- **Washington greatly expanded exports of a range of manufactured products to Mexico over the past five years.** Sectors that recorded strong growth were: rubber & plastic products (from $6,000 to $1 million), miscellaneous manufactures (from $57,000 to $12 million), and agricultural crops (from $1 million to $24 million).
- **In 1992, Washington's exports to Canada totalled $2 billion.** Washington's exports to Canada have grown over 60 percent in the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods.

- o This briefing gives us an opportunity to present the case to the people who actually vote and who could spread the message at the grassroots level.

ATTACHMENTS

- o Talking points
- o State Overview
- o Agenda
- o Participants

NAFTA Briefing -- FLORIDA, MINNESOTA, WASHINGTON STATE LEADERS

450 Old Executive Office Building
11:30 AM - 12:00 noon, Wednesday, November 3, 1993

EVENT

o You give the closing remarks for this briefing. Attorney General Janet Reno, Secretary Bruce Babbitt and Bill Daley are the other three speakers who will be briefing the 100 participants from Florida, Minnesota and Washington about the benefits of the North America Free Trade Agreement. This is the tenth in a series of state NAFTA briefings. To date, leaders from Illinois, Ohio, Nebraska California, Texas, Tennessee, Arizona, Kentucky, Louisiana, New York, Connecticut, New Jersey, North Carolina, Alabama, Maryland, Georgia, Virginia and New England (Massachusetts, New Hampshire and Maine) have received briefings.

YOUR ROLE AND CONTRIBUTION

o This group consists of supporters as well as those who are still undecided, therefore it is important to emphasize how NAFTA will create jobs for this country. You should encourage participants to go to the Hill.

LOGISTICS

o You go directly to the holding room and Alexis will announce you onto the stage.

o You give remarks and take questions.

o You depart same way as entered.

PROGRAM NOTES

o This is a series of briefings we are conducting to educate leaders from their states about the importance of NAFTA.

o NAFTA has been defined by its opponents in a negative way as a job loser. In order to get beyond the large organizations that oppose NAFTA, we must get to the people who can actually make the argument for NAFTA -- the people outside the beltway, the citizenry in their individual communities.

WASHINGTON REP. BRIEFING SEPTEMBER 14, 1993
ALEXIS HERMAN'S NOTES

-I think quiet gathering for the 22nd is better, given that many firms have not yet determined their positions. ______ support may also be more effective since some will want to preserve options but on an individual basis may be talked into it.

-I would like to say at the end that for those companies who care about this issue we will want to stay.
Closely connected. We are concerned that while the dialogue continue we have a successful launch. If you are generally supportive ______ and we can cay this we need to know this now.
Should I ask for the ability to get ______ with then far support though an individual ____ should it be a quiet strategy to get support for the 22?

-They are here to help Roger answer question.

-Marina Weiss and Brad Delong

30 supplies of ___________
10
____
40

-14% of ______ ___________ Health
19% by the year 2000

_______ and _____ are in the 9% area

1. _______ Principles ___________ this effect
   _ Competive and ___ cast conscious
   - Self ______ Certa Six ______
   - Paper ______ the bueracury.

- Danny Murry
  Bell Sautt
  Cost Constraint

Sept 14, 1993

Agenda for 2:30 Washington Rep. Briefing:

Welcome	Alexis Herman Assistant to the President and Director of Public Liaison
Overview of Health Plan	Roger Altman Deputy Secretary at Treasury
Followup/Q & As	Ira Magaziner Senior Advisor for Policy Development (Note; Ira is with Mrs. Clinton on Capital Hill meeting with the House Energy and Commerce Committee. He is expected to arrive late, at around 3:00pm.

Transcribe

Biden already
Cohen coro OD

I think quiet gathering for the 22nd is better, given that many firms have not yet determined their positions. Quiet support may also be more effective since some dept will want to preserve options ~~and~~ on an individual basis may be talked into it.

I would like to
say at the end
that for those companies
who care about this issue
we will want to stay
closely connected. We are
concerned that while ~~the~~
dialogue continues we have
a successful launch. If
you are generally supportive
[illegible] and we can
say this we need to
know this now.
Should I ask for the
ability ~~to~~ get back with
them for support ~~through~~
a [illegible] or should it be
a quiet ~~strategy~~ to get
support for the [illegible]?

they are here to help
Roger answer question.

Marina Weiss -

+

Brad Delong

30 surplus / Fund
10 Beilden slst
40

14% of gross domestic product on Health
19% by the year 2000

Canada & Japan are - the 9% area

1. Sound Bus Basic Principles Underlying tax eff
- Competition + Consumer Cost Conscious
- Self Financing Certain Size Threshold
- Proper market use the leverage

THE AMERICAN HEALTH SECURITY ACT

A BRIEF DESCRIPTION FOR BUSINESS

1. <u>Puts the health care system on sound business footing and gets costs under control.</u>

The plan brings growth in health care costs in line with inflation by increasing competition in health care, increasing consumer awareness of the cost and quality of their health care, reducing administrative costs and limiting increases in insurance premiums.

- Most employers and employees will join together in alliances, which are large purchasing pools that will increase buying power and lower costs. Health plans and providers will compete to do business with these alliances on the basis of quality, service and price.

  Companies with more than 5,000 employees will be able to act as their own health alliance as long as they adhere to national standards for choice, quality, and comprehensive, affordable care.

- Administrative burdens of both employers and providers will be significantly reduced. This is accomplished through:

  1. One comprenhensive benefits package.

  2. A single standard form for insurance reimbursement, claims submission and clinical records.

  3. Economies of scale for businesses pooled in the regional alliances.

  4. Changes to the health portion of worker's compensation and automobile insurance systems.

  5. Malpractice reform.

- Consumers pay less for low-cost plans and more for high-cost plans, creating incentives for cost-conscious choice. A single, comprehensive package of health benefits and reliable information about the price and performance of health plans will give the consumers the information necessary to make these choices.

- Health plans receive fixed premiums based on the risk characteristics of their patients. They will have incentives to reduce costs by focusing on preventative and primary care.

- If savings attained through effective competition and reductions in administrative costs don't achieve the spending goals, there will be, as a backstop, a limit on the rate of increase in premiums. This brings to health care spending the kind of cost discipline which is commonplace in business.

- Like the private sector, the growth in major government programs, including Medicare and Medicaid, will be restrained.

2. <u>Preserves the tax deductibility of health insurance and treats self-employed people fairly.</u>

Employers' premium payments will continue to be tax deductible for employers and will not be included in employees taxable incomes.

- **Employers are free to continue for ten years to offer whatever** additional benefits they are offering today, and to deduct these payments from taxes. In ten years, when the benefits package is fully phased-in, it will offer as much as the best plan today.

- Currently, the self-employed can only deduct 25 percent of the cost of their health insurance. This increases to 100 percent.

3. <u>Offers consumer choice and security.</u>

Consumers will have more choice than today about doctors, plans and treatments. They will be guaranteed a comprehensive benefits package which meets the full range of health needs, including primary, preventive and specialized care. Each alliance will offer consumers a choice of plans which must include a fee-for-service plan. Consumers will be able to choose their own doctors. Consumers' out-of-pocket costs for health services are (a) limited to ensure financial protection and (b) standardized to ensure simplicity in choosing among health plans. Health coverage continues without interruption if people lose or change jobs, start a small business, move from one area to another, or become ill or confront a family crisis.

4. Finances the system responsibly.

Payments for health coverage will come from two shares: contributions by individuals and families, and contributions by employers. There will be discounts available for small firms, low-wage firms and for low-income individuals. This works as follows:

Employer Contributions

- All employers contribute to the purchase of health coverage for all of their employees, paying 80 percent of the weighted average premium. The required contribution (for employers in regional alliances) is capped at 7.9 percent of payroll. Firms with less than 50 employees are capped at a lower level -- 3.5 to 7.9 percent -- based on the average wage of their firm.

  If the individual premium was $1,800 and the family premium was $4,200, the maximum cost per employee before discounts would average about $2,240 per year.

  Approximately $1,440 (80 percent of $1,800) for a single worker and approximately $2,240 for a worker with a family (80 percent of $4,200 divided by 1.5 which is the average number of workers in a family).

Individual Contributions

- Individuals pay 20 percent of the premium for an average cost health plan chosen through an alliance. Individuals or families who choose a less expensive plan pay less, and those who chooses a more expensive plan pay more. Low-income families participating in regional alliances with income below 150 percent of the poverty line receive discounts based on family income and the average premium in their alliance.

5. Emphasizes quality.

The plan improves the quality of health care by creating standards and guidelines for practitioners, reorienting quality assurance to measuring outcomes rather than the regulatory process. It also increases the national commitment to medical research and the promotion of primary medical care. The plan brings to the health care system the discipline and learning that businesses all over the country have discovered associated with these private sector quality initiatives. The result will be a health care system held accountable for quality improvement.

6. Lifts the burden of early retirees from all companies.

Retired people not yet eligible for Medicare (between the ages of 55 and 65) who have worked for at least 10 years will be subsidized for the employer's share of their premium. If employers are contractually obligated (or choose) to pay retiree health benefits, the companies will pay only the 20 percent family share. This will relieve all of the nation's companies, including many of our most important manufacturing companies, of the burden of early retiree health care costs and allow them to have globally competitive cost structures. It will also allow all early retirees, who find their health care costs to be prohibitively expensive, to enjoy high quality health care at affordable prices.

THE AMERICAN HEALTH SECURITY ACT

HELPS THE PROBLEMS OF LARGE BUSINESSES

1. REDUCES THE COSTS OF INSURANCE FOR EMPLOYERS
2. INCREASES JOBS BY IMPROVING WORKERS' HEALTH, SECURITY, AND MOBILITY
3. GIVES BUSINESSES MARKET CLOUT AS PURCHASERS OF HEALTH CARE
4. PRESERVES THE TAX DEDUCTIBILITY OF HEALTH INSURANCE
5. GIVES BUSINESSES ACCESS TO HIGH QUALITY HEALTH CARE
6. REDUCES THE ADMINISTRATIVE BURDEN ON BUSINESSES
7. PROVIDES DISCOUNTS TO MANY BUSINESSES
8. SUBSIDIZES THE HIGH COST OF EARLY RETIREES AND MAKES U.S. MANUFACTURING COMPANIES COST-COMPETITIVE
9. PRESERVES A LOCAL HEALTH CARE SYSTEM
10. PROVIDES AN ECONOMIC FOUNDATION FOR BUSINESSES TO PROSPER IN THE FUTURE

1. <u>Reduces the costs of insurance for employers.</u>

- The cost of insurance for businesses' health costs have risen at an annual rate of almost 15 percent. Under reform, these costs will be brought under control by increasing competition in health care, increasing consumer awareness of the cost and quality of their health care, reducing administrative cost and limiting increases in premiums. The business sector as a whole will gain savings as the rate of cost growth slows.

- Today, many employers are paying over 10 percent of payroll for health insurance. Under reform, all employers in the regional health alliances will pay no more than 7.9 percent of payroll.

  Today, employers that insure their employees bear a large "cost shift" (amounting to $25B) from the uninsured. Under reform, that burden is lifted.

- Today, in many cases, employers pay the entire insurance bill for a family, while the employees of a worker's spouse pays nothing at all. Under reform, the costs of families are spread over all firms.

2. <u>Increases jobs by improving workers' health, security, and mobility.</u>

Businesses will enjoy numerous benefits from having an insured work force in the form of reduced costs of absenteeism, turnover, training and errors. Additionally, the plan makes health insurance "portable." Plans will be prevented from excluding individuals with pre-existing conditions. And all employees will be insured against potential catastrophe. This increases the mobility of workers, the flexibility of employers, and contributes to increases in employment nationally.

3. Gives businesses market clout as purchasers of health care.

Today, many businesses are disadvantaged as purchasers of health insurance. By pooling their resources in large purchasing groups, businesses will benefit enormously from the economies of scale, purchasing power, administrative simplification and sophistication of the alliances.

4. Preserves the tax deductibility of health insurance.

Employer premium payments will continue to be tax-deductible for employers and **will not be included in employee's taxable income.** Employers are free to continue for 10 years to offer whatever benefits they are offering today and to deduct these payments from their taxes. In ten years, when the benefits package is fully phased-in, it will offer as much as the best plans today.

5. Gives businesses access to high quality health care.

Given the cost of health care for businesses today, many can afford to offer only bare-bones insurance, if any, to their employees. In the future, all businesses and their employees will have access to a comprehensive benefit package equivalent in quality to the best plans that are available today.

6. Reduces the administrative burden on businesses.

Today, businesses face a blizzard of paperwork which severely taxes their administrative resources. Under reform, a single streamlined system will reduce the burden of paperwork on business. Unlike the current system, there will be (1) a single, comprehensive benefit package, (2) one standard form for reimbursement and claims submission, (3) changes to the health care portion of worker's compensation and automobile insurance and (4) malpractice reform.

7. <u>Provides discounts to many businesses.</u>

Premium costs for all businesses in the regional alliances will be limited to a maximum of 7.9 percent of payroll. Additionally, low wage workers of these firms will also be receive discounts for the employee contribution. These discounts are not available today and represent a tremendous benefit to business.

8. <u>Subsidizes the high cost of early retirees and makes U.S. manufacturing companies cost-competitive.</u>

Today, many businesses, including the country's largest manufacturing companies, are at a substantial competitive disadvantage in global markets because of the high cost of their retirees' health care. Under reform, employees who retire early will be subsidized for the employers' share of their health care premium. This will relieve many of the nation's most important manufacturing businesses of this burden and allow them to have globally competitive cost structures. It will also allow all early retirees between the ages of 55 and 65, who find their health care costs prohibitively expensive, to enjoy high quality health care at affordable prices.

9. <u>Preserves a local health care system.</u>

The plan promotes localized health care through the corporate and regional alliance. Theses employers and employees will have first-hand knowledge of how their premium contributions are spent and will have an opportunity to have a meaningful voice in the design and operation of their health care system.

10. <u>Provides an economic foundation for businesses to prosper in the future.</u>

Today, health care costs are growing largely out of control. Left unchecked, rising health care costs will consume

- 120 percent of the projected increase in wages,
- 60 percent of the growth in the federal budget, and
- almost two-thirds of the increase in GDP for the rest of the decade.

Health care costs will grow from 14 percent of GDP today to 19 percent without even an expansion of coverage. This will significantly increase the burden of health care on business and will increasingly make the U.S. economy uncompetitive internationally. By getting health care costs under control, this reform will reduce future deficits, freeing resources to be invested in our economy in ways that will promote economic growth and job creation.

LARGE EMPLOYERS AND HEALTH CARE:

Questions and Answers

Q. **My company already offers health insurance that provides low cost, affordable care. Will it be able to continue and will I be able to remain outside of the health alliance?**

A. As long as they adhere to national standards for choice, quality, and comprehensive affordable care, companies with more than 5,000 employees will be able to act as their own health alliances. As the regional alliances prove their ability to reduce costs and provide high quality health care, larger companies will have the opportunity to join the regional alliances.

Q. **I'm afraid that the new system will not really control costs. How can I know this approach will control costs?**

A. In the last five years, health care costs for employers have risen almost 15 percent <u>every year</u>. That's why a tough approach to controlling costs is a cornerstone of the Health Security plan. Providing health care to every American and a comprehensive benefits package will cut uncompensated care costs. Stimulating competition, increasing consumer awareness of the cost and quality of their health care, streamlining administration, and folding in the health portion of workers' compensation and auto insurance health coverage will dramatically reduce costs nationwide. In addition, premium increases in the whole system -- including Medicare and Medicaid -- will be limited as a backstop to contain costs. This will bring to health care the kind of discipline which is commonplace in business.

Q. **How will this plan end cost-shifting that drives up health costs?**

A. Today, large businesses are charged for the many weaknesses in the health care system. They pay higher premiums to cover the cost of treating patients who do not have insurance and for public health care programs, such as Medicaid. Major employers also purchase insurance for their workers' spouses, who often work at companies that don't provide health benefits. That creates a system that isn't fair. The Clinton plan for health reform will relieve large business of these burdens.

Q. Will the federal government micro-manage the new health care system?

A. No. Just the opposite is true. The plan promotes localized health care through alliances whose participants (i.e., the employers and employees) will have first-hand knowledge of how their premium contributions are spent and will have an opportunity to have a meaningful voice in the design and operation of their health care system. Large businesses (with more than 5,000 employees) will be able to operate as their own health alliances as long as they adhere to national standards for choice, quality, and comprehensive, affordable care. They will also have the option of joining the regional alliance if it is cost-effective and convenient for them.

Q. I've heard that the numbers on which you are basing this plan are shaky. Can we be confident that you have analyzed this plan rigorously?

A. Yes. At the very beginning of this process the President asked for a commitment to undertake a historical attempt to bring together some of the best minds in the country to help us design a financing package for health care reform. We have fulfilled that commitment. The numbers and analysis that underline the President's proposed plan for health security represent months of regorous analysis which brought together analysts from various federal agencies for the first time. We brought together actuaries from various branches of government. We had an outside group of private ecnomists and actuaries who audited the work that was done by that team from within the government, and they've examined and validated the costs and savings projections. The cost and savings projections in the draft document are solid, credible, and conservative.

Q. My company operates in a number of different states. Today, I provide health benefits for my employees through one system. Under reform, will I have to change the way my employees get coverage?

A. No. Large employers will be free to operate as their own health alliances, as long as they adhere to national standards for choice, quality, and comprehensive, affordable care. Small groups of employees in distant locations, however, will have the opportunity to receive health care through the local regional alliances if that is more convenient and cost-effective.

Q. **I employ lots of part-time workers. Will I be required to pay for all of their health care?**

A. No. Businesses will be required only to pay a pro-rated share of the employer portion of the health care premium for part-time workers. Businesses will be required to pay nothing for the health care of part-time workers who are full-time students and who are under the age of 22.

Q. **My company hires independent contractors to perform many services for us. Will I be required to pay all the costs of their health care?**

A. No. Truly independent contractors are considered self-employed and will be responsible for all the costs of their own health care, i.e., both the employer and the employee portion. We will adapt the current IRS rules which determine an individuals status as an independent contractor to prevent companies from converting employees into independent contractors in order to avoid these costs.

Q. **My company is a large manufacturer experiencing very difficult international competition. Won't this plan add to my costs and make us even less competitive?**

A. In fact, just the opposite is true. Today, many U.S. companies operate at a disadvantage in global competition in part, because of the cost of their health insurance. This plan is designed to get costs under control by increasing competition among health providers, increasing consumer incentives to reduce costs, reducing administrative waste, and imposing discipline on both private and public health care spending. Without this disciplined approach to cost control, your health care costs will continue to spiral out of control and make your competitive position even worse. The plan also lifts the burden of early retirees from your company and, as a result, contributes significantly to your global cost competitiveness. In fact, the plan was specifically designed to help control your costs and compete globally.

Q. **Doesn't this plan eliminate the tax benefits which I have today?**

A. No. Health care premium payments will continue to be tax deductible for employers and will not be included in your employee's taxable income. If you offer a plan more generous than the nationally guaranteed benefit plan, you will still be able to deduct the cost of your premium for 10 years. In ten years, when the benefit package is fully phased-in, it will offer as much as the best plans today.

Q. I provide a generous health care plan today. Won't this plan require me to provide my employees with worse care?

A. No. As long as your employees have a choice among plans which offer the nationally guaranteed benefits package, you will be able to provide your employees with whatever additional health care benefits you would like. As long as that plan was in force at the beginning of this year, your premium costs will continue to be tax deductible for 10 years.

Q. This plan sounds complicated. Isn't it really going to drive up my administrative costs?

A. No. Health care is admittedly a complicated subject. The existing health care system is vastly more complex than our plan. We have emphasized and, we believe, achieved significant administrative simplification in this plan. And, you can also choose to join the regional alliance and, as a result, shift a fair amount of your remaining administrative responsibilities to the regional alliance, which will enjoy significant economies of scale.

REFERENCE TABLE: NAFTA BOOK

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: **Press. Rel. NAFTA 11-16-93**

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release **November 16, 1993**

The attached letter from all five living former Presidents was sent to today to every Member of Congress.

# # #

November 16, 1993

To Members of Congress

During the last twenty-five years, the five of us often had occasion to differ with each other. On the issue of the North American Free Trade Agreement, however, we are united in our belief that its approval is crucial for our nation.

Like you, we have all experienced the loneliness of making difficult decisions that were unpopular but which we believed were in the best interests of our nation. An intense and vocal minority have been effective in making known their opposition to NAFTA. We ask you not to confuse their noise with public opinion and not to confuse the insecurity of the moment with the long-term interests of our country.

We acknowledge that there can be honest differences of opinion about the short-range impact on specific industries. However, there is no doubt that from a long-term perspective, NAFTA will be extremely beneficial to the workers, employers, and strategic interests of America.

