FOIA Number: 2017-0401-F

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001. list	Confirmed Fast Track Reservations; RE: Personally Identifiable Information [partial] (2 pages)	09/10/1997	b(6)
002. list	Confirmed Fast Track Reservations; RE: Personally Identifiable Information [partial] (2 pages)	09/10/1997	b(6)
003. list	Confirmed Fast Track Reservations; RE: Personally Identifiable Information [partial] (2 pages)	09/10/1997	b(6)

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[Fast Track] [loose] [2]

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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
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Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
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FROM:
- ☐ DAN GLICKMAN, SECRETARY
  - ☐ JOHN GIBSON, SPECIAL ASSISTANT
- ☐ GREG FRAZIER, CHIEF OF STAFF
  - ☐ MIGUEL GONZALEZ, EXECUTIVE ASSISTANT
- ☐ REBA PITTMAN EVANS, DEPUTY CHIEF OF STAFF, INTERNAL AFFAIRS
- ☒ PATRICK STEEL, DEPUTY CHIEF OF STAFF, EXTERNAL AFFAIRS
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- ☐ ANNE KENNEDY, SPECIAL ASSISTANT FOR POLICY
- ☐ ERIC OLSEN, SPECIAL ASSISTANT FOR POLICY
- ☐ JANET POTTS, COUNSEL TO THE SECRETARY

MESSAGE: FYI

Glickman's K.C. speech to attract Iowa officials

By ANNE FITZGERALD
REGISTER AGRI-BUSINESS WRITER

U.S. Secretary of Agriculture Dan Glickman will be in Kansas City, Mo., next week to deliver what his office is calling "a major address" about President Clinton's push for congressional approval of fast-track authority.

Fast-track authority would require that Congress vote a trade agreement up or down without making any changes.

The Clinton administration is expected to launch its campaign to win the approval on Wednesday.

Glickman will speak in Kansas City on Thursday, and several central Iowa business leaders will be there for the event, including Charles Johnson, president and chief executive officer of Pioneer Hi-Bred International Inc.

The White House has asked Johnson, who is president of the Greater Des Moines Chamber of Commerce Federation, and his counterpart in Kansas City, Harry Cleberg, president and chief executive officer of Farmland Industries Inc., to lead the event.

Free and open to the public, it will be held at 11 a.m. on Thursday at the American Royal Center in Kansas City. At the same time, the event will be downlinked to the auditorium of the Drake Legal Clinic at 24th Street and University in Des Moines. That, too, is free and open to the public.

On Oct. 2, Cleberg and Johnson again will collaborate, when Cleberg visits Des Moines. A chamber official said the two would spend the day highlighting the accomplishments of central Iowa business leaders.

The Continuing Importance of Trade Liberalization

<PRELIMINARY DRAFT: 7/ix/97>

Draft

Janet L. Yellen, Chair
Council of Economic Advisers
11 September 1997
Smith-Barney Washington Conference

The basic goals of the Clinton Administration's economic policies are simple and uncontroversial. First, to secure rising living standards now and in the future. And second, to ensure that the benefits of a rising standard of living are extended to all Americans. To attain these ends, the Administration's economic agenda has been based on three key policy initiatives: deficit reduction, investing in people through education and training, and opening markets worldwide to U.S. goods and services.

It is this third initiative--promoting free and fair trade--that I intend to discuss today. From his first days in office, President Clinton has advocated an outward-looking, "internationalist" trade policy. During the first four years of the Clinton Administration, over 200 trade agreements were ratified and implemented, some relatively large in scope--such as NAFTA and the Uruguay Round of GATT--others relatively small, but all vital to our nation's competitive future. President Clinton intends to extend and build upon this record during the Administration's next four years.

The single most important next step in the Administration's effort to open markets abroad and expand trade is for Congress to renew the President's authority to negotiate trade agreements on a "fast track" basis. Fast track authority allows the President to work out trade agreements with other countries, and then requires Congress to take an up or down vote on the *entire* agreement. In other words, Congress cannot in effect reopen negotiations by adding or deleting individual provisions of a trade agreement by amendment during Congressional debate. Instead, Congress must vote on the agreement as a whole. Of course, the final decision as to whether a trade agreement--in its entirety--should be approved or disapproved remains in Congress's hands under fast track authority.