NAFTA represents a turning point for America. If you vote against it, the role of the United States as a world leader will be severely damaged, and the prosperity of the United States and the international economy will be endangered.

We all went into public life to do the right thing. The right thing for America is to approve NAFTA. When you look back on your career, this will be one of the decisions that you will remember, and the question you will want to ask of yourself - and the question historians will ask of your career - is whether at this crucial moment you stood together with the President in trying to maintain and advance U.S. leadership in the world, or whether you voted for protectionism and isolationism.

You are fortunate to be in the Congress at this moment. Your decision will be historic, and if you vote to approve the agreement, you will be proud of that decision. Like our courageous forefathers who signed our nation's declaration of independence, you have the opportunity to sign your name on the right side of America's history.

Sincerely,

Divider Title: **NAFTA Opn. Lead. 11-9-93**

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release November 9, 1993

REMARKS BY THE PRESIDENT
TO NAFTA OPINION LEADERS

The Old Executive Office Building

11:55 A.M. EST

THE PRESIDENT: Thank you. Thank you very much for being here. After what David and Kathleen said, I'm not sure there's much left for me to say. I thought they were terrific and I thank them for coming, for what they said and for putting this issue squarely where it ought to be -- on the questions of jobs and opportunity for the American people.

We asked you to come here today in the hope that together you would help us to pass the NAFTA legislation through Congress, and that if you have questions about this you could ask them. So I want to basically spend this time to open the floor to questions to you. But I would like to make just a few remarks if I might by way of introduction.

First of all, it's important to put this NAFTA agreement into the larger context of our nation's economic strategy. And it's important that I at least tell you from my point of view how it fits. Our nation is a churning cauldron of economic activity now, with a lot of opportunity being created and a lot of hardship being developed at the same time. The world is changing very rapidly. The American economy is changing very rapidly. For 20 years the wages of the bottom 60 percent of our work force, more or less, have been stagnant as people work harder for the same or lower wages.

We know that over the last 20 years as we've become more and more enmeshed in the global economy the jobs have been changing more rapidly. We know now that when a person loses a job, for example, usually a person will find another job but it's not the same old job. It used to be the normal course of events was you'd have a lay-off but you wouldn't just lose a job. Those things are all changing now. We know that through the discipline of the market economy our productivity now is the highest in the world again in manufacturing and in many other areas. But we also know that there's been a whole lot of reduction of employment in many areas to get that higher productivity with fewer people producing more output.

So this is a time of enormous opportunity and enormous insecurity. We have to have a full court press comprehensive economic strategy to achieve what should be the objective of every American -- more jobs and higher growth rates.

In our administration, we began with trying to get the deficit down, trying to drive interest rates down and trying to keep inflation down. Those historically low interest rates have led to literally millions and millions of people refinancing their home mortgages, refinancing their business debt, increasing investment in our country. The result has been that even though we don't have as many jobs as we'd like, the private sector has produced more jobs in the last 10 months than in the previous four years. And if we can keep interest rates and inflation down and investment up, we're going to have more and more and more growth. That's encouraging.

MORE

The last budget bill provided special tax incentives for people to invest in new and small enterprises where most of the new jobs are being created. Extended research and development tax credit provided for extra incentives to convert from these defense technologies to domestic technologies. We recently took $37 billion worth of high-tech equipment off the restriction list for export so we could put American products into play into the global economy.

But with all of that, no one has shown how a wealthy country can grow wealthier and create more jobs unless there is global economic growth through trade. There is simply no evidence that you can do it any other way. About half America's growth in the last seven years has come from trade growth. And the jobs that are tied to trade, on average, pay about 17 percent more than jobs which are totally within the American economy. So that it is impossible for all these other strategies to succeed if by success you mean creating more jobs, more growth, and higher incomes unless there is a level of global economic growth financed through expanded trade that Americans can take advantage of. We can't get there.

So that brings us to NAFTA, and how does if fit, and why should we do it. This agreement will, as all of you know, lower American tariffs, but will lower Mexican tariffs and trade barriers more than American tariffs, because ours are lower anyway. This agreement will help up to gain access to a market of 90 million people, which has shown a preference for American products unprecedented in all the world -- 70 percent of all the purchases by Mexican consumers of foreign products go to American products. This agreement will unite Canada, Mexico, and the United States in a huge trading block which will enable us to grow and move together.

This agreement will also -- and this is very important -- produce most of its jobs by enabling us to use the Mexican precedent to go into the whole rest of Latin America, to have a trading bloc of well over 700 million people, and will also -- and I see some of you in this audience I know who are interested in this -- this agreement, if adopted by the Congress, will increase the leverage that I, as your President, will have to get an agreement on the world trade round, the GATT Round, this year with Europe and with Japan and with the other nations involved, because they will see, "Well, we want access to that big Latin American market, and the way to do it is to adopt a world trade agreement. We don't want America to have an overwhelming preferential treatment in Mexico and other countries, so we'll have to give them more access to our markets in Europe and Asia."

It will also make a statement that America intends to go charging into the 21st century, still believing we can compete and win; and that we intend to lead the world in expanding horizons, not in hunkering down. And, believe you me, no one knows quite which way it will go. This is why the NAFTA agreement has acquired a symbolic and a larger significance even than the terms of the agreement -- because we know that if the United States turns away from open markets and more trade and competition, how can we then say to the Europeans and the Japanese they must open their markets to us, they must continue to expand. So the stakes here are very large, indeed.

Now, let's deal with the arguments against NAFTA. The people who are against it say that if this agreement passes, more irresponsible American companies will shut their doors in America and open doors in Mexico because the costs are cheaper and this agreement allows them to do that all over the country. To that I answer the following: Number one, I was the governor of a state for 12 years that had almost 22 percent of its work force in manufacturing. I saw plants close and go to Mexico -- brought one back before I left office. I know why they did it. I know how they did it. I understand the pressures, particularly on the lower wage companies with low margins of profit.

MORE

But my answer to you is there is the Maquilladora system now in practice in Mexico. If anybody wants to go down there to produce for the American market, they can do that now. And if we defeat NAFTA, they can continue to do that and it will be more likely that they will do that. Why? This is the nub of the argument. Because, clearly, with the agreements we have on labor committing Mexico to enforce its own labor code and make that a part of an international commission on the environment, clearly, we're going to raise the cost of production in Mexico. Clearly, when Mexico lowers its domestic content requirement on automobiles, for example, we'll be able to go from 1,000 to 60,000 American-made cars sold in Mexico next year. There will be less incentive to go to Mexico to produce for the American market -- less incentive, not more.

What does Mexico get out of this then? What they get out of it is they have 90 million people there now producing for themselves. What they want is American investment in Mexico to hire Mexicans to produce goods and services for Mexicans so they can grow their economy from within. Is that bad for us? No, that's good for us. Why? Because the more people down there who have jobs and the better the jobs are, the more they can buy American products and the less they will feel a compulsion to become part of America's large immigration problem today. So that is good for us.

This is very important. I would never knowingly do anything to hurt the job market in America. I have spent my entire life, public life, trying to deal with the economic problems of ordinary people. I ran for this job to alleviate the insecurity, the anxiety, the anger, the frustration of ordinary Americans.

Tonight there will be a debate that a few people will watch on television -- (laughter) -- in which, with a lot of rhetoric, this administration will be -- the attempt will be made to characterize this administration as representing elite corporate interests and our opponent is representing the ordinary working people. Let me tell you something. This lady -- I wish she were going to be on the debate against Mr. Perot tonight, he wouldn't have much of a shot against her -- (laughter) -- because she so obviously disproves the argument. This is a debate about what is best for ordinary Americans.

Look around this room. The rest of us are going to do fine, aren't we? Let's not kid ourselves. If this thing were to go down, everybody in this room would figure out some way to be all right. That's true, isn't it? I mean, most of you are here as influence centers in your congressional district because you'll figure out a way to land on your feet. Unless the whole country goes down the tubes, most of you will figure out a way to be innovative and work around whatever the rules are. We are doing this because it allows our country as a whole to expand, to grow, to broaden its horizons -- the people who can't be here.

You know, it's an amazing thing. Again, I will say the resentments, the hurts, the anxieties, the fears that have been poured into this debate are real and legitimate and deserve a response. And we should all recognize that. You just think how people feel when they've worked for 20 years and they get a pink slip and they're just treated like a disposable can of soda pop. I mean, this is a tough deal.

Think about the members of Congress that are being asked to vote for this agreement when they've got 15 percent, 20 percent unemployment in their districts, and they represent these big, inner-city neighborhoods, or these big, distressed rural areas where there's no investment going into their areas. There are legitimate problems out there.

What is wrong is that they have made NAFTA the receptacle of their resentment instead of seeing it as one step toward alleviating the problem. And that is my point; not that there's anything wrong with the worries and the fears and the hurts that are brought to this table, but that this country has never -- never run from competition -- except one time, and it helped to bring on the Great Depression. And with every evolutionary stage of the global economy in this century, we have always led the effort to broaden opportunity, and always welcomed the rigor of competition and felt that we could do it. And we have got to do that again.

So I ask you as earnestly as I can to remember that you are speaking for the very people who may think they're arguing against this. This is about what's going to happen to our country. There is no evidence -- I will say again -- there is no evidence anywhere in the world that you can create jobs, raise income, and promote growth in an already wealthy country unless there is global growth, financed and fueled through expanded trade. There is simply no evidence for it.

I want to go out to meet with the President of China and the Prime Minister of Japan and the heads of all of those Asian countries and tell them, we're happy to buy their products; they ought to buy more of ours, and they need to stimulate their economy. I want to go to the Europeans and say, okay, give us the world trade agreement. You don't have to hunker down and close up. You can expand, and we'll do it together. But if we don't do this with our closest neighbor, it's going to be hard for us to have the credibility to make the case for the world

Thank you very much. (Applause.)

Q Mr. President, one of the concerns of the United States, as you're well aware, concerns the potential for job loss. We've all heard how the passage of NAFTA will create job loss in the United States. I'd like to share with you a different view, and that is that the passage of NAFTA will actually create jobs. I'm with the World Trade Center Association, and we're actually inundated by requests from our Pacific Rim members, asking us to identify locations in the United States where, after NAFTA is passed, they can come in and build industry to protect their market share in the United States. They see NAFTA as taking jobs away from the Pacific Basin, and they want to be able to counter that by coming over to the United States and actually building industry to satisfy this market share.

THE PRESIDENT: That's a good point. You all heard what he said, didn't you? He just said that he's with the World Trade Center and he gets a lot of requests for information about sites in the United States where people in Asia would look at putting up operations to protect their share of the American market if NAFTA passes.

Let me give you another example, more indirect, something I think you'll see a lot of. Mattel toy factory announced that they would in all probability move an operation from China to Mexico and buy all their products of plastic from the United States instead of from Asia. So there will be an indirect job benefit there. But there are millions of these things, it's incalculable. That's what always happens if you decide you're going to expand opportunity and growth and then let the ingenuity of the marketpla work for the interest of ordinary people.

Let me just say one thing about that. Every major study but one has shown -- has predicted a job gain for NAFTA in the United States. And the major study that predicted a job loss predicted it in large measure because they estimated that there would be fewer immigrants coming into this country and taking jobs here as a result

MORE

of it. So that still may not be a net increase in unemployment. All the others recommended -- estimated net job gains.

Now, there obviously will be people who lose their jobs as there are today. We're talking net. And if you're -- when somebody says there's a net job gain of 200,000, you say, well, if you gain 210 and lose 10, the 10 who lose feel more pain than the 210 who gain, arguably.

What does that mean? That means that this administration has an obligation -- and the Congress, I want to emphasize, has an obligation -- and the business community has an obligation to support a legitimate strategy for retraining all these workers at a high level of quality in a relevant way and developing a strategy for investment across this country. That is what we're working on. That's what we're going to give the working people.

The other point that needs to be made is there is no power to protect the people of this country from the changes sweeping through the global economy. I mean, the average 18-year-old is going to change work eight times in a lifetime, anyway, whatever we do. But we do have an obligation to help them, those who are in difficulty, and we will meet that obligation.

Q Thank you, Mr. President. As an African American, I have a basic question. As you know, historically, African Americans have experienced high unemployment, lower pay. In fact, we created the phrase, "Last hired, first fired." I would further suggest to you that we're probably the most vulnerable member of this society. Given those set of facts, I would like to hear your response to why African Americans, in general, and African American politicians should support NAFTA.

THE PRESIDENT: African Americans, in general, and African American politicians should support NAFTA, first of all, because it means more jobs. Secondly, as we found when we had our products fair here, it means opportunities for a lot of small businesses. As Ms. Kaminiski said, there will be tens of thousands of small businesses who will be -- and minority entrepreneurs, by and large, are smaller businesses. They should support it because anything that increases the job base of America will help; and finally, because, even though this gentleman is from Utah, most of the big service industries that will expand their job base in America because of the opportunities in Mexico are located in larger cities and have a substantial percentage of their hires coming form the minority community.

And having said that, let me make one other point. That will not solve all the problems. We've got a crime bill. We've got to have a family strategy. We've got to have a whole economic strategy for the distressed areas of this country. We have to have a reemployment system instead of the unemployment system we've got. It will not answer all of the problems. But it is not an argument to vote against NAFTA that it doesn't solve every problem. In other words, that's what the other side's done. They've loaded all of the problems of the 1980s on to this NAFTA vote, which actually makes them better. We don't want to get in a position of overclaiming for it. We don't want to say this doesn't solve all of the problems of the American economy, but it does solve substantial ones that ought to be addressed.

Q Mr. President, I'm from Texas and I'm very concerned about the environment on the border. How will NAFTA affect the borders?

THE PRESIDENT: It will improve the environment on the border. That's why we've gotten so many environmental organizations to endorse this. Not all the environmental groups are for it, but most of the environmental groups that are against it are against it for something that often happens to progressives -- they're making the perfect the enemy of the good. That is, they think it ought to be better, but it's very good.

This agreement, first of all, requires every nation to enforce its own environmental laws, and can make the failure to do so the subject of a complaint through the trade system. Secondly, to support this agreement, the World Bank has committed about $2 billion in financing, and we have agreed to set up a North American Development Bank to have $2 billion to $3 billion worth of infrastructure projects in the beginning on both sides of the border.

So there are substantial environmental problems associated with Maquilladora operations -- substantial. They are significant, they are real; they affect Mexicans, they affect Americans. If this trade agreement passes, this will be the most sweeping environmental protection ever to be part of a trade agreement, and it will make the environment better, not worse. And, by the way, it will create jobs for a lot of people on both sides of the border in cleaning up the environment -- jobs that won't happen and environmental clean-up that won't happen if we vote it down.

Q Mr. President, I'm a manufacturer from the great state of Arkansas. Is there anything in the agreement that's going to keep China from putting in a factory and importing into Mexico and then turning the goods right straight back to us?

THE PRESIDENT: There is nothing in the agreement that will prohibit other countries from actually hiring people, but the are rules of origin. What we do have protection against, and what are actually strengthening now, is using Mexico as a weigh station get around like the multifiber agreement, which provides a lot of protection to our apparel manufacturers.

All the agriculture people are concerned about it, too. Everybody is concerned about the fact that if -- well, let me back up and for the benefit of everybody else, let me say this: Most of the trade restrictions that Mexico has and most of the restrictions we have on them are in the form of tariffs. Our tariffs don't amount to much, they're four percent. Mexican tariffs run between 10 to 20, by and large; they amount to much more. So we get a huge break on the tariff thing.

In the case of apparels and one or two other things, including some agricultural products, there are nontariff restrictions, like the multifiber agreement, that will give Mexico some greater access to the American market in apparels. The real problem there would be -- but it's done over a 10-year period, as you know, it's phased in gradually over a 10-year period. The real legitimate problem would be if Mexico becomes a transshipment point for either beef, for jackets, for anything. And I want to be candid here -- one of our big challenges is going to be to make sure that we have enough customs officials to stop the abuses that might happen in transshipment in agricultural and in the manufacturing sectors of our economy that are protected by things other than tariffs. We are working right now on setting up a special customs department section to do nothing but that. And I think we'll be able to satisfy the American people about it.

Let me make one other comment about that. There is a big incentive for Mexico not to let its country become a transshipment point, which is that, under this agreement, anybody wants to can withdraw from it with six months notice. There's another big incentive in this agreement that almost no one has talked about. The term of art is called "surge." But basically, what it means is, under this agreement, if there is an unanticipated adverse impact, bad impact on some sector of our economy or the Mexican economy, either side can raise that and say, listen, we talked this through, nobody anticipated this happening, this is terrible, and that portion of the economy can, in effect, be shielded for a period of three years while we work that out.

So there are some good protections built in here from both our side and from their side against adverse reactions. Again, fairly unique things, but we owe you a good customs section, and we're doing our best to set it up.

Q Mr. President, I'll try not to make this sound like a speech, but we've been weaving fabrics in central Pennsylvania since 1896. We have fifth-generation employees. I have been courted by the state of Mississippi to move there for years, but we're not going to; we're staying in Pennsylvania. My people have suffered job loss because of flawed trade policy for many, many years. They understand that NAFTA is the first trade policy that opens markets for us. They understand the security that that brings. And I've committed to them to bring back some of those jobs we've lost when Congress approves NAFTA on the 17th or whenever they make up their minds to do so. So thank you.

THE PRESIDENT: Good for you. (Applause.) Thank you.

Let me just say, I want to emphasize this. There is a whole -- the evidence is, the evidence is clear: We have seen a productivity increase in American manufacturing sector at four and five percent a year for more than a decade now. There is hardly ever -- you have to go, you'd have to look real hard to see any example like that of economic improvement of performance.

Now, why didn't it manifest itself in economic growth? Because one way we got more productive was we used more machines and fewer people, we used more technology, and it takes time for those kinds of changes to manifest themselves in economic opportunity. But you just heard him make the point -- the only way you can be both productive and expand your employment base is if you got more people to buy your stuff, which means you either have to raise the incomes of the jobs of the people in you own country. And even when you do that, if you're a wealthy country, it's not enough, you have to have global markets.

I really appreciate what you said, sir.

I can take one more, I think.

Q Mr. President, will NAFTA allow for labor organizations to -- its support, or help labor organizations move into Mexico and bring the standard of the Mexican labor up?

THE PRESIDENT: Well, let me tell you, let me answer the question this way: NAFTA requires Mexico and the United States and Canada to follow their own labor laws. Mexico has a very good labor code on the book. But President Salinas would be the first one to tell you, it has been widely ignored. The Salinas government has also promised, in addition -- but let me just explain what this means. It means that if there is evidence that they are violating their own labor laws that that can be the subject of a trade complaint and can be worked through the trade system just like putting up a trade barrier.

There is no precedent, no trade agreement has ever done this before. I know a lot of my friends in labor say, well, it ought to be stronger, it ought to have this, that, and that other thing. There has never been a country ever willing to subject its labor code to trade sanctions before -- never happened. So I think it's a pretty good first step.

MORE

The other thing they've agreed to do is to raise their minimum wage on at least an annual basis as their economy grows. And their wage structure works just like ours -- when you raise the minimum wage, it bumps up through the whole system. And their wages have been growing rather rapidly.

Right now all the basic analyses show -- and this is ultimately the best hope that I think will happen in the apparel industry over the next 10 years -- is that our productivity edge is slightly greater than their wage edge. And if we can keep growing at a normal rate in terms of productivity -- that is our productivity is roughly a little over five times greater than theirs and or wage levels on average are about five times higher than theirs -- but if our productivity continues to grow, their wages are rising much more rapidly than ours, as they would because they're on such a low base, I think over the next 10 years what their objective is, is to grow into a full partner, like Canada where the cost of living is about the same, the trade is more or less in balance, but the volume is huge. I mean, that's really what our objective ought to be.

Canada has the biggest two-way trade relationship with the United States of any country in the world. And it benefits both countries because both of us have about the same cost of living. And what we've tried to do is to get this thing worked out right, including putting the labor code in there, so that Mexico can't do what so many Latin America countries have done before to kill their economic programs and their political programs -- they've given up on democracy and they haven't had the courage to develop a middle class.

This government is committed, I believe, down there to developing a middle class and they've certainly done more than any other government in history to do it. And they can't do it without observing their labor code.

Q -- to support strikes and labor actions?

THE PRESIDENT: Yes. That's what the labor code requires. Their labor code permits that. And they'll have to honor that now, or just be constantly caught up in all these trade actions. And again I say -- I know our friends and my friends in the labor movement wanted Mexico to agree to put the average manufacturing wage into the trade agreement. But you have to understand, they have allowed us to have a trade agreement that gets into their internal politics more than any country in history, on the environmental policy and on labor policy.

Also, I will say again, we can compete with these folks. We can do it. And I need your help to convince the Congress. Thank you. (Applause.)

Before I go, let me ask you one more time: Please personally contact the members of Congress about this, whether Republican or Democrat. This is not a partisan issue, this is an American issue. I had a little trouble when I got here, but I'm determined by the time I leave that we will see economic policy as a part of our national security, and we will have a bipartisan economic policy, the way we had to have a bipartisan foreign policy in the Cold War. We have got to do it, and expanding trade has got to be a part of it.

Thank you. (Applause.)

END 12:27 P.M.

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: **State Opinion Leader 11-9-93**

THE WHITE HOUSE

WASHINGTON

November 8, 1993

DROP-BY NAFTA STATE OPINION LEADERS BRIEFING

DATE:	November 9, 1993
TIME:	11:20 am >POTUS to be there
LOCATION:	OEOB Room 450
FROM:	Alexis Herman Doris Matsui

I. PURPOSE

To galvanize support for NAFTA by reinforcing the benefits of the agreement with emphasis on investment and jobs opportunities.

II. BACKGROUND

Business, environmental and association leaders from 28 states have received extensive NAFTA briefings from administration officials as part a series of weekly briefings that began on October 19. The Vice President and Bill Daley have participated in all the briefings along with other administration officials including Secretaries Bensten, Pena, O'Leary, and Ron Brown as well as Mickey Kanter, Carol Browner and Bob Rubin. All briefings focused on educating both supporters and the undecideds on the importance of NAFTA; clarifying misconceptions about the agreement through extensive question and answer sessions; and generating support for the plan.

This briefing is the tenth in the series. Before your arrival, Secretary Bentsen and Sandy Berger will have briefed the audience. The audience will consist of leaders from Arkansas, California, Kansas, Louisiana, Mississippi, Missouri, New York, North Carolina, Oklahoma, Pennsylvania, South Carolina, Utah and Wisconsin. Although the previous briefings have been closed to the press, your segment of the program will be open to the press and will include testimonials from business supporters.

The two NAFTA success stories are:

David Boyles: Vice President of American Express Travel Related Services based in Salt Lake City, Utah. Boyles is the Utah state captain for NAFTA. Amex has had a presence in Mexico since the 1800s; NAFTA will permit the company, for the first time, to develop their travel management and financial services in Mexico. Amex expects growth in the travel and tourism industries which will create new opportunities and jobs within the U.S.

Kathleen Kaminski is co-owner of Triseal Corporation, a manufacturer of oil seals for trucks, trailers and buses with a manufacturing warehouse and administrative facility based in Hebron, Illinois. Kaminski is a strong supporter of NAFTA and her company has successfully developed a growing market for their U.S.-made products in Mexico despite competitor's with factories located in Mexico. She will introduce you. (Both David Boyles and Kathleen will stand behind you and to the right during your remarks.)

III. PARTICIPANTS

100 Participants
David Boyles
Kathleen Kaminski
William Daley
Alexis Herman

IV. PRESS PLAN

Open press.

V. SEQUENCE OF EVENTS

- Alexis Herman announces you and Bill Daley onto the stage. You sit in the third chair. Seated in the first two chairs will be David Boyles and Kathleen Kaminski. (Note: You will arrive during the program which starts at 10:30 am.)

- Bill Daley gives brief remarks and introduces David Boyles and Kathleen Kaminski.

- David Boyles gives brief remarks. He stands to the side following remarks.

- Kathleen Kaminski gives brief remarks and introduces you. She stands to the side following her remarks.

- You give remarks. (Both David and Kathleen will stand behind you to the right during your remarks.)

- You take questions from the audience. (Before taking questions, you should mention that you are taking questions from the audience only.)

- Following the Q & A, you greet the participants and depart.

VI. REMARKS

Talking points to be provided by Michael Waldman.

PARTICIPANTS
NAFTA STATE OPINION LEADERS BRIEFING

November 9, 1993

Mr. William Armfield, IV
Vice Chairman
Unifi, Incorporated
Greensboro, NC

Ms. Deborah Bayle
Vice President, Administrative Services
Salt Lake Chamber of Commerce
Salt Lake City, UT

Mr. David Lee Blankenship
President and Director-External Affairs
Rockwell International Corporation
Tulsa, OK

Mr. David Boyles
Senior Vice President
American Express Travel Related Services
Salt Lake City, UT

Mr. Patrick Bradsha
Partner
Barber, Bradsha and Vernon
Pittsboro, NC

Mr. David Brodsky
Partner
Schultz, Roth and Zabel
New York, NY

Mr George G. Brooks
Vice President - Strategic Assignments
Allen-Bradley Company
Milwaukee, WI

Mr. Joseph Si Brown
President
Bruce Foods Corporation
New Iberia, LA

Ms. Carol Thompson Cole
Director of Environmental Affairs
RJR Nabisco
Washington, DC

Mr. Keith Cooke
Investment Advisor
Banyon, Rock and Talent
Hillsborough, NC

Mr. Peter Cooke
President
PSC Development Company
Salt Lake City, UT

Mr. Clinton R. Culpepper
Director of Publicity
Columbia Tristar Home Video
Burbank, CA

Mr. Marc Day
Director of Public Affairs
Salt Lake City, UT

Mr. Dan Donaldson
President
Donaldson's Registered Jewelers
Topeka, KS

[illegible]erry Drake
General Manager
Board of Public Utilities in Kansas City
Kansas City, KS

Mr. Christopher Drumm
Administration Assistant
Delaware Port Authority
Philadelphia, PA

Mr. Manuel Duran
President
Duran Travel Enterprise, Limited
New Rochelle, NY

Mr. Larry Dwyer, Jr.
President
Westchester County Association
White Plains, NY

Mr. Stuart Dye
Chief Executive Officer
Graham and James International Trade Law Firm
Washington, DC

Mr. Barney Ebers
President and Chief Executive Officer
LDDS Communications
Jackson, MS

Mr. Alfonso Fanjul
Chairman and CEO
Flo Sun, Incorporated
Palm Beach, FL

Mr. Edward Flynn, Jr.
Resident Manager
FMC Corporation
Lawrence, KS

Dr. Bernard Franklin
President
Livingstone College
Salisbury, NC

Mr. Edwin Friedman
Vice President, Worldwide Publicity
Columbia Tristar Home Video
Burbank, CA

Mr. Dennis Fulk
President
Missouri Soy Bean Association
Platte City, MO

Mr. Jack Garner
President
Sunburst Bank
Jackson, MS

Mr. Duane B. Garrett
Hanson, Bridgett, Marcus, Vlahos & Rudy
San Francisco, CA

Mr. Jack Gibson
Executive Director
Livestock and Poultry Commission
Little Rock, AR

Mr. Glen Gladney
Technical Manager
AT&T
Naperville, IL

Mr. John Proctor Goff
Executive Director
Red River Council on Alcohol and Drug Abus
Texarkana, TX

Mr. James Gonzales
Executive Director
Utah Coalition of LaRaza
Sandy, UT

Mr. Bob Grady
Trustee
Environmental Defense Fund
San Francisco, CA

Jon Halpern
ef Executive Officer
Halpern Enterprises
Tarrytown, NY

Mr. Andrea Harris
President
North Carolina Institute of Minority
Economic Development
Durham, NC

Mr. John Hayes
Chairman, President and Chief
Executive Officer
KPL, A Western Resources Company
Topeka, KS

Ms. Antoinette Helgason
Chairman & Chief Executive Officer
Helgason Company
New York, NY

Mr. Richard Helgason
Chairman
DLC in New York
New York, NY

Mr. Jared Hernandez
President
Utah Hispanic Chamber of Commerce
Salt Lake City, UT

Mr. George Holland
Executive Director of Government
Relations
Southwestern Bell Corporation,
kansas Division
tle Rock, AR

Mr. Allan Huston
President and Chief Executive
Officer
Pizza Hut Worldwide
Wichita, KS

Mr. Kenneth Jarin, Esquire
Partner
Montgomery, McCracken, Walker and
Rhodes
Philadelphia, LA

Mr. G. Harris Jordan
The Wexler Group
Washington, D.C.

Mr. Jack Jordan
Vice President
Jordan Lumber Company
Mount Gilead, NC

Mr. David Kaminski
General Manager
Triseal Corporation
Hebron, IL

Ms. Kathleen Kaminski
Co-Owner
Triseal Corporation
Hebron, IL

Mr. Charles Kleinhagen
President
Haldex Corporation
Blue Springs, MO

Robert Knight
retary
nsas Department of Commerce and
Housing
Topeka, KS

Charu T. Kopkhar
Greensboro, NC

Mr. Charles Kruse
President
Missouri Farm Bureau Federation
Jefferson City, MO

Mr. Jim Leonhart
Vice President
Madison, WI

Mr. Jack Lewis
Vice President
Paperboard Packaging Council
Washington, DC

Mr. Dennis Longoria
Director of Government Affairs
Central Power and Light (CP & L)
,

Mr. Emon Mahoney, Jr.
President
Arkansas Oklahoma Gas
Fort Smith, AR

Mr. Randy Martin
President
Manhattan Chamber of Commerce
Manhattan, KS

Mr. Jerry McBride
President
Mississippi Manufacturing Association
Jackson, MS

Mr. Charles McDaniel
President
IBEW, Local 1658
Pine Bluff, AR

Mr. John McIntyre
President
Paperboard Packaging
Washington, DC

Mr. Randall C. Meacham
Director, Industrial Affairs
AT&T
Columbia, SC

Mr. John Medina
,

Ms. Irene Mendez
Graham and James
Oakton, VA

Mr. Tom Misiak
President
Falk Corporation
Milwaukee, WI

Mr. David Allen Morris
President
DMA
Camden, AR

Mr. Darby Neaves
C[illegible]n, AR

Mr. William Neaves
Owner
Neaves Nature Works
Ogden, AR

Mr. Allen Norris
Director Plant Operations
Bristol Meyers Squibb
Morrisville, NC

Mr. P. Welles Orr
The Wexler Group
,

Mr. John Palmer, Jr.
Chief Executive Officer and Chairman
Mobile Telecommunication Technology
Jackson, MS

Mr. Charles Pizzi
Presidet
Greater Philadelphia Chamber of Commerce
Philadelphia, PA

Mr. John Rainey
Chairman of the Board
Santee Cooper Power Unitility
Columbia, SC

Mr. Nicholas Rashford
Chairman, Delaware Port Authority
President, Saint Joseph's University
Philadelphia, PA

Mr. Craig Rhodes
Chief Financial Officer
American West Analytical Laboratories
Salt Lake City, UT

Mr. Glen Riekhof
President
Missouri Corn Growers
Concordia, MO

Mr. Jon Rogers
Chairman
Charter Financial Group
Greeneville, SC

Mr. Camel Sharoubim
President
HPG Industries, Incorporated
Hollis, NY

Mr. Harris H. Simmons
President
Zion's First National Bank
Salt Lake City, UT

Mr. Mark Sonnenfeld
Attorney at Law
Morgan, Lewis and Bockius
Philadelphia, PA

Ms. Susan Stanton
President
Payless Cashways
Kansas City, MO

Mr. Lawrence Steckline
Mid-America Agriculture Network
Wichita, KS

Mr. Thomas Stout
President
Stout Group Limited
McMurray, PA

Mr. William Titelman, Esquire
Shareholder
Klett, Lieber, Rooney, and Shorling
Harrisburg, PA

Mr. K. Wayne Trotter
Managing Director
World Trade Center,
Greenville-Spartanburg
Greer, SC

Mr. Henry Truslow
Sunbury Textile Mills, Incorporated
Sunbury, PA

Mr. Donald Unruh
Division Manager
Automotive Controls Corporation
Independence, KS

Mr. Harold Vogt
President and Chief Executive
Officer
Westchester Chamber of Commerce
White Plains, NY

Ms. Jane von Kaenel
St. Louis, MO

Mr. James N. Wade
Chairman
Wade Industries
Philadelphia, PA

Mr. Matt Wall
Partner
Holt, Spencer, Longest and Wall
Burlington, NC

Mr. Jack Ward
Senior Vice President
Sara Lee Corporation
Winston-Salem, NC

Dr. Graham Watt
Executive Assistant to the President
Livingstone College
Salisbury, NC

Mr. Mark Weingarta
Worby, Delbello, Donnellan and
Weingarten
White Plains, NY

Mr. Andrew Whisenhunt
President
Arkansas Farm Bureau Federation
Little Rock, AR

Mr. David Wilson
Executive Vice President
First Security Corporation
Salt Lake City, UT

Mr. Tim Witsman
President
Wichita Area Chamber of Commerce
Wichita, KS

Mr. Larry Womble
Alderman
City Council
Winston-Salem, NC

Mr. C. Courtney Wood
President
Independent Insurance Agents of
America
Edmond, OK

Mr. David Worby
Attorney
Worby, Delbello, Donnelline, and
Wingarten
White Plains, NY

MEMORANDUM FOR THE PRESIDENT

FROM: Jay Ziegler

SUBJECT: NAFTA Economic Statistics For States Represented at Opinion Leaders Forum

- Arkansas
  - 4,900 jobs in Arkansas in 1992 were supported by exports to Mexico.
  - Arkansas' merchandise exports to Mexico rose from $38 million to $118 million from 1987 to 1992.
  - Arkansas' exports to Mexico grew 214% from 1987 to 1992, 97 percentage points faster than the state's export growth to the rest of the world.
- Missouri: 11,300 jobs in Missouri in 1992 were supported by exports to Mexico. Almost 35% of those jobs were created in the past five years, since Mexico began liberalizing its import regime.
- Utah: 300 jobs in Utah in 1992 were supported by exports to Mexico.
- Georgia: 8,100 jobs in Georgia in 1992 were supported by exports to Mexico. Over 60% of those jobs were created in the past five years, since Mexico began liberalizing its import regime.
- New York: 15,500 jobs in New York in 1992 were supported by exports to Mexico. Almost 35% of those jobs were created in the past five years, since Mexico began liberalizing its import regime.
- California: 89,600 jobs in California in 1992 were supported by exports to Mexico. Over 45% of those jobs were created in the past five years, since Mexico began liberalizing its import regime.
- North Carolina: 9,000 jobs in North Carolina in 1992 were supported by exports to Mexico. More than 70% of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

Clinton Presidential Records
Digital Records Marker

Divider Title: **TEXAS, TENNESSEE & ARIZONA 10-27-93**

THE WHITE HOUSE

WASHINGTON

AGENDA

THE NORTH AMERICAN FREE TRADE AGREEMENT
WHITE HOUSE FORUM

OLD EXECUTIVE OFFICE BUILDING
ROOM 450

OCTOBER 27, 1993

****

WELCOME
Alexis Herman
Assistant to the President
Director of Public Liaison

BRIEFING
Dr. Laura Tyson
Chairperson
Council of Economic Advisors

***
VICE PRESIDENT AL GORE
***

BREAK

BRIEFING
Bill Daley
Special Counsellor to the
President for NAFTA

BRIEFING
Ron Brown
Secretary of Commerce

BRIEFING
Frederico Pena
Secretary of Transportation

THE WHITE HOUSE

WASHINGTON

October 27, 1993

NAFTA BRIEFING WITH TEXAS, TENNESSEE, AND ARIZONA

TO: Alexis Herman
DATE: Wednesday, October 27, 1993
LOCATION: 450 Old Executive Office Building
TIME: 9:30 AM - 12:00 noon
FROM: Doris Matsui

I. PURPOSE

This is a briefing for approximately 200 leaders from Texas, Tennessee and Arizona about the benefits and importance of the North America Free Trade Agreement (NAFTA). This is the seventh in a series of state NAFTA briefings. We have given briefings to leaders from New England (Massachusetts, New Hampshire and Maine), New Jersey, North Carolina, Maryland, Virginia, Alabama, Georgia and California.

II. BACKGROUND

NAFTA has been defined by its opponents in a negative way as a job loser. In order to get beyond the large organizations that oppose NAFTA, we must get to the people who can actually make the argument for NAFTA -- the people outside the beltway, the citizenry in their individual communities.

This briefing gives us an opportunity to present the case to the people who actually vote and who could spread the message at the grassroots level.

This group consists of supporters as well as those who are still undecided, therefore it is important to emphasize how NAFTA will create jobs for this country.

III. PARTICIPANTS

Vice President Gore
Secretary Ron Brown
Secretary Federico Pena
Dr. Laura Tyson
Bill Daley
Governor Ann Richards
Senator Dennis DeConcini D-Arizona
Senator Phil Gramm R-Texas
Senator Harlan Mathews D-Tennessee
Congressman Joe Barton R-Texas
Congressman Jim Chapman D-Texas
Congressman Bob Clement D-Tennessee
Congressman Martin Frost D-Texas
Congressman Greg Laughlin D-Texas
Congressman Ed Pastor D-Arizona

IV. PRESS PLAN

Closed. There will be a stakeout following the briefing.

V. SEQUENCE OF EVENTS

- o You will enter the holding room of Room 450 of the Old Executive Office Building.
- o You will introduce Laura Tyson.
- o Laura Tyson will give remarks: The Benefits for the United States Under NAFTA. Questions and answers.
- o You will introduce the Vice President.
- o The Vice President will give remarks: The United States With and Without NAFTA. Questions and answers.
- o There will be a 15 minute break.
- o You will introduce Bill Daley.
- o Bill Daley will give remarks: NAFTA The Final Push. Questions and answers.
- o You will introduce Secretary Brown.
- o Secretary Brown will give remarks: NAFTA Creates Opportunities for U.S. Manufacturers. Questions and answers.
- o You will introduce Secretary Pena.
- o Secretary Pena will give remarks: NAFTA is Good for the U.S. Transportation Industry - and Our International Competitors Know It. Questions and answers.
- o Close

VII. ATTACHMENTS

- o Agenda
- o Texas, Tennessee and Arizona participants
- o Other speakers talking points
- o Other supportive material

TEXAS, TENNESSEE & ARIZONA NAFTA BRIEFING
WEDNESDAY, OCTOBER 27, 1993

AGENDA

9:30 AM- 9:35 AM	Alexis Herman Welcome and Introduction of Laura Tyson
9:35 AM- 10:00 AM	Laura Tyson Remarks and Q & A
10:00 AM- 10:30 AM	The Vice President Remarks and Q & A
10:30 AM- 10:45 AM	Break
10:45 AM- 11:00 AM	Special Counsellor Daley Remarks and Q & A
11:00 AM- 11:30 AM	Secretary Brown Remarks and Q & A
11:30 AM- 12:00 Noon	Secretary Pena Remarks and Q & A

DR. LAURA TYSON
Texas, Arizona and Tennessee
Opinion Leaders Briefing
Talking Points

The Benefits for the United States Under NAFTA

- Since Mexico joined the GATT and began lowering its tariffs. our trade balance with Mexico shifted from a $5.7 billion deficit in 1987 to a $5.6 billion surplus in 1992.

- Since 1986, U.S. merchandise exports to Mexico have increased 228 percent -- 2.3 times faster than U.S. exports to the rest of the world.

- Our international competitors know this agreement provides tremendous opportunities for Americans -- that's why Japan's Deputy Minister Yasuo Tanabe has tried to throw a monkey wrench into NAFTA by calling it "sneaky protectionism." We know this agreement is the first real opportunity for our productive workers to compete on a level playing field.

What NAFTA means for Arizona, Tennessee and Texas

Jobs Dependent upon Exports to Mexico:

- In Tennessee, exports to Mexico supported over 10,000 jobs in 1992.

- In Arizona, exports to Mexico supported over 23,000 jobs in 1992.

- In Texas, exports to Mexico supported at least 170,000 jobs in 1992.

Money Brought into the Each State Since Mexico Began to Liberalize Its Tariffs:

- In Tennessee, exports to Mexico rose from $100 million in 1987, to over $400 million in 1992, a 300 percent increase.

- In Arizona, exports to Mexico rose from $600 million in 1987, to almost $2 billion in 1992.

- In Texas, exports to Mexico rose from just over $6 billion in 1987, to almost $19 billion in 1992 -- a nearly 200 percent increase

The Importance of NAFTA in Setting a Course for America

- American leadership in the post-Cold War era: Foreign policy and economic policy can no longer be neatly divided. NAFTA shows U.S. vision for the hemisphere -- at the same time it creates more jobs for Americans.

- Democracy in Mexico: As President Carter said recently, "I think the single most important factor that will bring democracy and honest elections to our next door neighbor is to have NAFTA approved and implemented."

- A strong signal throughout Latin America: NAFTA is about more than Mexico. For decades, U.S. presidents from both parties have sought to promote democracy and open markets in Latin America. NAFTA embodies these changes. NAFTA will demonstrate whether the United States is ready to embrace trade with its Latin American neighbors.