Every President since 1974 has received fast track authority from Congress. Why is it so important? The answer is that fast track lends credibility to trade negotiations--under fast track, the parties to a trade agreement know that any provisions that are agreed upon cannot later be renegotiated individually, nor can such renegotiation even be threatened. (In addition, I would add that fast track has another benefit--that of fostering bipartisanship between the President and Congress. Fast track authority has consistently been vouchsafed the President by a bipartisan Congressional majority--which is unsurprising inasmuch as the goal of freer and more open foreign markets is shared by both political parties.)

At present, what need is there for fast track authority? And what would the Administration use it for? One particularly important initiative that is currently on our agenda involves extending NAFTA to include Chile. Today, every major economy in this hemisphere--save the United States--has a preferential trade agreement with Chile. What this means in practice is that U.S. firms face tariffs in Chile that make their goods 11 percent more expensive than those of competing firms from other countries. This is a serious competitive disadvantage.

In addition, there now exist a number of other opportunities to reduce trade barriers in sectors where the United States is competitive. Some of the opportunities arise in connection with scheduled World Trade Organization negotiations covering such industries as agriculture and services. Others arise from new sectoral initiatives such as the Information Technology Agreement, or ITA. The recently concluded ITA represents a $5 billion tariff reduction for American products sold to other countries. In the fall, the Administration intends to launch a second such initiative, along with similar initiatives for other sectors.

The pace with which preferential trade agreements are being negotiated between and among countries around the world is so fast that the United States can easily be left behind through inaction. Since 1992, other countries have negotiated twenty preferential trade agreements in Latin America and Asia that exclude the United States. The European Union has begun a process that will culminate in a free trade agreement with Brazil, Argentina, and other MERCOSUR nations; President Chirac of France has even gone so far as to declare that the economic interests of Latin America "lie not with the United States, but with Europe." And within South America itself, the four MERCOSUR countries are attempting to extend their preferential trade arrangements to encompass the entire continent. Moreover, other countries are aggressively pursuing expanded foreign trade. For example, China has targetted a number of Latin American countries--including Chile, Mexico, and Brazil--for increased bilateral trade.

It is evident from all this that now, more than ever, continued engagement with the global economy will require an active effort on the part of the United States, and an extension of fast track authority must be an integral component of this effort. But a fair and important question to ask at this point is: why is free trade so important? Why should we be concentrating so much effort in pushing for more open foreign markets, and how does freer trade contribute to the Administration's goal of securing higher living standards for all Americans? In short, what are the benefits of free trade for the U.S. economy? I would like to use the remainder of my time to address this question--which, in fact, speaks to my own comparative advantage as an economist.

I would begin by first saying that one of the benefits of free trade is not, as is sometimes supposed, an improved overall current account or trade balance. The Administration's policies do indeed affect the current account, but it is its budget, saving, and investment policies, not its trade liberalization policies, that do so. The current account is a macroeconomic phenomenon that reflects the gap between what we as a nation invest and what we save. The large budget deficits of the 1980s and early 1990s reduced the amount of saving that was available to cover the nation's investment in plant and equipment (investment was choked off too, but not by as much), and this shortfall had to be filled by importing goods from abroad. In an important sense, the nation was overconsuming in the 1980s, financing its consumption binge by borrowing output from foreigners. The result was a large and persistent trade deficit.

Today, we still face a trade deficit, but for a very different reason. Reducing the government's budget deficit has left more room for investment in plant and equipment by the private sector. And invest it has: since 1993, real business fixed investment has grown nearly nine percent per year on average, a much faster rate than that of the preceding ten years. This rate of investment is above the rate at which Americans save--even with the federal government dissaving less by virtue of its smaller budget deficit. So, once again the shortfall is made up for by borrowing output from abroad, with the result being a current account deficit. But there is a big difference between borrowing in order to invest--as the economy is doing now--and borrowing in order to consume, as we did in the 1980s. In fact, running a trade deficit in order to expand the nation's productive capacity is not new to American history--in the 1800s, we did much the same thing in order to build up the nation's infrastructure, most notably during the railroad construction boom a century ago.