VICE PRESIDENT GORE
Texas, Arizona and Tennessee
Opinion Leaders Briefing
Talking Points

THE UNITED STATES WITH AND WITHOUT NAFTA

INTERNATIONAL TRADE

- With NAFTA -- we create the world's largest consumer market with 370 million people and $6.5 trillion in production.

- Without NAFTA -- our credibility on free trade and open markets is crippled. We'll be known as the country that "talks the talk" but won't "walk the walk" on free market economics. The result: markets closing and diminished export opportunities.

JOBS

- With NAFTA -- 200,000 new export related jobs are created.

- Without NAFTA -- 700,000 jobs that currently dependent on exports to Mexico are put at risk as our Asian and European competitors move in.

TEXAS, ARIZONA AND TENNESSEE

- With NAFTA -- the nearly 200 percent increase that Texas and Arizona saw in its exports to Mexico, and the 300 percent increase that Tennessee saw in its exports to Mexico will accelerate, providing new jobs and new opportunity.

  - In Texas, merchandise exports to Mexico have almost tripled since trade restrictions began to be liberalized in 1987, from $6 billion to $19 billion. Texas led the entire nation in exports to Mexico. Over 170,000 jobs are dependent upon this export.

  - In Arizona since 1987, merchandise exports tripled from 1987-1992, rising from $600,000 to $1.8 million. Now exports to Mexico support over 23,000 jobs.

  - Tennessee has seen tremendous growth as well -- merchandise exports have risen from $100 million in 1987 to $413 million -- a 300 percent increase.

ENVIRONMENT

- With NAFTA -- a ground-breaking environmental agreement with Mexico that creates a mechanism for cleaning up the environment along the border. That's why NAFTA has been endorsed by such environmental groups as the National Wildlife Federation, the World Wildlife Fund, the Audubon Society, the Environmental Defense Fund, the National Resources Council and Conservation International.

- Without NAFTA -- the border continues to deteriorate into a environmental wasteland. We will be powerless effect change on the other side of our southern border.

(VP cont.)

DEMOCRACY IN MEXICO

- With NAFTA -- democracy has a chance in Mexico. As President Carter said recently, "I think the single most important factor that will bring democracy and honest elections to our next door neighbor is to have NAFTA approved and implemented."

- Without NAFTA -- the spurious relationship that has characterized U.S.-Mexican relationships in the past will be reignited. Our failure to come to President Salinas' aid as he continues on the road of reform will come back to haunt us anti-Americanism once again becomes vogue.

Members of Congress need to hear from their constituents about the stakes of NAFTA for the United States. I urge you to contact them right now. This debate will be over in five weeks.

SECRETARY BROWN
Texas, Arizona and Tennessee
Opinion Leaders Briefing
Talking Points

NAFTA Creates Opportunities for U.S. Manufacturers.
●Exports generated nearly all of America's new manufacturing jobs from 1987 to 1992, and in 1990 these exports provided a record 7.2 million jobs for American workers or an estimated 17.4 percent of the total jobs in the U.S. manufacturing sector.

●In the manufacturing sector, export-related jobs bring in ten percent more income than the national manufacturing average.

Manufacturers in Texas, Arizona and Tennessee Are Well-Situated to Grow Under NAFTA.
<u>Texas has already seen key manufactures benefit from trade with Mexico.</u>

- The Primary Metals Industry has seen exports rise over 600 percent from 1987-1992, bringing $1.5 billion in 1992.

- The Transportation Equipment Industry has seen exports rise 450 percent from 1987-1992.

    - NAFTA will immediately cut Mexican tariffs on cars and light trucks from 20 to 10 percent and will completely remove them in 10 and 5 years respectively.

    - Heavy truck and bus tariffs of 20 percent will be removed completely over 10 years.

- The Industrial Machinery exports rose 140 percent in five years, bringing in over $1.9 billion in 1992.

- Market forecasters predict that sales in personal computers alone will rise from 160,000 three years ago, to over 600,000 units next year as tariffs on 70 percent of U.S. computer equipment are removed <u>immediately</u>.

<u>Arizona</u>

- Furniture & Fixture exports to Mexico rose from $507,000 to $20 million -- a 4,000 percent increase from 1987-1992.

- Food Product exports rose from $2 million to $63 million -- a 2,000 Percent increase in five years.

<u>Tennessee</u>

- Textile exports to Mexico increased from $2.5 million to $10 million from 1987-1992.

(Brown Cont.)

- The Apparel Industry grew 165 percent from 1987-1992, rising $1.6 to $5 million.
- These industries will benefit from NAFTA'S strict rules of origin and "yarn-forward" provisions inserted into the agreement so that the benefits of NAFTA are reserved for American textile and apparel producers.
- Industrial Machinery and Computer Industries saw a 360 percent increase in exports to Mexico -- from $9.6 to $44 million.
- Once NAFTA's intellectual property safeguards are activated, we will be able to make a dent in the $90 billion of lost revenue due to intellectual property piracy.

SECRETARY PENA
Texas, Arizona and Tennessee
Opinion Leaders Briefing
Talking Points

NAFTA is good for the U.S. transportation industry -- and our international competitors know it. The Japanese are upset about the prospect of this hemisphere getting its act together to cooperate and raise the level of commerce and increase our standard of living. They are upset because they want to reserve the Mexican market for themselves. That is not going to happen.

The Japanese know that we're turning the corner in this debate. Why did Deputy Minister Tanabe resort to calling NAFTA "sneaky protectionism?" Because the benefits of NAFTA, especially when discussing the transportation and automobile industries, are going to the hard working men and women of the U.S. auto industry, not the Japanese or the Europeans.

WITH NAFTA:

- **Dramatic Rise in U.S. Exports:** Detroit's Big Three predict that NAFTA will expand their exports to Mexico from 1,000-plus this year to over 60,000 vehicles in NAFTA's first year alone.

- **Lower Tariffs on U.S.-Made Goods:** NAFTA eliminates a 20% Mexican tariff on U.S. cars and trucks -- but leaves the tariff in place for U.S. competitors. This tariff artificially raises the price of U.S.-made goods.

- **Elimination of Mexican Laws Requiring Manufacturing in Mexico:** NAFTA eliminates a Mexican law that requires U.S. companies to manufacture in Mexico if they want to sell in Mexico. The so-called "Auto Decree" forces U.S. jobs south because auto-makers must locate plants in Mexico to sell their cars there.

- **More Jobs at Home:** GM recently announced plans to move 1,000 jobs back from Mexico to Lansing, Michigan.

- **Preferred Access to a Booming Market:** With a rapidly growing middle class, Mexico is one of the world's premier growth markets for autos. Of Mexico's 90 million people, only one in sixteen owns a car. In 1994 alone NAFTA will create an estimated $1 billion in new opportunities for the passenger vehicle and parts industry, and $1 billion in new opportunities for heavy trucks.

- **Tough Rules of Origin:** NAFTA's tough rules of origin require 62.5% North American content to qualify for NAFTA benefits. This ensures that Mexico will not become a mere export platform for non-North American producers.

WITHOUT NAFTA:

- **Few U.S. Exports:** Without NAFTA, U.S. car exports to Mexico will remain at their currently anemic level.

- **High Tariff Barriers to U.S. Goods:** Without NAFTA, Mexico's 20% tariffs on U.S. made cars and trucks will continue to raise artificially the price of our products.

(cont.)

- **Mexican Requirements to Manufacture in Mexico:** Without NAFTA, incentives and requirements to manufacture in Mexico will remain in place.

HOW DO TEXAS, ARIZONA AND TENNESSEE FARE WITH NAFTA?

- **Texas** - There are over 600 transportation establishments. This industry conducts nearly $3 billion of business with Mexico. In a free trade environment, this industry is poised for explosive growth. The same is true of **Arizona**, where transportation exports to Mexico have grown by 550 percent over five years, and **Tennessee** - where 131 transportation establishments exist in an industry that brings in over $75 million from exports to Mexico.

Texas, Tennessee, Arizona (As of 10/26/93 5pm)

Charles Aberg
At[illegible]rney
D[illegible]s, TX 75354

Stanley Abrams
Chairman
Stanley Group
Tuscon, AZ 85710

Gerald Allen
Chairman
R.G. Resources
Houston, TX 77002

Joseph Allen
Vice President, State Government Affairs
EnviroCorp
Houston, TX 77002

Mike Allen
President and CEO
McAllen Economic Development Corporation
McAllen, TX 78503

Rubin Alverez
Deputy Director
Arizona - Mexico Commission
, AZ

Betty Anderson
Partner
Smith, Johnson, Anderson
Nashville, TN 37203

lem Anderson
Pres.
Enland Container Company
Alexandria, VA 22310

James Apperson
V[illegible]f Government Affairs
S[illegible]hwest Gas
,

Gilbert Aranza
Director
Southwest Company
Dallas, TX 75201

Victor Arias
Executive VP
Faison Stone Las Colinas, Inc.
Irving, TX 75039

Julie Barber
Manager of State & Goventment Relations
Eastman Chemicals
Nashville, TN 37203

Dorothy Bates
Arizona Department of Commerce
, AZ

Robert Bell
Dean
College of Business Administration
Cookeville, TN 28505

Kendall Bert
Economic Development Director
City of Tuscon
Tuscon, AZ 85726

William Bonilla
Attorney
Corpus Christi, TX 78405-1821

[illegible]rd Boschma
[illegible]rd Boshma
Talison, AZ 85353
,

Richard Bost
Principal
Enviromental Resource Management SW

Inc.
Houston, TX 77094

[redacted] Bourland
[redacted]r Trade Specialist
Arizona Department of Commerce

George Britton
Deputy City Manager
City of Phoenix
Phoenix, AZ

Andrea Byrd
Vice President
Gen Cap America Inc.
Nashville, TN 37219

Bill Calhoun
President
Texas Casualty
Houston, Tx 77006

Bill Calhoun
NAFTA liaison
Citizen Chamber of Commerce
Houston, TX 77251

Frank Calhoun
Partner
Liddell, Sapp
Houston, TX 77002

Veronica Callaghan
Kasco Ventures, Inc. Border Trade Alliance
El Paso, TX 79901

Dan Campbell
Executive Director
Nature Conservancy, Arizona Chapter
Tucson, AZ 85705

[redacted] Campos
[redacted]ident
Campos Communications
Houston, TX 77008

Milt Capps
Associate Vice Chancelor
Vanderbilt University
Nashville, TN 37240

Richard Carter
President
Carter Affiliates
Tucson, AZ 85711-1113

Ernesto Chavarria
President and Owner
International Trade and Business Relations
Austin, TX 78716

Michael Cody
Senior Partner
Birch, Porter & Johnson
Memphis, TN 38103

Carol Colombo
Partner
Columbo and Bonacci
Phoenix, AZ 85016

Miguel Conchas
President
Laredo Chamber of Commerce
Laredo, TX 78042

Dennis Condra
Executive Vice President
Crescent Manufacturing
Gallin, TN 37066

[redacted] Condra
Gallin, TN 37066

Mike Conley
CEO
Regal Corp.
Knoxville, TN 37902

Cook
for Govt. Affairs
Greater El Paso Chamber of Commerce
El Paso, TX 79901

Greg Cooke
Chief of Enviromental Protection
Austin Attorney General
Austin, TX 78751

Thomas Corcoran, Jr.
President and CEO
Felcor Inc.
Irving, TX 75039

Carol Muth Crockett
Assitant Vice President for Public Affairs
American Graduate School
Glendale, AZ 85306

Maria Crowley
President & CEO
TDY Personal Services
Richardson, TX 75081

Anne Culver
Director of Government Relations
Greater Houston Partnership
Houston, TX 77002

George Curtis
Partner
JC Bradford
Nashville, TN 37201

Michael Curtis
Executive Secretary
Arizona Municipal Power Users Association
Peonix, AZ 85006-1003

n Cutillo
yor
City of Fountain Hills
Fountain Hills, AZ 85269

Dawn Davenport
Attorney
Akin, Gump, Strauss
Dallas, TX 75201

Charlie Deaton
Executive Director
Meza Chamber of Commerce
Meza, AZ 85201

John Denson
President
Denson and Associates
Nashville, TN 37203

Fred Dettwiller
Pres.
Dett Distributing Co.
Nashville, TN 37228

Roger Drake
Triangle Services Corporation
Austin, TX

Peter Emerson
Enviromental Defense Fund
, TX

Harold Ettinger
Regal Supply & Chemical
El Paso, TX 79901

ck Ficken
Executive Vice President
Tennessee Port Producers Association
Nashville, TX 37214

David Flores
Chairman
Hispanic Chamber of Commerce
Fort Worth, TX 76104

leigh Foreman
lition of Black Democrats
ncaster, TX 75134

Larry Francis
Mayor of El Paso
El Paso, TX 79901

Wayne Frankie
Area Director of Government Affairs
GTE
Austin, TX 78701

Luke Fruia
President
Fruia Motors
Brownsville, TX 78520

Richard H. Fulton
Chairman
The Fulton Group
Nashville, TN 37219

Sandra Fulton
Commissioner
State of Tennessee, Commission on Tourism
Nashville, TN 37243

John Gabusi
Assistant Vice Chancellor of Economic Develpoment
Pima Community College
Tuscon, AZ 85701

Joe Gaines
, TN

ando Gallardo
llas, TX 75201

Israel Galvan
President
GHG
Houston, TX 77058

Robert Gonzales
Prsident & CEO
Greater Tucson Economic Council
Tucson, AZ 85701

Flavio Gonzalez
Financial Consultant
Merrill Lynch
Brownsville, TX 78520

Warren Gooch
Partner
Framer, Rayson, Leake, Rogers, & Morgan
Knoxville, TN 37901

Steve Goucher
Vice President, Division Head
1st Interstate Bank
Phoenix, AZ 85072

Lorraine Grubbs
District Marketing Manager
Southwest Airlines
Houston, TX 77027

Berto Guerra
Vice Chairman
Tx Association of Mexican-American Chamber of Commerce
Austin, TX 78716

n Halbert
Manager of Corporate & Public Affairs
Bridgestone / Firestone, Inc.
Nashvile, TN 37214

Kemper Harlan Dodson, III
Attorney
Dodson, Parker, and Behm
Nashville, TN 37201

[redacted] Harrington

Robert Harris
President
Texas Banker Association
Austin, TX 70701

Gail Harrison
Executive Vice President
The Wexler Group
Washington, DC 20004

Christie Hauck
Pres. & CEO
Christie Cookie Company
Nashville, TN 37202

Christie Hauck
President
Christie Cookie Company
Nashville, TN 37202

Joseph Hawkins
President
Tennessee Farm Bureau
Columbia, TN

Jorge Haynes
Senior Vice President
International Bank of Commerce, TX
for NAFTA
Laredo, TX 78042

Ellen Hays
Lenard Kinsey & Associates
Chatanuga, TN 37402

[redacted]eth Hays
[redacted]cutive Vice President
Leonard Kinsey & Associates
Chattanoga, TN 37402

Claude Hendrickson, III
President
Power Paper
Harriman, TN 37748

Jane Hickie
Executive Dir.
TX Office of Federal Relations
Washington, DC 20001

Gordon Howe
Executive Director
Sierra Vista Arizona Economic
Deveopment Foundation
Sierra Vista, AZ 85636

Joe Huddleston
Commissioner of Revenue
Dept. of Revenue
Nashville, TN 37242

Sherman Hurst
Mil Manager
Kimberly Clark Corp.
Loudon, TN 37774

Sharon Hurst Kneiss
Director, Federal Affairs
Washington, DC 20006

DeVoyd Jennings
Past Chairman of the Board
Fort Worth Metropolitain Black
Chamber of Commerece
Fort Worth, TX 76105

[redacted]n Johnson
Executive Vice President
State Bank
Harlington, TX

Alan Johnson
Executive Vice President
Texas State Bank
Harlington, TX 78551

[illegible]les Jolly
[illegible] President, Secretary and General Counsel
Chattem, Inc.
Chattanooga, TN 37409

George Kauss
Owner
Group CMK Inc.
San Antonio, TX 78259

Keith Kelly
Director Arizona Department of Agriculture
Arizona Department of Agriculture
Phoenix, AZ 85007

Keith Kelly
Director
Arizona Department of Agriculture
,

Ricahrd Kimberly
Govt. Relations
,

Richard Kimberly
Dir. Federal Govt. Relations
Kimberly Clark
Washington, DC 20001

David Kincaid
President
Yuma Economic Development Corporation
Yuma, AZ 85364

Boris Kozolchyk
President
National Law Center for
Inter-American Free Trade
Tuscon, AZ 85726

[illegible]ve Krumholtz
[illegible]cutive Vice President
Southland Corporation
Dallas, TX

Stephen B. Krumholz
President
Executive Vice President
Dallas, TX 75204

Steve Krumhoulz
Exec. VP
Southerland Corp.
Dallas, TX 75204

Gary Kyle
Sales Manager
Southwest Texas Coors, Inc.
,

Wendy Laird
Director, Borderlands Program
Sonoram Institute
Tuscan, AZ 85715

Jerry Laner
President
Jimmy Dean Foods, Sarah Lee Corp.
Cordova, TN 38018

MaryJane Laughlin-Mollard
Owner
Artifacts Inc.
Palastine, TX 75802

Philip Lewis
Chairman
Calleria Area Chamber of Commerce
Houston, TX 77056

[illegible]llip Lewis
Chair. of the Board
Galleria Chamber of Commerce
Houston, TX 77251

Edwin Lochridge Cox, Jr.
Chairman and CEO
Cox Oil Inc.
Athens, TX 75751

anda Forero Londono
.
Hispanic Chamber of Commerce
Houston, TX 77251

Dennis Longoria
,

Yolanda F. Lowdono
President
Houston Hispanic Chamber of Commerce
Houston, TX 77002

Elizabeth Maldonado
NAFTA Liaison
City of Houston
,

Elizabeth Azucena Maldonado
NAFTA Liaison, City of Houston
City of Houston
Houston, TX 77251

Claire Martin
Associate
USA NAFTA
Washington, DC 20004

Alfonso Martinez-Fonts
President
Texas Community Bank
San Antonio, TX 28209

Stephen Martori
Owner
Martori Brothers
Scottsdale, AZ 85260

McDonald

Jack Metzger
Chairman
National cattle Association
Washington, DC

Neal Miller
Public Affairs
Chevron
Austin, TX 78701

Victor Mira Montes
Principal
CMK
San Antonio, TX 78205

Donald Mitchie
Board Member
El Paso Foreign Trade Commision
El Paso, TX 79922

Cipriano Munoz
Chair
Dallas-Mexico Partnership
Dallas, TX 75220

Ann Murray
Executive Director
Tennessee Conservation Leaugue
, TN

David Ng
Pres.
Asian Amer. Chamber of Commerce
Houston, TX 77024

Notzon
Executive Director
Council of the Government of Alamo
San Antonio, TX 78205

Al Notzon
Executive Director
Alamo Area Council of Govertment
San Antonio, TX 78205

l O'Sullivan Newman
e President and General Council
Nissan Motors
Smyrna, TN 37167

Gilberto Ocanas
Chief Executive Officer
Wintex, Inc.
Austin, TX 78753

Larry Osborne
General Manager
World Trade Center
McAllen, TX 78503

Arthur Othon
President
Arizona-Mexico Commission
,

Marian Ott
Executive Director
Regional Transit Authority
Nashville, TN 37201

Walter Palmer
Plant Manager
Guardian Industries Corp.
Corisicana, TX 75110

Ed Pastor
Congressman
Washington, DC 20515

William Peeler
Partner
Porch, Peeler, Williams, Tomasan & Bradley
Waverly, TN 37185

t Pena
tner
Hogan and Hartson
Washington, DC 20004

Ed Perez
Economic Development Specialist
Texas Department of Commerce
Washington, DC 20001

Steven Pike
President
EnviroMD
,

Henry Ponder
President
Fisk University
Nashville, TN 37208

Margo Posey
Executive Director
Minority Business Development Council
Dallas, TX 75207

Margo Posey
Executive Director
Dallas Ft. Worth Minority Dev. Council
Dallas, TX 75207

Jack Powell
Publisher
Air Play International
Nashville, TN

Elizabeth Pyke
Economic Development Director
Washington, DC 20001

ne Reaud
Attorney
Reel, Morgan, and Quinn
Baumont, TX 77701

Florencio Rendon
Chief of Staff
Congressman Ortiz
Washington, DC 20515

[redacted]l Rice
[redacted]
Po[redacted]itechs Inc.
Boston, MA 78701

Norma Roby
Chair
Fort Worth Metropolitan Chamber of Commerce
DFW Airport, TX 75261

Donald Rogers
Executive Director
Douglas Economic Development Corp.
Douglas, AZ 85608