So it is not the gap between imports and exports that is relevant as far as trade policy is concerned. But the level of trade--the "openness" of the U.S. economy--does matter. In recent years, the United States has seen rapid growth in its degree of exposure to the world economy: real U.S. imports of goods and services grew at an average rate of 11 percent over the past four years, while real exports grew at an average rate of 10 percent per year. In the current recovery, export growth has been responsible for roughly a third of overall GDP growth. The United States now exports an amount equal to 13 percent of its GDP every year and imports an amount equal to 15 percent of GDP; to put these figures in perspective, the corresponding figures for the 1960s were four and five percent, respectively. The American economy is now more open than at any time in its history.

What are the benefits of an open economy? Economists generally recognize two broad classes of benefits, the first being static, the second dynamic. I would like to discuss each in turn.

Ever since the work of Adam Smith and David Ricardo, economists have recognized that trade helps an economy by allowing it to specialize in what it does best. Adam Smith argued that specialization--the division of labor--enhances productivity, but noted that the degree to which an individual or a nation could specialize depended critically on the extent of its market. We all know the story of Robinson Crusoe, who, alone and isolated, had to do everything for himself: farm, weave cloth, build shelter, and so on. But if a group of Robinson Crusoes can trade amongst themselves, each can specialize in the production of what he or she is best at doing--thus producing more than would be possible were their attentions divided among goods which they are less skilled at making--and then can trade with his or her neighbors for the goods which they in turn are good at producing.

It might even be the case that one individual (or country, to drop the

Robinson Crusoe analogy) is better than anyone else at producing *every* good. Such an argument is often invoked in order to "prove" that the U.S. cannot benefit from trade with a country such as Mexico. But it turns out that the argument in favor of free trade still carries the day. All that is required is for a country to be *relatively* less skilled than another in the production of some good in order for it to benefit from trade. This is, of course, the doctrine of comparative advantage--the fundamental (if perhaps counterintuitive) principle that underlies the theory of international trade.

This, in a nutshell, is the "classical" view of the benefits of free trade. It is important to note that the benefits from trade under the classical doctrine are primarily static in nature--that is, they affect the *level* of output. Moving from a situation in which there is less trade (or no trade) to one in which trade is freer raises output, but this is more along the lines of a one-time increase (even though it might take a number of years for the benefits from trade to be fully felt). This is not to dismiss the significance of these static benefits: for example, some economic historians have argued that most of the economic growth that occurred in the classical world was rooted in the expansion of markets that took place as a result of increased sea trade around the Mediterranean.

Recently, a new view of international trade has emerged which argues that increased trade actually raises an economy's *rate of growth*. If this is in fact the case, it makes the case for trade liberalization an even more compelling one. Raising the growth rate of the nation's economy, even by a few tenths of a percentage point per year, has vastly more significance for long-run living standards than even a relatively large one-off increase in the level of output; the reason, of course, is that a small increase in the economy's rate of growth cumulates over time to yield large gains.

What is the rationale behind the new trade theory--in other words, what is the source of the "dynamic" benefits from trade? Well, we know that economic growth has two sources: either we can increase the amount of inputs (capital, labor, and raw materials) that we feed into the productive process, or we can make those inputs more productive, through innovations in technology, better education and training, and so on. (In fact, this latter factor is necessary if the economy is to grow in per-capita terms in the long run, as sooner or later simply accumulating more inputs will run up against the law of diminishing returns.) The static benefits of trade represent a one-off increase in this latter factor: specialization lets us allocate labor and capital to the production of goods that we are relatively good at producing, making a given amount of labor and capital more productive in a manner that is not unlike an improvement in managerial technique.

The new view of international trade also focusses on this second factor, but argues that international trade can actually increase the rate of innovation and technological change. One economist has summarized the argument with the following catena:

- International trade leads to greater competition;
- Competition induces greater innovation; and,
- Innovation (*i.e.*, technological change) drives economic growth.

(It's a simple notion once you think about it--though it will probably win the economists who thought it out a Nobel prize some day.)