David Rousseau
Owner
Rousseau Farming Company
Dolleson, AZ 85353

James Sale
Vice President
Alex Brown & Sons
Dallas, TX 75201

DeMetris Sampson
Dallas, TX 75201

Jose Sanchez
Administrative Assistant
Congressman Ron Coleman
Washington, DC 20515

Gerry Schwebel
Chairman
Border Trade Alliance
Larado, TX 78042

[redacted]as Seigenthaler
[redacted]ident
Se[redacted]genthaler Public Relations
Nashville, TN 37205

Mary Sharpehayes
President of Customer Group
Tennessee Valley Authority
Chattanooga, TN 37402

Mike Shea
Director
AFL-CIO (AZ)
Phoenix, AZ 85269

Jacqueline Shrago
Director, Office of Technology Transfer
Vanderbilt University
Nashville, TN 37240

Daniel Sloan
Vice President
NET Transportation
Lebanon, TN 37087

Sandie Smith
Supervisor
District 2 Pinal County
Appachi Junction, AZ 85219

Patricia Smothers
Partner
Smothers Company
San Antonio, TX 78209

Willard Sparks
Chairman of the Board
Memphis, TN 38120

[redacted]iam Stevenson
Arizona Public Service
Pheonix, AX 85072

Shoshana Tancer
Director
American Graduate School
Glendale, AZ 85306

[illegible]s Taylor
[illegible]ner
[illegible]lic Strategies, Inc.
Austin, TX 78701

Robert Tony
President & CEO
Oakland Chamber of Commerce
,

Byron Trauger
Attorney
Deramus & Trauger
Nashville, TN 37219

Elizabeth Turner
Pres. & CEO
Corpus Christi Chamber of Commerce
Corpus Christi, TX 78412

Sam Vale
President
Starr-Camargo Co.
Rio Grande City, TX 78582

Lucinda Vargas
Economist
Federal Reserve Bank of Dallas
El Paso, TX 79999

Jose Velasco
Director
Arizona-Mexico Commision
,

Danny Vickers
Pres.
EDM Int.
El Paso, TX 79912

[illegible]y Vickers
[illegible]ident
[illegible] International
El Paso, TX 79905

Paula Waddle
Attorney
Paula Waddle
Corpus Christi, TX 37219-8888

Joseph Walka
Dean of the College of Business
Northern AZ University
Flagstaff, AZ 86011

Robert Walker
University of Texas
Dallas, TX 75235

Robert Walker
The University of Texas
Dallas, TX 75235

Peter Walters
Vice President
Gaurdian Industries
Washington, DC 20003

Bob Ward
Attorney at Law, NAFTA task force
Chair
Givens & Kelly
Houston, TX 77024

Robert James Ward
Dir. of the International Div.
Inter-American Chamber of Commerce
Houston, TX 77251

[illegible]ent Washington
Area Manager
Southwestern Bell Telephone
Dallas, TX 75202

Kirk Watson
Partner
Whitehurst, Harkness & Watson
Austin, TX 78767

Robert Watson
Partner
Watson, Hollon & Reeves
Knoxville, TN 37901

Brian Wiener
CEO
Periodical Magmt. Group
San Antonio, TX 78207

Bruce Wright
Director of Community Affairs, Office for Economic Development
University of Arizona
Tuscon, AZ 85721

S.M. Wright
Reverend
People's Missionary Baptist Church
Dallas, TX 75215

ARIZONA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

ARIZONA Jobs Supported by Trade with MEXICO and CANADA - 30,200.

• EXPORTS •

ARIZONA Exports to MEXICO and CANADA Reached $2.4 billion in 1992.

- **Arizona was one of 17 states which ranked Mexico among their top three export destinations.** Canada, our other NAFTA partner, ranked fourth among Arizona's export markets; Mexico was first.

- **23,500 jobs in Arizona in 1992 were supported by exports to Mexico.** Almost 30 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Arizona's merchandise exports to Mexico almost tripled from 1987 to 1992**, rising from $645,000 to $1.8 million. Only two other states posted a larger dollar increase in shipments to Mexico over the period. Border states have been among those with the largest increases in the dollar value of exports to Mexico.

- **Arizona ranked third among all states in the value of exports to Mexico with $1.8 million in 1992.**

- **Arizona's exports to Mexico grew 186 percent from 1987 to 1992,** 84 percentage points faster than the state's export growth to the rest of the world.

- **Arizona's exports to Mexico in 1992 were broad-based,** with six industries shipping over $100 million. The top exports were: apparel ($118 million), rubber & plastic products ($157 million), fabricated metal products ($190 million), industrial machinery & computers ($205 million), electric & electronic equipment ($351

- **Arizona boosted exports of a wide range of manufactured products to Mexico over the five year period.** Categories that recorded sizable and steady gains included: furniture & fixtures (from $507,000 to $21 million), food products (from $2 million to $63 million), and scientific & measuring instruments (from $5 million to $41 million).

- **In 1992, Arizona's exports to Canada totalled $529 million.** Arizona's exports to Canada have grown almost 70 percent over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.

ARIZONA'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
AZ'S EXPORTS TO MEXICO	$644,677	$1,845,148	186.2%	$1,200,470
AGRICULTURE, FORESTRY & FISHERIES	$11,411	$67,317	489.9%	$55,906
Agriculture – crops	6,624	26,561	301.0%	19,936
Agriculture – livestock	4,116	40,072	873.7%	35,957
Forestry	671	75	−88.8%	−596
Fishing, Hunting	0	609	--	609
MINING	52	1,116	2047.5%	1,064
Metal Mining	0	556	--	556
Coal Mining	0	8	--	8
Oil & Gas	0	16	--	16
Non–Metallic Minerals	52	536	931.7%	484
MANUFACTURING	627,079	1,760,222	180.7%	1,133,143
Food Products	2,195	63,348	2785.8%	61,153
Tobacco Products	0	0	0.0%	0
Textile Mill Products	20,439	58,192	184.7%	37,753
Apparel	34,591	118,098	241.4%	83,507
Lumber & Wood Products	1,133	6,027	431.9%	4,894
Furniture & Fixtures	507	20,925	4031.0%	20,418
Paper Products	23,411	48,355	106.5%	24,944
Printing & Publishing	783	1,898	142.4%	1,115
Chemical Products	11,651	28,716	146.5%	17,065
Refined Petroleum Products	4,997	2,789	−44.2%	−2,209
Rubber & Plastic Products	27,068	157,177	480.7%	130,108
Leather Products	686	4,597	0.0%	3,911
Stone, Clay & Glass Prod.	988	27,781	2712.1%	26,793
Primary Metal Industries	16,741	71,529	327.3%	54,788
Fabricated Metal Pr[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Indus. Mach. & Computers	159,599	205,409	28.7%	45,810
Electric & Electronic Equip.	252,367	351,272	39.2%	98,906
Transportation Equipment	53,460	343,946	543.4%	290,486
Scientific & Measuring Instr.	4,921	41,439	742.1%	36,518
Miscellaneous Manufactures	4,989	18,548	271.7%	13,558
OTHER	6,136	16,493	168.8%	10,357
Scrap & Waste	652	1,131	73.6%	480
Second Hand Goods	2,979	715	−76.0%	−2,264
Military Equipment	2,505	14,646	484.7%	12,141
AZ'S EXPORTS TO MEXICO	$644,677	$1,845,148	186.2%	$1,200,470

ARIZONA'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANGE 1987–92
AGRICULTURE, FORESTRY & FISHING	**$24,254**	**$60,893**	**$54,253**	**123.7%**	**$29,999**
Agriculture – crops	23,666	59,913	53,808	127.4%	30,142
Agriculture – livestock	443	298	181	–59.1%	–262
Forestry	145	153	247	70.9%	103
Fishing & Hunting	0	529	16	--	16
MINING	**124**	**144**	**2,370**	**1812.8%**	**2,246**
Metal Mining	0	45	2,151	--	2,151
Coal Mining	0	0	0	--	--
Oil & Gas	0	0	0	--	--
Non–Metallic Minerals	124	99	218	76.2%	94
MANUFACTURING	**276,540**	**454,786**	**457,685**	**65.5%**	**181,145**
Food Products	533	20,702	23,325	*	22,792
Tobacco Products	0	0	0	--	--
Textile Mill Products	32	608	212	555.2%	179
Apparel	580	8,228	7,970	*	7,390
Lumber & Wood Products	833	947	1,700	104.0%	867
Furniture & Fixtures	233	1,698	1,799	671.3%	1,565
Paper Products	251	1,463	2,764	*	2,513
Printing & Publishing	1,040	2,086	2,544	144.7%	1,504
Chemical Products	2,441	19,125	9,738	299.0%	7,298
Refined Petroleum Products	2	494	2,066	*	2,065
Rubber & Plastic Products	3,201	3,551	5,024	56.9%	1,823
Leather Products	17	193	199	*	182
Stone, Clay & Glass Products	159	691	644	306.4%	486
Primary Metal Industries	7,512	31,430	32,196	328.6%	24,684
Fabricated Metal Products	4,541	12,665	13,745	202.7%	9,204
Industrial Machinery & Computers	111,746	69,010	64,615	–42.2%	–47,130
Electric & Electronic Equipment	71,923	148,116	159,331	121.5%	87,408
Transportation Equipment	30,634	71,812	60,239	96.6%	29,604
Scientific & Measuring Instruments	35,923	55,405	59,707	66.2%	23,784
Miscellaneous Manufactures	4,940	6,562	9,868	99.8%	4,928
OTHER	**12,533**	**22,412**	**15,166**	**21.0%**	**2,633**
Scrap & Waste	0	14	0	--	--
Second Hand Goods	2,607	543	617	–76.3%	–1,990
Goods Returned to Canada	0	12,679	10,435	--	10,435
Military & Other Misc. Items	9,926	9,175	4,114	–58.6%	–5,812
AZ'S EXPORTS TO CANADA	**$313,451**	**$538,235**	**$529,474**	**68.9%**	**$216,023**

*Indicates percent changes of 1000% or more.

TENNESSEE and the NAFTA: *EXPORTS and JOBS*

• JOBS •

TENNESSEE Jobs Supported by Trade with MEXICO and CANADA - 54,300.

• EXPORTS •

TENNESSEE Exports to MEXICO and CANADA Reached $2.2 billion in 1992.

- Tennessee was one of 17 states which ranked Mexico among their top three export destinations. Canada, our other NAFTA partner, was Tennessee's top export market; Mexico was second largest.

- **10,100 jobs in Tennessee in 1992 were supported by exports to Mexico.** Over 60 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Tennessee's merchandise exports to Mexico grew over 300 percent from 1987 to** 1992, rising from $100 million to $413 million. Tennessee was one of 13 states that more than quadrupled their growth in exports over the past five years.

- **Tennessee ranked 12th among the 50 states in the percentage increase in exports to Mexico over the five year period.** Nonborder states registered the greatest percentage growth in shipments to the Mexican market.

- **Tennessee's exports to Mexico grew 310 percent from 1987 to 1992,** 186 percentage points faster than export growth to the rest of the world.

- **During the past five years, Tennessee's exports to Mexico rose by $313 million, the 14th largest dollar increase among the states.**

- **Tennessee ranked 15th among all states in the value of 1992 exports to Mexico.**

- **Tennessee's exports to Mexico in 1992 were broad-based.** The top export categories were: transportation equipment ($75 million), agricultural crops ($53 million), paper products ($49 million), industrial machines & computers ($44 [illegible]

- **Tennessee boosted exports of a range of manufactured goods to Mexico over the past five years.** Categories that recorded strong growth were: leather products (up from $22,000 to $16 million), military equipment (from $10,000 to $10 million), and transportation equipment (from $5 million to $75 million).

- **In 1992, Tennessee's exports to Canada totalled $2 billion.** Tennessee's exports to Canada have more than doubled in the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods

TENNESSEE'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
TN'S EXPORTS TO MEXICO	$100,938	$413,950	310.1%	$313,012
AGRICULTURE, FORESTRY & FISHERIES	$18,282	$54,256	196.8%	$35,974
Agriculture – crops	18,194	53,401	193.5%	35,207
Agriculture – livestock	61	855	1301.7%	794
Forestry	27	0	–100.0%	–27
Fishing, Hunting	0	0	0.0%	0
MINING	2,016	1,710	–15.2%	–306
Metal Mining	385	0	–100.0%	–385
Coal Mining	0	0	0.0%	0
Oil & Gas	0	19	--	19
Non–Metallic Minerals	1,631	1,691	3.7%	60
MANUFACTURING	80,046	346,635	333.0%	266,589
Food Products	4,672	32,976	605.8%	28,304
Tobacco Products	10	0	–100.0%	–10
Textile Mill Products	2,592	9,993	285.5%	7,401
Apparel	1,689	4,471	164.7%	2,782
Lumber & Wood Products	24	1,386	5793.1%	1,362
Furniture & Fixtures	173	4,897	2733.6%	4,724
Paper Products	4,697	49,343	950.5%	44,646
Printing & Publishing	110	1,124	918.1%	1,014
Chemical Products	19,856	28,093	41.5%	8,236
Refined Petroleum Products	661	120	–81.8%	–541
Rubber & Plastic Products	5,128	10,739	109.4%	5,611
Leather Products	22	16,792	76743.8%	16,770
Stone, Clay & Glass Prod.	676	2,638	290.1%	1,962
Primary Metal Industries	10,840	17,481	61.3%	6,641
Fabricated Metal Products	2,972	14,844	399.5%	11,872
Indus. Mach. & Computers	[illegible]	[illegible]	[illegible]	[illegible]
Electric & Electronic Equip.	7,711	27,184	252.5%	19,472
Transportation Equipment	4,918	75,250	1430.2%	70,332
Scientific & Measuring Instr.	3,295	2,138	–35.1%	–1,156
Miscellaneous Manufactures	333	2,891	768.7%	2,558
OTHER	593	11,349	1813.4%	10,756
Scrap & Waste	490	1,259	156.9%	769
Second Hand Goods	93	23	–75.3%	–70
Military Equipment	10	10,067	104685.6%	10,057
TN'S EXPORTS TO MEXICO	$100,938	$413,950	310.1%	$313,012

TENNESSEE'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANGE 1987–92
AGRICULTURE, FORESTRY & FISHING	$3,100	$34,148	$32,695	954.7%	$29,595
Agriculture – crops	1,023	33,985	32,309	*	31,286
Agriculture – livestock	3	158	114	*	110
Forestry	2,074	5	273	–86.8%	–1,801
Fishing & Hunting	0	0	0	––	––
MINING	2,980	1,801	671	–77.5%	–2,309
Metal Mining	0	0	138	––	138
Coal Mining	0	211	55	––	55
Oil & Gas	0	7	166	––	166
Non-Metallic Minerals	2,980	1,584	311	–89.6%	–2,669
MANUFACTURING	713,302	1,404,795	1,769,275	148.0%	1,055,973
Food Products	11,707	23,925	26,172	123.6%	14,465
Tobacco Products	191	3,674	3,724	*	3,533
Textile Mill Products	6,409	24,192	28,703	347.8%	22,294
Apparel	4,071	5,299	10,636	161.2%	6,565
Lumber & Wood Products	3,233	22,779	23,789	635.8%	20,556
Furniture & Fixtures	6,827	61,979	64,322	842.2%	57,495
Paper Products	5,556	64,211	56,049	908.9%	50,493
Printing & Publishing	23,254	75,248	70,615	203.7%	47,361
Chemical Products	81,104	171,127	192,161	136.9%	111,057
Refined Petroleum Products	359	488	485	35.0%	126
Rubber & Plastic Products	36,236	135,394	132,147	264.7%	95,911
Leather Products	2,365	7,945	9,054	282.9%	6,689
Stone, Clay & Glass Products	8,317	47,805	40,698	389.3%	32,381
Primary Metal Industries	16,510	28,134	19,831	20.1%	3,321
Fabricated Metal Products	14,411	89,089	105,226	630.2%	90,815
Industrial Machinery & Computers	127,081	226,443	262,309	106.4%	135,228
Electric & Electronic Equipment	92,164	166,815	210,830	128.8%	118,666
Transportation Equipment	250,973	202,244	449,967	79.3%	[illegible]
Scientific & Measuring Instruments	[illegible]	[illegible]	37,058	111.1%	19,497
Miscellaneous Manufactures	4,992	17,189	25,520	411.2%	20,528
OTHER	1,826	17,363	18,439	909.9%	16,614
Scrap & Waste	325	820	1,663	412.3%	1,338
Second Hand Goods	163	50	221	35.1%	57
Goods Returned to Canada	0	15,243	14,550	––	14,550
Military & Other Misc. Items	1,338	1,250	2,005	49.9%	667
TN'S EXPORTS TO CANADA	$721,207	$1,458,107	$1,821,081	152.5%	$1,099,873

* Indicates percent changes of 1000% or more.

TEXAS and the NAFTA: *EXPORTS and JOBS*

• JOBS •

TEXAS Jobs Supported by Trade with MEXICO and CANADA - 202,000.

• EXPORTS •

TEXAS Exports to MEXICO and CANADA Reached $22.3 billion in 1992.

- Texas was one of 17 states which ranked Mexico among their top three export destinations. Canada, our other NAFTA partner, ranked second among Texas' export markets; Mexico was the largest.

- 170,600 jobs in Texas in 1992 were supported by exports to Mexico. Almost 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- Texas' merchandise exports to Mexico almost tripled from 1987 to 1992, rising from $6 billion to $19 billion.

- With $19 billion in shipments, Texas led all states in the value of exports to Mexico in 1992.

- Over the past five years, Texas' exports to Mexico rose by $12 billion, the largest dollar increase among the states. Border states have been among those with the largest increases in the dollar value of exports to Mexico.

- Texas' exports to Mexico grew 191 percent from 1987 to 1992, 127 percentage points faster than export growth to the rest of the world.

- Throughout the five year period, Mexico consistently ranked first among Texas' 208 export markets, overshadowing all of the state's other export destinations.

- Texas' top exports to Mexico in 1992 were electric & electronic equipment ($4 billion), transportation equipment ($3 billion), industrial machines & computers ($2 billion), primary metal industries ($2 billion), and chemical products ($1 billion).

- Texas boosted exports to Mexico in every major manufacturing sector over the past five years. Among the categories that recorded strong growth were: oil & gas (from $8,000 to $311 million), lumber & wood products (from $22 million to $189 million), and furniture & fixtures (from $65 million to $475 million).

- In 1992, Texas' exports to Canada totalled $3.5 billion. Texas' exports to Canada have grown over 60 percent in the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods

TEXAS' EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
TX'S EXPORTS TO MEXICO	$6,465,123	$18,839,148	191.4%	$12,374,025
AGRICULTURE, FORESTRY & FISHERIES	$258,448	$832,079	222.0%	$573,631
Agriculture – crops	224,561	693,470	208.8%	468,909
Agriculture – livestock	25,768	97,542	278.5%	71,774
Forestry	8,119	8,166	0.6%	47
Fishing, Hunting	0	32,902	--	32,902
MINING	24,618	332,310	1249.8%	307,691
Metal Mining	5,582	3,426	−38.6%	−2,157
Coal Mining	1,331	290	−78.2%	−1,041
Oil & Gas	8	311,646	3912590.5%	311,638
Non-Metallic Minerals	17,697	16,948	−4.2%	−749
MANUFACTURING	6,007,614	17,499,154	191.3%	11,491,541
Food Products	187,115	860,251	359.7%	673,136
Tobacco Products	352	3,051	767.8%	2,699
Textile Mill Products	158,599	275,143	73.5%	116,544
Apparel	137,496	513,725	273.6%	376,229
Lumber & Wood Products	21,785	188,743	766.4%	166,959
Furniture & Fixtures	65,049	474,885	630.0%	409,836
Paper Products	249,670	521,556	108.9%	271,887
Printing & Publishing	10,008	49,057	390.2%	39,049
Chemical Products	502,845	1,023,081	103.5%	520,236
Refined Petroleum Products	216,854	472,815	118.0%	255,961
Rubber & Plastic Products	232,292	608,606	162.0%	376,315
Leather Products	32,864	102,155	210.8%	69,291
Stone, Clay & Glass Prod.	57,150	183,777	221.6%	126,626
Primary Metal Industries	214,160	1,545,886	621.8%	1,331,726
Fabricated Metal Products	[illegible]	[illegible]	[illegible]	[illegible]
Indus. Mach. & Computers	832,133	1,988,316	138.9%	1,156,183
Electric & Electronic Equip.	2,113,229	4,112,172	94.6%	1,998,944
Transportation Equipment	483,630	2,704,138	459.1%	2,220,508
Scientific & Measuring Instr.	146,519	611,513	317.4%	464,994
Miscellaneous Manufactures	61,475	246,115	300.4%	184,640
OTHER	174,443	175,605	0.7%	1,162
Scrap & Waste	112,490	124,468	10.6%	11,978
Second Hand Goods	39,313	7,606	−80.7%	−31,707
Military Equipment	22,640	43,531	92.3%	20,891
TX'S EXPORTS TO MEXICO	$6,465,123	$18,839,148	191.4%	$12,374,025

TEXAS' EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
TX'S EXPORTS TO MEXICO	$6,465,123	$18,839,148	191.4%	$12,374,025
AGRICULTURE, FORESTRY & FISHERIES	$258,448	$832,079	222.0%	$573,631
Agriculture – crops	224,561	693,470	208.8%	468,909
Agriculture – livestock	25,768	97,542	278.5%	71,774
Forestry	8,119	8,166	0.6%	47
Fishing, Hunting	0	32,902	– –	32,902
MINING	24,618	332,310	1249.8%	307,691
Metal Mining	5,582	3,426	–38.6%	–2,157
Coal Mining	1,331	290	–78.2%	–1,041
Oil & Gas	8	311,646	3912590.5%	311,638
Non–Metallic Minerals	17,697	16,948	–4.2%	–749
MANUFACTURING	6,007,614	17,499,154	191.3%	11,491,541
Food Products	187,115	860,251	359.7%	673,136
Tobacco Products	352	3,051	767.8%	2,699
Textile Mill Products	158,599	275,143	73.5%	116,544
Apparel	137,496	513,725	273.6%	376,229
Lumber & Wood Products	21,785	188,743	766.4%	166,959
Furniture & Fixtures	65,049	474,885	630.0%	409,836
Paper Products	249,670	521,556	108.9%	271,887
Printing & Publishing	10,008	49,057	390.2%	39,049
Chemical Products	502,845	1,023,081	103.5%	520,236
Refined Petroleum Products	216,854	472,815	118.0%	255,961
Rubber & Plastic Products	232,292	608,606	162.0%	376,315
Leather Products	32,864	102,155	210.8%	69,291
Stone, Clay & Glass Prod.	57,150	183,777	221.6%	126,626
Primary Metal Industries	214,160	1,545,886	621.8%	1,331,726
Fabricated Metal Products	[illegible]	[illegible]	[illegible]	[illegible]
Indus. Mach. & Computers	832,133	1,988,316	138.9%	1,156,183
Electric & Electronic Equip.	2,113,229	4,112,172	94.6%	1,998,944
Transportation Equipment	483,630	2,704,138	459.1%	2,220,508
Scientific & Measuring Instr.	146,519	611,513	317.4%	464,994
Miscellaneous Manufactures	61,475	246,115	300.4%	184,640
OTHER	174,443	175,605	0.7%	1,162
Scrap & Waste	112,490	124,468	10.6%	11,978
Second Hand Goods	39,313	7,606	–80.7%	–31,707
Military Equipment	22,640	43,531	92.3%	20,891
TX'S EXPORTS TO MEXICO	$6,465,123	$18,839,148	191.4%	$12,374,025

TEXAS' EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANGE 1987–92
AGRICULTURE, FORESTRY & FISHING	**$26.922**	**$59,193**	**$44.735**	**66.2%**	**$17.81[illegible]**
Agriculture – crops	22.256	52.823	39.098	75.7%	16.8[illegible]
Agriculture – livestock	2.438	3.479	1.759	–27.8%	–6[illegible]
Forestry	2.229	2.114	2.676	20.1%	44[illegible]
Fishing & Hunting	0	776	1.201	--	1.20[illegible]
MINING	**649**	**15,851**	**12,381**	**•**	**11.733**
Metal Mining	45	7,394	3.724	•	3.679
Coal Mining	0	75	0	--	--
Oil & Gas	0	2.195	485	--	485
Non–Metallic Minerals	603	6.187	8.172	•	7.56[illegible]
MANUFACTURING	**2.058.152**	**3.507,091**	**3,342.898**	**62.4%**	**1.284.74[illegible]**
Food Products	50.922	91.029	94.254	85.1%	43.33[illegible]
Tobacco Products	0	0	0	--	--
Textile Mill Products	1,654	6.233	6.309	281.4%	4.65[illegible]
Apparel	5.531	65.092	57.542	940.4%	52.01[illegible]
Lumber & Wood Products	3.939	7,671	8.860	124.9%	4.92[illegible]
Furniture & Fixtures	4.167	18.758	18.641	347.4%	14.47[illegible]
Paper Products	16.420	29.828	31.217	90.1%	14.797
Printing & Publishing	7.466	28.813	30.120	303.4%	22.654
Chemical Products	534.789	921.280	900.739	68.4%	365.95[illegible]
Refined Petroleum Products	162.744	225.254	140.842	–13.5%	–21.902
Rubber & Plastic Products	23.446	64.218	59.362	153.2%	35.916
Leather Products	1.324	7.184	8.897	572.0%	7.573
Stone, Clay & Glass Products	16.324	34.954	35.160	115.4%	18.836
Primary Metal Industries	71.423	203.222	201.127	181.6%	129.703
Fabricated Metal Products	49.027	217.948	172.811	252.5%	123.784
Industrial Machinery & Computers	428.165	646.985	630.277	47.2%	202.112
Electric & Electronic Equipment	309.408	336.389	387.496	25.2%	78.087
Transportation Equipment	312.490	408.217	378.283	21.1%	65.794
[illegible]	[illegible]	[illegible]2.961	143,524	184.9%	93.155
Miscellaneous Manufactures	8.544	31.054	37.437	338.2%	28.894
OTHER	**29.984**	**70,594**	**72,051**	**140.3%**	**42.067**
Scrap & Waste	1.144	4.891	2.817	146.3%	1.673
Second Hand Goods	10.869	480	256	–97.6%	–10.613
Goods Returned to Canada	0	51.522	54.416	--	54.416
Military & Other Misc. Items	17.972	13.702	14.561	–19.0%	–3.410
TX'S EXPORTS TO CANADA	**$2.115.707**	**$3,652.728**	**$3,472,066**	**64.1%**	**$1.356.359**

• Indicates percent changes of 1000% or more.

AMH VP Briefing

NAFTA Briefing -- TENNESSEE, TEXAS, ARIZONA STATE LEADERS

450 Old Executive Office Building
10:00 AM - 10:30 AM, Wednesday, October 27, 1993

EVENT

o You give remarks on NAFTA to approximately 200 participants from Tennessee, Texas and Arizona. The briefers for this session include Laura Tyson who precedes you, Bill Daley, Secretary Ron Brown and Secretary Pena. This is the seventh in a series of state NAFTA briefings. To date, leaders from California, New Jersey, North Carolina, Alabama, Maryland, Georgia, Virginia and New England (Massachusetts, New Hampshire and Maine) have received briefings. We anticipate the following members of Congress to drop by at some point: Senators Dennis DeConcini, Phil Gramm and Harlan Mathews; and Representatives Joe Barton (R-TX), Jim Chapman (D-TX), Bob Clement (D-TN), Martin Frost (D-TX), Greg Laughlin (D-TX) and Ed Pastor (D-AR). Governor Ann Richards is also expected to attend portions of the briefing.

YOUR ROLE AND CONTRIBUTION

o This group consists of supporters as well as those who are still undecided, therefore it is important to emphasize how NAFTA will create jobs for this country. <u>You should encourage participants to go to the Hill.</u>

LOGISTICS

o You go directly to the holding room and Alexis will announce you onto the stage.

o You give remarks and take questions.

o You depart same way as entered.

PROGRAM NOTES

o This is a series of briefings we are conducting to educate leaders from their states about the importance of NAFTA.

o NAFTA has been defined by its opponents in a negative way as a job loser. In order to get beyond the large organizations that oppose NAFTA, we must get to the people who can actually make the argument for NAFTA -- the people outside the beltway, the citizenry in their individual communities.

- This briefing gives us an opportunity to present the case to the people who actually vote and who could spread the message at the grassroots level.

ATTACHMENTS

- Talking points
- Agenda
- State Overview
- Participants

VICE PRESIDENT GORE
Texas, Arizona and Tennessee
Opinion Leaders Briefing
Talking Points

THE UNITED STATES WITH AND WITHOUT NAFTA

INTERNATIONAL TRADE

- With NAFTA -- we create the world's largest consumer market with 370 million people and $6.5 trillion in production.

- Without NAFTA -- our credibility on free trade and open markets is crippled. We'll be known as the country that "talks the talk" but won't "walk the walk" on free market economics. The result: markets closing and diminished export opportunities.

JOBS

- With NAFTA -- 200,000 new export related jobs are created.

- Without NAFTA -- 700,000 jobs that currently dependent on exports to Mexico are put at risk as our Asian and European competitors move in.

TEXAS, ARIZONA AND TENNESSEE

- With NAFTA -- the nearly 200 percent increase that Texas and Arizona saw in its exports to Mexico, and the 300 percent increase that Tennessee saw in its exports to Mexico will accelerate, providing new jobs and new opportunity.

  - In Texas, merchandise exports to Mexico have almost tripled since trade restrictions began to be liberalized in 1987, from $6 billion to $19 billion. Texas led the entire nation in exports to Mexico. Over 170,000 jobs are dependent upon this export.

  - In Arizona since 1987, merchandise exports tripled from 1987-1992, rising from $600,000 to $1.8 million. Now exports to Mexico support over 23,000 jobs.

  - Tennessee has seen tremendous growth as well -- merchandise exports have risen from $100 million in 1987 to $413 million -- a 300 percent increase.

ENVIRONMENT

- With NAFTA -- a ground-breaking environmental agreement with Mexico that creates a mechanism for cleaning up the environment along the border. That's why NAFTA has been endorsed by such environmental groups as the National Wildlife Federation, the World Wildlife Fund, the Audubon Society, the Environmental Defense Fund, the National Resources Council and Conservation International.

Without NAFTA -- the border continues to deteriorate into a environmental wasteland. We will be powerless effect change on the other side of our southern border.

DEMOCRACY IN MEXICO (VP cont.)

- <u>With NAFTA</u> -- democracy has a chance in Mexico. As President Carter said recently, "I think the single most important factor that will bring democracy and honest elections to our next door neighbor is to have NAFTA approved and implemented."

- <u>Without NAFTA</u> -- the spurious relationship that has characterized U.S.-Mexican relationships in the past will be reignited. Our failure to come to President Salinas' aid as he continues on the road of reform will come back to haunt us anti-Americanism once again becomes vogue.

Members of Congress need to hear from their constituents about the stakes of NAFTA for the United States. I urge you to contact them <u>right now</u>. This debate will be over in five weeks.

TEXAS, TENNESSEE & ARIZONA NAFTA BRIEFING
WEDNESDAY, OCTOBER 27, 1993

AGENDA

9:30 AM- 9:35 AM	Alexis Herman Welcome and Introduction of Laura Tyson
9:35 AM- 10:00 AM	Laura Tyson Remarks and Q & A
10:00 AM- 10:30 AM	The Vice President Remarks and Q & A
10:30 AM- 10:45 AM	**Break**
10:45 AM- 11:00 AM	Special Counsellor Daley Remarks and Q & A
11:00 AM- 11:30 AM	Secretary Brown Remarks and Q & A
11:30 AM- 12:00 Noon	Secretary Pena Remarks and Q & A

ARIZONA and the NAFTA: *EXPORTS and JOBS*

• JOBS •

ARIZONA Jobs Supported by Trade with MEXICO and CANADA - 30,200.

• EXPORTS •

ARIZONA Exports to MEXICO and CANADA Reached $2.4 billion in 1992.

- **Arizona was one of 17 states which ranked Mexico among their top three export** destinations. Canada, our other NAFTA partner, ranked fourth among Arizona's export markets; Mexico was first.

- **23,500 jobs in Arizona in 1992 were supported by exports to Mexico.** Almost 30 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Arizona's merchandise exports to Mexico almost tripled from 1987 to 1992,** rising from $645,000 to $1.8 million. Only two other states posted a larger dollar increase in shipments to Mexico over the period. Border states have been among those with the largest increases in the dollar value of exports to Mexico.

- **Arizona ranked third among all states in the value of exports to Mexico with $1.8 million in 1992.**

- **Arizona's exports to Mexico grew 186 percent from 1987 to 1992,** 84 percentage points faster than the state's export growth to the rest of the world.

- **Arizona's exports to Mexico in 1992 were broad-based,** with six industries shipping over $100 million. The top exports were: apparel ($118 million), rubber & plastic products ($157 million), fabricated metal products ($190 million), industrial machinery & computers ($205 million), electric & electronic equipment ($351

- **Arizona boosted exports of a wide range of manufactured products to Mexico** over the five year period. Categories that recorded sizable and steady gains included: furniture & fixtures (from $507,000 to $21 million), food products (from $2 million to $63 million), and scientific & measuring instruments (from $5 million to $41 million).

- **In 1992, Arizona's exports to Canada totalled $529 million.** Arizona's exports to Canada have grown almost 70 percent over the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.

ARIZONA'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
AZ'S EXPORTS TO MEXICO	$644.677	$1,845.148	186.2%	$1.200.470
AGRICULTURE, FORESTRY & FISHERIES	$11.411	$67,317	489.9%	$55.906
Agriculture – crops	6,624	26,561	301.0%	19.936
Agriculture – livestock	4,116	40,072	873.7%	35.957
Forestry	671	75	–88.8%	–596
Fishing, Hunting	0	609	--	609
MINING	52	1,116	2047.5%	1,064
Metal Mining	0	556	--	556
Coal Mining	0	8	--	8
Oil & Gas	0	16	--	16
Non – Metallic Minerals	52	536	931.7%	484
MANUFACTURING	627,079	1,760,222	180.7%	1,133.143
Food Products	2,195	63,348	2785.8%	61.153
Tobacco Products	0	0	0.0%	0
Textile Mill Products	20,439	58,192	184.7%	37,753
Apparel	34,591	118,098	241.4%	83,507
Lumber & Wood Products	1,133	6,027	431.9%	4,894
Furniture & Fixtures	507	20,925	4031.0%	20.418
Paper Products	23,411	48,355	106.5%	24.944
Printing & Publishing	783	1,898	142.4%	1.115
Chemical Products	11,651	28,716	146.5%	17,065
Refined Petroleum Products	4,997	2,789	–44.2%	–2,209
Rubber & Plastic Products	27,068	157,177	480.7%	130,108
Leather Products	686	4,597	0.0%	3,911
Stone, Clay & Glass Prod.	988	27,781	2712.1%	26,793
Primary Metal Industries	16,741	71,529	327.3%	54.788
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Indus. Mach. & Computers	159,599	205,409	28.7%	45,810
Electric & Electronic Equip.	252,367	351,272	39.2%	98,906
Transportation Equipment	53,460	343,946	543.4%	290,486
Scientific & Measuring Instr.	4,921	41,439	742.1%	36,518
Miscellaneous Manufactures	4,989	18,548	271.7%	13.558
OTHER	6,136	16,493	168.8%	10.357
Scrap & Waste	652	1,131	73.6%	480
Second Hand Goods	2,979	715	–76.0%	–2,264
Military Equipment	2,505	14,646	484.7%	12,141
AZ'S EXPORTS TO MEXICO	$644,677	$1,845,148	186.2%	$1,200.470

ARIZONA'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987-92	$ CHANGE 1987-92
AGRICULTURE, FORESTRY & FISHING	$24,254	$60,893	$54,253	123.7%	$29,999
Agriculture – crops	23,666	59,913	53,808	127.4%	[illegible]
Agriculture – livestock	443	298	181	-59.1%	[illegible]
Forestry	145	153	247	70.9%	103
Fishing & Hunting	0	529	16	--	16
MINING	124	144	2,370	1812.8%	2,246
Metal Mining	0	45	2,151	--	[illegible]
Coal Mining	0	0	0	--	--
Oil & Gas	0	0	0	--	--
Non-Metallic Minerals	124	99	218	76.2%	[illegible]
MANUFACTURING	276,540	454,786	457,685	65.5%	181,145
Food Products	533	20,702	23,325	*	[illegible]
Tobacco Products	0	0	0	--	--
Textile Mill Products	32	608	212	555.2%	179
Apparel	580	8,228	7,970	*	7,390
Lumber & Wood Products	833	947	1,700	104.0%	867
Furniture & Fixtures	233	1,698	1,799	671.3%	1,565
Paper Products	251	1,463	2,764	*	2,513
Printing & Publishing	1,040	2,086	2,544	144.7%	1,504
Chemical Products	2,441	19,125	9,738	299.0%	7,298
Refined Petroleum Products	2	494	2,066	*	2,065
Rubber & Plastic Products	3,201	3,551	5,024	56.9%	1,823
Leather Products	17	193	199	*	182
Stone, Clay & Glass Products	159	691	644	306.4%	486
Primary Metal Industries	7,512	31,430	32,196	328.6%	24,684
Fabricated Metal Products	4,541	12,665	13,745	202.7%	9,204
Industrial Machinery & Computers	111,746	69,010	64,615	-42.2%	-47,130
Electric & Electronic Equipment	71,923	148,116	159,331	121.5%	87,408
Transportation Equipment	30,634	71,812	60,239	96.6%	29,604
Scientific & Measuring Instruments	35,923	55,405	59,707	66.2%	23,784
Miscellaneous Manufactures	4,940	6,562	9,868	99.8%	4,928
OTHER	12,533	22,412	15,166	21.0%	2,633
Scrap & Waste	0	14	0	--	--
Second Hand Goods	2,607	543	617	-76.3%	-1,990
Goods Returned to Canada	0	12,679	10,435	--	10,435
Military & Other Misc. Items	9,926	9,175	4,114	-58.6%	-5,812
AZ'S EXPORTS TO CANADA	$313,451	$538,235	$529,474	68.9%	$216,023

* Indicates percent changes of 1000% or more.

• JOBS •

TENNESSEE Jobs Supported by Trade with MEXICO and CANADA - 54,300.

• EXPORTS •

TENNESSEE Exports to MEXICO and CANADA Reached $2.2 billion in 1992.

- Tennessee was one of 17 states which ranked Mexico among their top three export destinations. Canada, our other NAFTA partner, was Tennessee's top export market; Mexico was second largest.

- **10,100 jobs in Tennessee in 1992 were supported by exports to Mexico.** Over 60 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.

- **Tennessee's merchandise exports to Mexico grew over 300 percent from 1987 to** 1992, rising from $100 million to $413 million. Tennessee was one of 13 states that more than quadrupled their growth in exports over the past five years.

- **Tennessee ranked 12th among the 50 states in the percentage increase in exports to Mexico over the five year period.** Nonborder states registered the greatest percentage growth in shipments to the Mexican market.

- Tennessee's exports to Mexico **grew 310 percent from 1987 to 1992, 186** percentage points faster than export growth to the rest of the world.

- **During the past five years, Tennessee's exports to Mexico rose by $313 million, the 14th largest dollar increase among the states.**

- **Tennessee ranked 15th among all states in the value of 1992 exports to Mexico.**

- **Tennessee's exports to Mexico in 1992 were broad-based.** The top export categories were: transportation equipment ($75 million), agricultural crops ($53 million), paper products ($49 million), industrial machines & computers ($44 ...

- Tennessee boosted exports of a range of manufactured goods to Mexico over the past five years. Categories that recorded strong growth were: leather products (up from $22,000 to $16 million), military equipment (from $10,000 to $10 million), and transportation equipment (from $5 million to $75 million).