In a sense, the emphasis of the new trade theory on the dynamic benefits of international trade comes full circle to Adam Smith. Although Smith's contribution to trade theory is generally seen as providing an argument in favor of free trade that highlighted the role of specialization in raising productivity, he also pointed out that specialization, by acquainting workers with a specific productive process, could give them insight into how such processes might be improved--thus fostering innovation. New trade theory also incorporates elements of Joseph Schumpeter's theory of "creative destruction," in which the competition that is a fundamental feature of a capitalist economy serves as a motive force for the economy's progress.

The new view of international trade represents a valuable contribution to academic economics. But theory alone cannot provide an airtight argument in favor of trade liberalization. There is, however, a large body of empirical literature which attempts to determine what drives economic growth across countries. Unsurprisingly, investment in physical capital--plant and equipment--and investment in human capital--education, for instance--are two factors which have a profound influence on economic growth. But these same studies have also found that an economy's degree of openness--as proxied, say, by the amount that it imports and exports relative to its overall output--has an effect on its rate of growth.

Now, this empirical result--that more open economies grow faster--can be (and has been) criticized on the grounds that it does not truly reflect a causal relationship. Two of my colleagues at Berkeley--one of whom, Jeffrey Frankel, is now also at CEA--recently added to the literature on this topic with a paper that attempts to address this shortcoming. Interestingly, they determined that the effect of openness on economic growth is actually *larger* once the causal effects are clearly isolated.

In an ideal world--the world in which economists live--free trade unambiguously benefits the economy *taken as a whole*. This is true in the real world as well, although the ideal case masks the fact that some will gain from freer trade, but others may lose--even though on net the winners could compensate the losers and still have something left over. In practice, increased globalization will induce reallocations of labor and capital across sectors as the focus of American industry moves to the production of those goods and services which we are relatively good at producing. Because our economy is not frictionless, these adjustments sometimes involve lengthy periods of dislocation until the reallocation of labor and capital across industries is complete. Policymakers advocating freer trade must be aware of this fact, and the Clinton Administration has realized from the beginning that it is the government's duty to minimize the impact of this dislocation by speeding up the adjustment process however it can. For example, one of the key provisions of NAFTA involved monitoring those industries that were in danger of being adversely affected by the free trade agreement, and the Administration committed itself early on to providing for dislocated workers through retraining programs. And, more generally, the Administration's commitment to investing in people through education and training serves as a strong complement to its policy of trade liberalization: since freer trade tends to benefit skilled workers most, the United States enjoys greater benefits from trade to the extent that more of its workers are highly skilled. In the end, though, those who would point to the short-term adverse effects of trade liberalization should not lose sight of an important point: Trade liberalization might adversely affect a small fraction of American workers in their role as producers, but it benefits all workers in their role as consumers.

I have outlined some compelling theoretical arguments and suggestive empirical results that together indicate that freer trade benefits an economy in a profound way. I would also like to suggest a further way in which the economy might benefit from increased globalization, one which has recently been on our minds more and more at CEA. This involves the effect of globalization on the NAIRU, or natural rate of unemployment. Recently, economists have seen some pretty strong evidence that the NAIRU has fallen over the past few years, implying that the unemployment rate can reach a lower level than previously thought without leading to a buildup in wage and price pressures and an eventual increase in inflation. The reasons for this decline in the NAIRU are not well understood--economists are only just coming to a consensus that it has in fact declined--but it seems plausible that the increasing competitiveness of labor and product markets that globalization fosters has been an important factor in restraining nominal wage pressures, lowering producers' markups, and keeping the cost of raw materials down in the face of higher levels of domestic production. The result of a decline in the NAIRU is a sustainable, *long-run* increase in the level of GDP--which is another way of describing the static benefits of free trade.

In closing, I would note that I have said nothing of the benefits of trade that arise simply from the fact that it links the economic interests of nations more closely. John Maynard Keynes once argued that the greatest tragedy visited upon Europe by the First World War was the disruption of the system of international trade that was a hallmark of the European economy before 1914. The eventual breakdown in the world trading system and resulting deterioration of Europe's economy was a proximate cause of the Second World War, and kept living standards in Europe and the U.S. much lower for much longer than was necessary by prolonging the Great Depression. It is only in recent years that the scope of international trade has returned to the level seen before the Great War.