- In 1992, Tennessee's exports to Canada totalled $2 billion. Tennessee's exports to Canada have more than doubled in the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods

TENNESSEE'S EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
TN'S EXPORTS TO MEXICO	$100,938	$413,950	310.1%	$313,012
AGRICULTURE, FORESTRY & FISHERIES	$18,282	$54,256	196.8%	$35,974
Agriculture – crops	18,194	53,401	193.5%	35,207
Agriculture – livestock	61	855	1301.7%	794
Forestry	27	0	–100.0%	–27
Fishing, Hunting	0	0	0.0%	0
MINING	2,016	1,710	–15.2%	–306
Metal Mining	385	0	–100.0%	–385
Coal Mining	0	0	0.0%	0
Oil & Gas	0	19	––	19
Non-Metallic Minerals	1,631	1,691	3.7%	60
MANUFACTURING	80,046	346,635	333.0%	266,589
Food Products	4,672	32,976	605.8%	28,304
Tobacco Products	10	0	–100.0%	–10
Textile Mill Products	2,592	9,993	285.5%	7,401
Apparel	1,689	4,471	164.7%	2,782
Lumber & Wood Products	24	1,386	5793.1%	1,362
Furniture & Fixtures	173	4,897	2733.6%	4,724
Paper Products	4,697	49,343	950.5%	44,646
Printing & Publishing	110	1,124	918.1%	1,014
Chemical Products	19,856	28,093	41.5%	8,236
Refined Petroleum Products	661	120	–81.8%	–541
Rubber & Plastic Products	5,128	10,739	109.4%	5,611
Leather Products	22	16,792	76743.8%	16,770
Stone, Clay & Glass Prod.	676	2,638	290.1%	1,962
Primary Metal Industries	10,840	17,481	61.3%	6,641
Fabricated Metal Products	2,972	14,844	399.5%	11,872
Indus. Mach. & Computers	[illegible]	[illegible]	[illegible]	[illegible]
Electric & Electronic Equip.	7,711	27,184	252.5%	19,472
Transportation Equipment	4,918	75,250	1430.2%	70,332
Scientific & Measuring Instr.	3,295	2,138	–35.1%	–1,156
Miscellaneous Manufactures	333	2,891	768.7%	2,558
OTHER	593	11,349	1813.4%	10,756
Scrap & Waste	490	1,259	156.9%	769
Second Hand Goods	93	23	–75.3%	–70
Military Equipment	10	10,067	104685.6%	10,057
TN'S EXPORTS TO MEXICO	$100,938	$413,950	310.1%	$313,012

TENNESSEE'S EXPORTS TO CANADA, BY INDUSTRY SECTOR

(Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANGE 1987–92
AGRICULTURE, FORESTRY & FISHING	$3,100	$34,148	$32,695	954.7%	$29,595
Agriculture – crops	1,023	33,985	32,309	*	31,286
Agriculture – livestock	3	158	114	*	110
Forestry	2,074	5	273	–86.8%	–1,801
Fishing & Hunting	0	0	0	--	--
MINING	2,980	1,801	671	–77.5%	–2,309
Metal Mining	0	0	138	--	138
Coal Mining	0	211	55	--	55
Oil & Gas	0	7	166	--	166
Non-Metallic Minerals	2,980	1,584	311	–89.6%	–2,669
MANUFACTURING	713,302	1,404,795	1,769,275	148.0%	1,055,973
Food Products	11,707	23,925	26,172	123.6%	14,465
Tobacco Products	191	3,674	3,724	*	3,533
Textile Mill Products	6,409	24,192	28,703	347.8%	22,294
Apparel	4,071	5,299	10,636	161.2%	6,565
Lumber & Wood Products	3,233	22,779	23,789	635.8%	20,556
Furniture & Fixtures	6,827	61,979	64,322	842.2%	57,495
Paper Products	5,556	64,211	56,049	908.9%	50,493
Printing & Publishing	23,254	75,248	70,615	203.7%	47,361
Chemical Products	81,104	171,127	192,161	136.9%	111,057
Refined Petroleum Products	359	488	485	35.0%	126
Rubber & Plastic Products	36,236	135,394	132,147	264.7%	95,911
Leather Products	2,365	7,945	9,054	282.9%	6,689
Stone Clay & Glass Products	8,317	47,805	40,698	389.3%	32,381
Primary Metal Industries	16,510	28,134	19,831	20.1%	3,321
Fabricated Metal Products	14,411	89,089	105,226	630.2%	90,815
Industrial Machinery & Computers	127,081	226,443	262,309	106.4%	135,228
Electric & Electronic Equipment	92,164	166,815	210,830	128.8%	118,666
Transportation Equipment	250,973	202,244	449,967	79.3%	[illegible]
Scientific & Measuring Instr.	[illegible]	[illegible]	37,058	[illegible]	19,497
Miscellaneous Manufactures	4,992	17,189	25,520	411.2%	20,528
OTHER	1,826	17,363	18,439	909.9%	16,614
Scrap & Waste	325	820	1,663	412.3%	1,338
Second Hand Goods	163	50	221	35.1%	57
Goods Returned to Canada	0	15,243	14,550	--	14,550
Military & Other Misc. Items	1,338	1,250	2,005	49.9%	667
TN'S EXPORTS TO CANADA	$721,207	$1,458,107	$1,821,081	152.5%	$1,099,873

* Indicates percent changes of 1000% or more.

TEXAS and the NAFTA: *EXPORTS and JOBS*

• JOBS •

TEXAS Jobs Supported by Trade with MEXICO and CANADA - 202,000.

• EXPORTS •

TEXAS Exports to MEXICO and CANADA Reached $22.3 billion in 1992.

- Texas was one of 17 states which ranked Mexico among their top three export destinations. Canada, our other NAFTA partner, ranked second among Texas' export markets; Mexico was the largest.
- **170,600 jobs in Texas in 1992 were supported by exports to Mexico.** Almost 50 percent of those jobs were created in the past five years, since Mexico began liberalizing its import regime.
- **Texas' merchandise exports to Mexico almost tripled from 1987 to 1992, rising from $6 billion to $19 billion.**
- **With $19 billion in shipments, Texas led all states in the value of exports to Mexico in 1992.**
- **Over the past five years, Texas' exports to Mexico rose by $12 billion, the largest dollar increase among the states.** Border states have been among those with the largest increases in the dollar value of exports to Mexico.
- Texas' exports to Mexico **grew 191 percent from 1987 to 1992,** 127 percentage points faster than export growth to the rest of the world.
- **Throughout the five year period, Mexico consistently ranked first among Texas'** 208 export markets, overshadowing all of the state's other export destinations.
- **Texas' top exports to Mexico in 1992 were electric & electronic equipment ($4** billion), transportation equipment ($3 billion), industrial machines & computers ($2 billion), primary metal industries ($2 billion), and chemical products ($1 billion).
- **Texas boosted exports to Mexico in every major manufacturing sector over the** past five years. Among the categories that recorded strong growth were: oil & gas (from $8,000 to $311 million), lumber & wood products (from $22 million to $189 million), and furniture & fixtures (from $65 million to $475 million).
- **In 1992, Texas' exports to Canada totalled $3.5 billion.** Texas' exports to Canada have grown over 60 percent in the past five years, during which the U.S.-Canada Free Trade Agreement was implemented (January 1, 1989).

Compiled by USDOC/OM, August 1993.
Job estimate provided by USTR; refers only to jobs supported by exports of manufactured goods.

TEXAS' EXPORTS TO MEXICO. BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
TX'S EXPORTS TO MEXICO	$6.465.123	$18.839.148	191.4%	$12.374.[illegible]
AGRICULTURE, FORESTRY & FISHERIES	$258.448	$832,079	222.0%	$573,[illegible]
Agriculture – crops	224.561	693,470	208.8%	468.90[illegible]
Agriculture – livestock	25.768	97,542	278.5%	71,[illegible]
Forestry	8,119	8,166	0.6%	47
Fishing, Hunting	0	32,902	--	32.902
MINING	24,618	332,310	1249.8%	307.691
Metal Mining	5,582	3,426	-38.6%	-2.157
Coal Mining	1,331	290	-78.2%	-1.041
Oil & Gas	8	311,646	3912590.5%	311.638
Non-Metallic Minerals	17,697	16,948	-4.2%	-749
MANUFACTURING	6,007,614	17,499,154	191.3%	11,491.54[illegible]
Food Products	187,115	860,251	359.7%	673.136
Tobacco Products	352	3,051	767.8%	2.699
Textile Mill Products	158,599	275,143	73.5%	116.544
Apparel	137,496	513,725	273.6%	376.229
Lumber & Wood Products	21,785	188,743	766.4%	166.959
Furniture & Fixtures	65,049	474,885	630.0%	409.836
Paper Products	249,670	521,556	108.9%	271.887
Printing & Publishing	10,008	49,057	390.2%	39.049
Chemical Products	502,845	1,023,081	103.5%	520.236
Refined Petroleum Products	216,854	472,815	118.0%	255.961
Rubber & Plastic Products	232,292	608,606	162.0%	376.315
Leather Products	32,864	102,155	210.8%	69.291
Stone, Clay & Glass Prod.	57,150	183,777	221.6%	126.626
Primary Metal Industries	214,160	1,545,886	621.8%	1,331.726
Fabricated Metal Products	[illegible]	[illegible]	[illegible]	[illegible]
Indus. Mach. & Computers	832,133	1,988,316	138.9%	1,156.183
Electric & Electronic Equip.	2,113,229	4,112,172	94.6%	1,998.944
Transportation Equipment	483,630	2,704,138	459.1%	2,220.508
Scientific & Measuring Instr.	146,519	611,513	317.4%	464.994
Miscellaneous Manufactures	61,475	246,115	300.4%	184.640
OTHER	174,443	175,605	0.7%	1.162
Scrap & Waste	112,490	124,468	10.6%	11,978
Second Hand Goods	39,313	7,606	-80.7%	-31.707
Military Equipment	22,640	43,531	92.3%	20,891
TX'S EXPORTS TO MEXICO	$6,465,123	$18,839,148	191.4%	$12.374.025

TEXAS' EXPORTS TO MEXICO, BY INDUSTRY SECTOR

(Percent & Thousand $)

	1987	1992	% CHANGE	$ CHANGE
TX'S EXPORTS TO MEXICO	$6,465,123	$18,839,148	191.4%	$12,374,025
AGRICULTURE, FORESTRY & FISHERIES	$258,448	$832,079	222.0%	$573,631
Agriculture – crops	224,561	693,470	208.8%	468,909
Agriculture – livestock	25,768	97,542	278.5%	71,774
Forestry	8,119	8,166	0.6%	47
Fishing, Hunting	0	32,902	– –	32,902
MINING	24,618	332,310	1249.8%	307,691
Metal Mining	5,582	3,426	–38.6%	–2,157
Coal Mining	1,331	290	–78.2%	–1,041
Oil & Gas	8	311,646	3912590.5%	311,638
Non–Metallic Minerals	17,697	16,948	–4.2%	–749
MANUFACTURING	6,007,614	17,499,154	191.3%	11,491,541
Food Products	187,115	860,251	359.7%	673,136
Tobacco Products	352	3,051	767.8%	2,699
Textile Mill Products	158,599	275,143	73.5%	116,544
Apparel	137,496	513,725	273.6%	376,229
Lumber & Wood Products	21,785	188,743	766.4%	166,959
Furniture & Fixtures	65,049	474,885	630.0%	409,836
Paper Products	249,670	521,556	108.9%	271,887
Printing & Publishing	10,008	49,057	390.2%	39,049
Chemical Products	502,845	1,023,081	103.5%	520,236
Refined Petroleum Products	216,854	472,815	118.0%	255,961
Rubber & Plastic Products	232,292	608,606	162.0%	376,315
Leather Products	32,864	102,155	210.8%	69,291
Stone, Clay & Glass Prod.	57,150	183,777	221.6%	126,626
Primary Metal Industries	214,160	1,545,886	621.8%	1,331,726
Fabricated Metal Products	[illegible]	[illegible]	[illegible]	[illegible]
Indus. Mach. & Computers	832,133	1,988,316	138.9%	1,156,183
Electric & Electronic Equip.	2,113,229	4,112,172	94.6%	1,998,944
Transportation Equipment	483,630	2,704,138	459.1%	2,220,508
Scientific & Measuring Instr.	146,519	611,513	317.4%	464,994
Miscellaneous Manufactures	61,475	246,115	300.4%	184,640
OTHER	174,443	175,605	0.7%	1,162
Scrap & Waste	112,490	124,468	10.6%	11,978
Second Hand Goods	39,313	7,606	–80.7%	–31,707
Military Equipment	22,640	43,531	92.3%	20,891
TX'S EXPORTS TO MEXICO	$6,465,123	$18,839,148	191.4%	$12,374,025

TEXAS' EXPORTS TO CANADA, BY INDUSTRY SECTOR

Percent and Thousand $)

	1987	1991	1992	% CHANGE 1987–92	$ CHANGE 1987–92
AGRICULTURE, FORESTRY & FISHING	$26.922	$59.193	$44.735	66.2%	$17.81[illegible]
Agriculture – crops	22.256	52.823	39.098	75.7%	[illegible]
Agriculture – livestock	2.438	3.479	1.759	−27.8%	[illegible]
Forestry	2.229	2.114	2.676	20.1%	[illegible]
Fishing & Hunting	0	776	1.201	--	[illegible]
MINING	649	15,851	12,381	•	11.733
Metal Mining	45	7,394	3.724	•	3.679
Coal Mining	0	75	0	--	--
Oil & Gas	0	2.195	485	--	485
Non-Metallic Minerals	603	6.187	8.172	•	7.569
MANUFACTURING	2.058.152	3.507,091	3.342.898	62.4%	1.284.747
Food Products	50.922	91.029	94.254	85.1%	43.332
Tobacco Products	0	0	0	--	--
Textile Mill Products	1.654	6.233	6.309	281.4%	4.655
Apparel	5.531	65.092	57.542	940.4%	52.011
Lumber & Wood Products	3.939	7.671	8.860	124.9%	4.921
Furniture & Fixtures	4.167	18.758	18.641	347.4%	14.474
Paper Products	16.420	29.828	31.217	90.1%	14.797
Printing & Publishing	7.466	28.813	30.120	303.4%	22.654
Chemical Products	534.789	921.280	900.739	68.4%	365.951
Refined Petroleum Products	162.744	225.254	140.842	−13.5%	−21.902
Rubber & Plastic Products	23.446	64.218	59.362	153.2%	35.916
Leather Products	1.324	7.184	8.897	572.0%	7.573
Stone, Clay & Glass Products	16.324	34.954	35.160	115.4%	18.836
Primary Metal Industries	71.423	203.222	201.127	181.6%	129.703
Fabricated Metal Products	49.027	217.948	172.811	252.5%	123.784
Industrial Machinery & Computers	428.165	646.985	630.277	47.2%	202.112
Electric & Electronic Equipment	309.408	336.389	387.496	25.2%	78.087
Transportation Equipment	312.490	408.217	378.283	21.1%	65.794
[illegible]	[illegible]	[illegible]2.961	143.524	184.9%	93.155
Miscellaneous Manufactures	8.544	31.054	37.437	338.2%	28.894
OTHER	29.984	70,594	72,051	140.3%	42.067
Scrap & Waste	1.144	4.891	2.817	146.3%	1.673
Second Hand Goods	10.869	480	256	−97.6%	−10.613
Goods Returned to Canada	0	51.522	54.416	--	54.416
Military & Other Misc. Items	17.972	13.702	14.561	−19.0%	−3.410
TX'S EXPORTS TO CANADA	$2.115.707	$3.652.728	$3,472,066	64.1%	$1.356.359

* Indicates percent changes of 1000% or more.

Texas, Tennessee, Arizona (10/26/97 5pm)

harles Aberg
ttorney
al[illegible], TX 75354

Stanley Abrams
Chairman
Stanley Group
Tuscon, AZ 85710

erald Allen
hairman
.G. Resources
ouston, TX 77002

Joseph Allen
Vice President, State Government Affairs
EnviroCorp
Houston, TX 77002

ike Allen
President and CEO
McAllen Economic Development Corporation
McAllen, TX 78503

Rubin Alveres
Deputy Director
Arizona - Mexico Commission
, AZ

Betty Anderson
Partner
Smith, Johnson, Anderson
Nashville, TN 37203

lem Anderson
Pres.
Enland Container Company
Alexandria, VA 22310

James Apperson
VP of Government Affairs
So[illegible]west Gas
,

Gilbert Aransa
Director
Southwest Company
Dallas, TX 75201

Victor Arias
Executive VP
Faison Stone Las Colinas, Inc.
Irving, TX 75039

Julie Barber
Manager of State & Goventment Relations
Eastman Chemicals
Nashville, TN 37203

Dorothy Bates
Arizona Department of Commerce
, AZ

Robert Bell
Dean
College of Business Administration
Cookeville, TN 28505

Kendall Bert
Economic Development Director
City of Tuscon
Tuscon, AZ 85726

William Bonilla
Attorney
Corpus Christi, TX 78405-1821

Edward Boschma
[illegible]rd Boshma
[illegible]son, AZ 85353
,

Richard Bost
Principal
Enviromental Resource Management SW Inc.
Houston, TX 77094

Ann Bourland
Sen[redacted] Trade Specialist
Ar[redacted]a Department of Commerce

George Britton
Deputy City Manager
City of Phoenix
Phoenix, AZ

Andrea Byrd
Vice President
Gen Cap America Inc.
Nashville, TN 37219

Bill Calhoun
President
Texas Casualty
Houston, Tx 77006

Bill Calhoun
NAFTA liaison
Citizen Chamber of Commerce
Houston, TX 77251

Frank Calhoun
Partner
Liddell, Sapp
Houston, TX 77002

Veronica Callaghan
Kasco Ventures, Inc. Border Trade
Alliance
El Paso, TX 79901

Dan Campbell
Executive Director
Nature Conservancy, Arizona Chapter
Tucson, AZ 85705

Marc Campos
P[redacted]ident
C[redacted]s Communications
Ho[redacted]ston, TX 77008

Milt Capps
Associate Vice Chancelor
Vanderbilt University
Nashville, TN 37240

Richard Carter
President
Carter Affiliates
Tucson, AZ 85711-1113

Ernesto Chavarria
President and Owner
International Trade and Business
Relations
Austin, TX 78716

Michael Cody
Senior Partner
Birch, Porter & Johnson
Memphis, TN 38103

Carol Colombo
Partner
Columbo and Bonacci
Phoenix, AZ 85016

Miguel Conchas
President
Laredo Chamber of Commerce
Laredo, TX 78042

Dennis Condra
Executive Vice President
Crescent Manufacturing
Gallin, TN 37066

[redacted]a Condra
[redacted]lin, TN 37066

Mike Conley
CEO
Regal Corp.
Knoxville, TN 37902

Bob Cook
VP for Govt. Affairs
Greater El Paso Chamber of Commerce
El Paso, TX 79901

Greg Cooke
Chief of Enviromental Protection
Austin Attorney General
Austin, TX 78751

Thomas Corcoran, Jr.
President and CEO
Felcor Inc.
Irving, TX 75039

Carol Muth Crockett
Assitant Vice President for Public Affairs
American Graduate School
Glendale, AZ 85306

Maria Crowley
President & CEO
TDY Personal Services
Richardson, TX 75081

Anne Culver
Director of Government Relations
Greater Houston Partnership
Houston, TX 77002

George Curtis
Partner
JC Bradford
Nashville, TN 37201

Michael Curtis
Executive Secretary
Arizona Municipal Power Users Association
Peonix, AZ 85006-1003

John Cutillo
Mayor
[illegible] of Fountain Hills
Fountain Hills, AZ 85269

Dawn Davenport
Attorney
Akin, Gump, Strauss
Dallas, TX 75201

Charlie Deaton
Executive Director
Meza Chamber of Commerce
Meza, AZ 85201

John Denson
President
Denson and Associates
Nashville, TN 37203

Fred Dettwiller
Pres.
Dett Distributing Co.
Nashville, TN 37228

Roger Drake
Triangle Services Corporation
Austin, TX

Peter Emerson
Enviromental Defense Fund
, TX

Harold Ettinger
Regal Supply & Chemical
El Paso, TX 79901

[illegible]ck Ficken
Executive Vice President
Tennessee Port Producers Association
Nashville, TX 37214

David Flores
Chairman
Hispanic Chamber of Commerce
Fort Worth, TX 76104

Burleigh Foreman
Coalition of Black Democrats
Lancaster, TX 75134

Larry Francis
Mayor of El Paso
El Paso, TX 79901

Wayne Frankie
Area Director of Government Affairs
GTE
Austin, TX 78701

Luke Fruia
President
Fruia Motors
Brownsville, TX 78520

Richard E. Fulton
Chairman
The Fulton Group
Nashville, TN 37219

Sandra Fulton
Commissioner
State of Tennessee, Commission on Tourism
Nashville, TN 37243

John Gabusi
Assistant Vice Chancellor of Economic Develpoment
Pima Community College
Tuscon, AZ 85701

Joe Gaines
, TN

Armando Gallardo
Dallas, TX 75201

Israel Galvan
President
GHG
Houston, TX 77058

Robert Gonzales
Prsident & CEO
Greater Tucson Economic Council
Tucson, AZ 85701

Flavio Gonzalez
Financial Consultant
Merrill Lynch
Brownsville, TX 78520

Warren Gooch
Partner
Framer, Rayson, Leake, Rogers, & Morgan
Knoxville, TN 37901

Steve Goucher
Vice President, Division Head
1st Interstate Bank
Phoenix, AZ 85072

Lorraine Grubbs
District Marketing Manager
Southwest Airlines
Houston, TX 77027

Berto Guerra
Vice Chairman
Tx Association of Mexican-American Chamber of Commerce
Austin, TX 78716

[illegible]n Halbert
Manager of Corporate & Public Affairs
Bridgestone / Firestone, Inc.
Nashvile, TN 37214

Kemper Harlan Dodson, III
Attorney
Dodson, Parker, and Behm
Nashville, TN 37201

Larry Harrington

Robert Harris
President
Texas Banker Assocication
Austin, TX 70701

Gail Harrison
Executive Vice President
The Wexler Group
Washington, DC 20004

Christie Hauck
Pres. & CEO
Christie Cookie Company
Nashville, TN 37202

Christie Hauck
President
Christie Cookie Company
Nashville, TN 37202

Joseph Hawkins
President
Tennessee Farm Bureau
Columbia, TN

Jorge Haynes
Senior Vice President
International Bank of Commerce, TX
for NAFTA
Laredo, TX 78042

Ellen Hays
Lenard Kinsey & Associates
Chatanuga, TN 37402

Kenneth Hays
utive Vice President
ard Kinsey & Associates
Chattanoga, TN 37402

Claude Hendrickson, III
President
Power Paper
Harriman, TN 37748

Jane Hickie
Executive Dir.
TX Office of Federal Relations
Washington, DC 20001

Gordon Howe
Executive Director
Sierra Vista Arizona Economic
Deveopment Foundation
Sierra Vista, AZ 85636

Joe Huddleston
Commissioner of Revenue
Dept. of Revenue
Nashville, TN 37242

Sherman Hurst
Mil Manager
Kimberly Clark Corp.
Loudon, TN 37774

Sharon Hurst Kneiss
Director, Federal Affairs
Washington, DC 20006

DeVoyd Jennings
Past Chairman of the Board
Fort Worth Metropolitain Black
Chamber of Commerece
Fort Worth, TX 76105

n Johnson
ecutive Vice President
State Bank
Harlington, TX

Alan Johnson
Executive Vice President
Texas State Bank
Harlington, TX 78551

Charles Jolly
Vice President, Secretary and General
Counsel
Chattem, Inc.
Chattanooga, TN 37409

George Kauss
Owner
Group CMK Inc.
San Antonio, TX 78259

Keith Kelly
Director Arizona Department of
Agriculture
Arizona Department of Agriculture
Phoenix, AZ 85007

Keith Kelly
Director
Arizona Department of Agriculture
,

Ricahrd Kimberly
Govt. Relations
,

Richard Kimberly
Dir. Federal Govt. Relations
Kimberly Clark
Washington, DC 20001

David Kincaid
President
Yuma Economic Development Corporation
Yuma, AZ 85364

Boris Kozolchyk
President
National Law Center for
Inter-American Free Trade
Tuscon, AZ 85726

Steve Krumholtz
Executive Vice President
Southland Corporation
Dallas, TX

Stephen B. Krumholz
President
Executive Vice President
Dallas, TX 75204

Steve Krumhoulz
Exec. VP
Southerland Corp.
Dallas, TX 75204

Gary Kyle
Sales Manager
Southwest Texas Coors, Inc.
,

Wendy Laird
Director, Borderlands Program
Sonoram Institute
Tuscan, AZ 85715

Jerry Laner
President
Jimmy Dean Foods, Sarah Lee Corp.
Cordova, TN 38018

MaryJane Laughlin-Mollard
Owner
Artifacts Inc.
Palastine, TX 75802

Philip Lewis
Chairman
Calleria Area Chamber of Commerce
Houston, TX 77056

Phillip Lewis
Chair. of the Board
Galleria Chamber of Commerce
Houston, TX 77251

Edwin Lochridge Cox, Jr.
Chairman and CEO
Cox Oil Inc.
Athens, TX 75751

Yolanda Forero Londono
P[redacted]
H[redacted]nic Chamber of Commerce
Ho[redacted]ton, TX 77251

Dennis Longoria
,

Yolanda F. Lowdono
President
Houston Hispanic Chamber of Commerce
Houston, TX 77002

Elizabeth Maldonado
NAFTA Liaison
City of Houston
,

Elizabeth Azucena Maldonado
NAFTA Liaison, City of Houston
City of Houston
Houston, TX 77251

Claire Martin
Associate
USA NAFTA
Washington, DC 20004

Alfonso Martinez-Fonts
President
Texas Community Bank
San Antonio, TX 28209

Stephen Martori
Owner
Martori Brothers
Scottsdale, AZ 85260

Tom McDonald
[redacted]

Jack Metzger
Chairman
National cattle Association
Washington, DC

Neal Miller
Public Affairs
Chevron
Austin, TX 78701

Victor Mira Montes
Principal
CMK
San Antonio, TX 78205

Donald Mitchie
Board Member
El Paso Foreign Trade Commision
El Paso, TX 79922

Cipriano Munoz
Chair
Dallas-Mexico Partnership
Dallas, TX 75220

Ann Murray
Executive Director
Tennessee Conservation Leaugue
, TN

David Ng
Pres.
Asian Amer. Chamber of Commerce
Houston, TX 77024

[redacted] Notzon
[redacted]ecutive Director
Council of the Government of Alamo
San Antonio, TX 78205

Al Notzon
Executive Director
Alamo Area Council of Govertment
San Antonio, TX 78205

Gail O'Sullivan Newman
Vice President and General Council
Nissan Motors
Smyrna, TN 37167

Gilberto Ocanas
Chief Executive Officer
Wintex, Inc.
Austin, TX 78753

Larry Osborne
General Manager
World Trade Center
McAllen, TX 78503

Arthur Othon
President
Arizona-Mexico Commission
,

Marian Ott
Executive Director
Regional Transit Authority
Nashville, TN 37201

Walter Palmer
Plant Manager
Guardian Industries Corp.
Corisicana, TX 75110

Ed Pastor
Congressman
Washington, DC 20515

William Peeler
Partner
Porch, Peeler, Williams, Tomasan & Bradley
Waverly, TN 37185

Bert Pena
Partner
Hogan and Hartson
Washington, DC 20004

Ed Perez
Economic Development Specialist
Texas Department of Commerce
Washington, DC 20001

Steven Pike
President
EnviroMD
,

Henry Ponder
President
Fisk University
Nashville, TN 37208

Margo Posey
Executive Director
Minority Business Development Council
Dallas, TX 75207

Margo Posey
Executive Director
Dallas Ft. Worth Minority Dev. Council
Dallas, TX 75207

Jack Powell
Publisher
Air Play International
Nashville, TN

Elizabeth Pyke
Economic Development Director
Washington, DC 20001

Wayne Reaud
Attorney
Reel, Morgan, and Quinn
Baumont, TX 77701

Florencio Rendon
Chief of Staff
Congressman Ortiz
Washington, DC 20515

Karol Rice
CE[illegible]
Po[illegible]chs Inc.
Bos[illegible]n, MA 78701

Norma Roby
Chair
Fort Worth Metropolitan Chamber of Commerce
DFW Airport, TX 75261

Donald Rogers
Executive Director
Douglas Economic Development Corp.
Douglas, AZ 85608

David Rousseau
Owner
Rousseau Farming Company
Dolleson, AZ 85353

James Sale
Vice President
Alex Brown & Sons
Dallas, TX 75201

DeMetris Sampson
Dallas, TX 75201

Jose Sanches
Administrative Assistant
Congressman Ron Coleman
Washington, DC 20515

Gerry Schwebel
Chairman
Border Trade Alliance
Larado, TX 78042

Thomas Seigenthaler
President
S[illegible]enthaler Public Relations
Nashville, TN 37205

Mary Sharpehayes
President of Customer Group
Tennessee Valley Authority
Chattanooga, TN 37402

Mike Shea
Director
AFL-CIO (AZ)
Phoenix, AZ 85269

Jacqueline Shrago
Director, Office of Technology Transfer
Vanderbilt University
Nashville, TN 37240

Daniel Sloan
Vice President
NET Transportation
Lebanon, TN 37087

Sandie Smith
Supervisor
District 2 Pinal County
Appachi Junction, AZ 85219

Patricia Smothers
Partner
Smothers Company
San Antonio, TX 78209

Willard Sparks
Chairman of the Board
Memphis, TN 38120

[illegible]liam Stevenson
[illegible]zona Public Service
Pheonix, AX 85072

Shoshana Tancer
Director
American Graduate School
Glendale, AZ 85306

James Taylor
Partner
Public Strategies, Inc.
Austin, TX 78701

Robert Tony
President & CEO
Oakland Chamber of Commerce
,

Byron Trauger
Attorney
Deramus & Trauger
Nashville, TN 37219

Elizabeth Turner
Pres. & CEO
Corpus Christi Chamber of Commerce
Corpus Christi, TX 78412

Sam Vale
President
Starr-Camargo Co.
Rio Grande City, TX 78582

Lucinda Vargas
Economist
Federal Reserve Bank of Dallas
El Paso, TX 79999

Jose Velasco
Director
Arizona-Mexico Commision
,

Danny Vickers
Pres.
EDM Int.
El Paso, TX 79912

Danny Vickers
President
[illegible] International
El Paso, TX 79905

Paula Waddle
Attorney
Paula Waddle
Corpus Christi, TX 37219-8888

Joseph Walka
Dean of the College of Business
Northern AZ University
Flagstaff, AZ 86011

Robert Walker
University of Texas
Dallas, TX 75235

Robert Walker
The University of Texas
Dallas, TX 75235

Peter Walters
Vice President
Gaurdian Industries
Washington, DC 20003

Bob Ward
Attorney at Law, NAFTA task force Chair
Givens & Kelly
Houston, TX 77024

Robert James Ward
Dir. of the International Div.
Inter-American Chamber of Commerce
Houston, TX 77251

[illegible]ment Washington
[illegible]a Manager
Southwestern Bell Telephone
Dallas, TX 75202

Kirk Watson
Partner
Whitehurst, Harkness & Watson
Austin, TX 78767

Robert Watson
Partner
W[illegible]n, Hollon & Reeves
Knoxville, TN 37901

Brian Wiener
CEO
Periodical Magmt. Group
San Antonio, TX 78207

Bruce Wright
Director of Community Affairs, Office for Economic Development
University of Arizona
Tuscon, AZ 85721

S.M. Wright
Reverend
People's Missionary Baptist Church
Dallas, TX 75215

The Americas Law Group

Attorneys To The International
Business World

Alina A.C.E. Aldape, Esq.
President

Telesis Tower, Suite 1400
One Montgomery Street
San Francisco, CA 94104

Telephone: 415.397.4115
Facsimile: 415.397.9716

Sprint

Samuel Isaiah Williams
Regional Manager,
Government Affairs
Pacific Area
State Legislative Affairs

1850 Gateway Drive, 7th Floor
San Mateo, California 94404-2467
Voice: (415) 513-2736
Fax: (415) 513-2737

Home (415) 237-6376 San Francisco

FOX

FOX INC.

P.O. Box 900
Beverly Hills, California 90213
Phone 310 203 1334 • Fax 310 203 4089

Twentieth Century Fox
Twentieth Television
Fox Television Stations Inc.
Fox Broadcasting Company

George Vradenburg III
Executive Vice President

Fairmont

STEVEN L. SWIG
DIRECTOR

Fairmont Hotel Management Co.
Atop Nob Hill
San Francisco, CA 94106
(415) 772-5000

The Fairmont Hotels
Chicago • Dallas • New Orleans
San Francisco • San Jose

PHILIP M. CHEN, P.E.
PRESIDENT

WESTON INTERNATIONAL, INC. SM
MANAGERS • DESIGNERS • CONSULTANTS

1 WESTON WAY • WEST CHESTER PA • 19380-1499 USA
TELEPHONE: 215-430-3027
TELEX: 83-5348 • FAX: 215-430-7296

A SUBSIDIARY OF ROY F. WESTON, INC.

What we hear
Key Nafta Issues

1) we Blame NAFTA for everything that happened in the 1980's
(NAFTA not responsible for a plant closing in 1988)

2) 7 or 8 different job changes the average 18 year-older will have today is different from our past - New global changes

3 million people people in Tennessee [illegible]
[illegible]

— [illegible] for a
Chance [illegible]

— Of the remaining [illegible]
[illegible] in language to say
[illegible] support

— maintain [illegible] & [illegible]
[illegible]

VP is here

maybe you the
one out of every 2 [illegible] in college

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: **Trade Assoc. By Reg. & State 10-26-93**

Nafta Targeted States

FI NC CA
GA NY TN
AL MA IL

10/26/93

TRADE ASSOCIATION CONCENTRATIONS BY REGION AND STATE

NOTE: This list is not intended to be comprehensive, but instead is a listing of those pro-NAFTA associations that have cooperated most actively with the White House NAFTA Office. Information is added to this list as it becomes available.

NATIONWIDE--IN ALMOST EVERY STATE

Ag for NAFTA (American Corn Growers Assn. is chair)
Independent Insurance Agents of America
World Trade Centers Association
American Business Conference*
American Farm Bureau Federation (bureaus in each state)
The Business Roundtable*
National Association of Manufacturers*
National Foreign Trade Council
U.S. Chamber of Commerce* (nationwide local chamber network)
U.S. Council of the U.S.-Mexico Business Committee*
U.S.-Mexico Chamber of Commerce
Edison Electric Institute (electric utilities)
National Federation of Independent Business* (small business)
American Gas Association
International Mass Retail Association
National Association of Foreign Trade Zones
Printing Industries of America

NORTHEAST

Maine
- American Forest and Paper Association

New Hampshire
- International Insurance Council

Vermont

Massachusetts
- Computer and Communications Industry Association
- American Association of Port Authorities

Rhode Island

Connecticut
- Computer and Business Equipment Manufacturers Association
- International Insurance Council
- Distilled Spirits Council of the U.S.
- Pharmaceutical Manufacturers Association
- Aerospace Industries Association
- American Hardware Manufacturers Assocation

New York
- Chemical Manufacturers Association
- Computer and Business Manufacturers Association
- Electronic Industries Association
- International Insurance Council
- U.S. Hispanic Chamber of Commerce
- Hispanic International Trade Council

(New York)
- American Electronics Association
- Coalition of Service Industries
- Pharmaceutical Manufacturers Association
- Independent Bakers Association
- American Bankers Association
- American Hardware Manufacturers Association
- American Association of Port Authorities

New Jersey
- Chemical Manufacturers Association
- Computer and Business Manufacturers Association
- Electronic Industries Association
- International Insurance Council
- U.S. Hispanic Chamber of Commerce
- Hispanic International Trade Council
- Coalition of Service Industries
- Pharmaceutical Manufacturers Association
- American Hardware Manufacturers Association

MID-ATLANTIC

Pennsylvania
- Electronic Industries Association
- Grocery Manufacturers of America
- Valve Manufacturers Association (Pittsburgh)
- American Iron and Steel Institute
- Pharmaceutical Manufacturers Association
- Steel Manufacturers Association
- Air and Waste Management Association
- Wood Machinery Manufacturers Association
- Forging Industry Association
- Flexible Packaging Association
- American Association of Port Authorities

Maryland
- Grocery Manufacturers of America
- International Insurance Council
- Aerospace Industries Association
- American Association of Port Authorities

Delaware

District of Columbia

Virginia
- American Furniture Manufacturers Association
- American Association of Port Authorities
- Agribusiness Council

West Virginia

Ohio
- Grocery Manufacturers of America
- National Cattlemen's Association
- Valve Manufacturer's Association
- American Automobile Manufacturers Association
- American Iron and Steel Institute
- Steel Manufacturers Institute
- Forging Industry Association
- Motor and Equipment Manufacturers Association
- Automotive Service Industry Association
- Flexible Packaging Association

SOUTHEAST

Kentucky
- American Forest and Paper Association
- Distilled Spirits Council of the U.S.

Tennessee
- American Textile Manufacturers Institute
- Distilled Spirits Council of the U.S.
- Independent Bakers Association
- Motor and Equipment Manufacturers Association

Mississippi
- American Furniture Manufacturers Association
- Agribusiness Council

Alabama
- American Forest and Paper Association
- American Textile Manufacturers Institute
- American Iron and Steel Institute
- Steel Manufacturers Institute
- Aerospace Industries Association
- Agribusiness Council

Florida
- American Forest and Paper Association
- International Insurance Council
- U.S. Hispanic Chamber of Commerce
- Hispanic Internatioanl Trade Council
- Computer and Communications Industry Council
- Distilled Spirits Council of the U.S.
- Semiconductor Industry Association (Harris Corp.)
- Aerospace Industries Association

Georgia
- American Forest and Paper Association
- American Textile Manufacturers Institute
- Chemical Manufacturers Institute
- Grocery Manufacturers of America
- Flexible Packaging Association
- Agribusiness Council

North Carolina
- American Forest and Paper Association
- American Association of Port Authorities
- American Furniture Manufacturers Association (High Point)
- American Textile Manufacturers Institute
- Chemical Manufacturers Association
- Grocery Manufacturers of America
- Pharmaceutical Manufacturers Association
- Forging Industry Association
- Motor and Equipment Manufacturers Association
- Agribusiness Council

South Carolina
- American Textile Manufacturers Association
- Chemical Manufacturers Association

MIDWEST

Michigan
- American Furniture Manufacturers Association
- National Grain and Feed Association
- Aerospace Industries Association
- Motor and Equipment Manufacturers Association
- Automotive Service Industry Association
- American Automotive Manufacturers Association (Big Three)

Wisconsin
- American Forest and Paper Association
- Automotive Service Industry Association
- Agribusiness Council
- National Corn Growers Association
- International Dairy Foods Association

Illinois
- Chemical Manufacturers Association
- Computer and Business Equipment Manufacturers Association
- Independent Insurance Agents of America
- Electronic Industries Association
- Grocery Manufacturers of America
- International Insurance Council
- National Cattlemen's Association
- U.S. Hispanic Chamber of Commerce
- Hispanic International Trade Council
- Valve Manufacturers Association (Chicago)
- American Automobile Manufacturers Association
- American Insurance Association
- American Iron and Steel Institute
- American Mining Congress
- Distilled Spirits Council of the U.S.
- National Grain and Feed Association
- Pharmaceutical Manufacturers Association
- Independent Bakers Association
- American Bankers Association
- American Hardware Manufacturers Association
- Forging Industry Association
- Motor and Equipment Manufacturers Association
- Automotive Service Industry Association
- Flexible Packaging Association
- National Corn Growers Association

Indiana
- National Cattlemen's Association
- American Automobile Manufacturers Association (Indianapolis)
- American Iron and Steel Institute
- National Grain and Feed Association
- Forging Industry Association
- Motor and Equipment Manufacturers Association
- Automotive Service Industry Association

Missouri
- American Automobile Manufacturers Assocition (St. Louis)
- American Waterways Operators (St. Louis)

Iowa
- National Cattlemen's Association
- National Grain and Feed Association

(Iowa)
- Council for Agricultural Science and Technology (CAST)

Minnesota
- Computer and Business Equipment Manufacturers Association
- American Bankers Association

North Dakota

South Dakota

Nebraska
- National Corn Growers Association

Kansas
- Grocery Manufacturers of America
- National Grain and Feed Association
- Independent Bakers Association

SOUTHWEST

Texas
- Natural Gas Supply Association
- American Association of Port Authorities
- American Petroleum Institute
- American Textile Manufacturers Institute
- Computer and Business Manufacturers Association
- Electronic Industries Association
- National Cattlemen's Association
- U.S. Hispanic Chamber of Commerce
- Valve Manufacturers Association (Houston)
- American Automobile Manufacturers Association
- American Electronics Association
- Computer and Communications Industry
- Semiconductor Industry Association
- Steel Manufacturers Association
- Natural Gas Supply Association
- American Waterways Operators (Houston)
- Automotive Service Industry Association
- Flexible Packaging Association

Louisiana
- Natural Gas Supply Association
- American Association of Port Authorities
- American Forest and Paper Association
- Steel Manufacturers Association
- Natural Gas Supply Association (New Orleans)
- American Waterways Operators (New Orleans)
- American Petroleum Institute

New Mexico

Oklahoma
- Natural Gas Supply Association
- American Petroleum Institute

Arizona
- American Electronics Association
- American Mining Congress
- Semiconductor Industry Association (Motorola)

Arkansas
- Steel Manufacturers Association
- Agribusiness Council

WEST

California
- American Forest and Paper Association
- American Association of Port Authorities
- Chemical Manufacturers Association
- Computer and Equipment Manufacturers Association*
- Electronic Industries Association
- Grocery Manufacturers of America
- U.S. Hispanic Chamber of Commerce
- Hispanic International Trade Council
- American Electronics Association
- Computer and Communications Industry Association*
- Semiconductor Industry Association
- Independent Bakers Association
- American Bankers Association
- Aerospace Industries Association
- Automotive Service Insdustry Association

Oregon
- American Forest and Paper Association
- Computer and Business Manufacturers Association
- Aerospace Industries Association
- Agribusiness Council

Washington
- American Forest and Paper Association
- American Waterways Operators (Seattle)
- American Association of Port Authorities

Hawaii

Alaska

Idaho

Utah
- American Iron and Steel Institute
- Independent Bakers Association

Montana

Wyoming
- National Cattlemen's Association
- American Mining Congress

Nevada

Colorado
- National Cattlemen's Association
- American Mining Congress

Prepared by: Laura Buss, NAFTA Outreach
10/26/93