The United States is now more closely tied to the rest of the world by trade than at any other time in its history. How the U.S. economy performs relative to the economies of other nations will depend critically on how we promote our commercial interests abroad. Aggressive pursuit of trade liberalization, for which fast track authority is a prerequisite, is the best way to ensure that the U.S.

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WHSO LAYOUT DRAFT 2
a/o 9/10/97; S. Warren

CONGRESSIONAL FAST TRACK EVENT
Wednesday, September 10, 1997

EV Gate Opens: 12:30 p.m.
Invite Time: 1:00 p.m.
Principal Time: 1:30 p.m.
Approx. 190 guests/Open Press/Business Attire

12:30 p.m. EV Gate opens and guests proceed to East Room to be seated.

Gate Contact: Jamie Schwartz

1:30 p.m. **THE PRESIDENT** and **THE VICE PRESIDENT** arrive to Blue Room to greet:

Mr. Eugene "Gene" Lang
Corn and Soybean Farmer, Grinell, IA
Ms. Susan Corrales-Diaz
President and CEO, Systems Integrated, Inc.
Orange, CA

1:35 p.m. **THE VICE PRESIDENT** gives welcoming remarks and introduces Mr. Lang.

Mr. Lang gives brief remarks and introduces Ms. Corrales-Diaz.

Ms. Corrales-Diaz gives brief remarks and introduces **THE PRESIDENT**.

THE PRESIDENT gives brief remarks.

2:00 p.m. **THE PRESIDENT** and **THE VICE PRESIDENT** proceed to Blue Room for receiving line.

Note: Receiving line will flow from Green to Blue to Red Room.

2:25 p.m. **THE PRESIDENT** and **THE VICE PRESIDENT** depart.

Guests depart East Gate.

8:30 pm- 9:40 pm

DEMOCRATIC NATIONAL COMMITTEE DINNER
CHANDELIER ROOM
The Sheraton Carlton Hotel
Remarks: Laura Capps
Staff Contact: Craig Smith
Event Coordinator: Karen Finney
POOL PRESS (Pre-Positioned for Remarks Only)

-- **The President** proceeds to the podium area.

-- Steve Grossman, Chairman of the Democratic National Committee, gives brief remarks and introduces **the President.**

-- **The President** gives brief remarks.

-- The press pool is escorted out of the room.

-- **The President** greets guests seated at the table for informal photos (35 guests).

-- **The President** sits at the table and an informal discussion begins, led by Alan Solomont, Democratic National Committee Finance Chair.

-- At the conclusion of the informal discussion **the President** departs.

9:45 pm **THE PRESIDENT** departs the Sheraton Carlton Hotel via motorcade en route the White House
[drive time: 5 minutes]

9:50 pm **THE PRESIDENT** arrives the White House

BC AND HRC RON **THE WHITE HOUSE**
WASHINGTON, D.C.

Mariah
622-1300

MARI
647-4195
672-~~9180~~ (f)
U.Cal

THE WHITE HOUSE

OFFICE OF CABINET AFFAIRS

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OLD EXECUTIVE OFFICE BUILDING ❖ ROOM 160 ❖ WASHINGTON, DC 20502

TELEPHONE (202) 456-2572 ❖ FACSIMILE (202) 456-6704

THE WHITE HOUSE

WASHINGTON

September 4, 1997

Dear Joe:

Thank you for sharing with me your observations regarding implementation of the North American Free Trade Agreement (NAFTA).

The expansion of trade associated with NAFTA and other agreements has contributed significantly to the dynamism of our economy over the past several years. Your support for fast track trade negotiating authority will be critical in maintaining that dynamism by tearing down foreign barriers and helping American workers compete abroad.

At the same time, you and I recognize that increased international competition brings challenges for some workers, especially those in the low-wage industries already vulnerable because of technological and other economic changes. That is precisely the reason we worked hard together to ensure NAFTA includes special provisions to protect the most vulnerable. In assessing the first three years of NAFTA's implementation, I believe these provisions have proven their value. However, as you point out, many challenges remain. I am committed to ensuring NAFTA fulfills its promise for all Americans.

NAFTA is building a solid record on addressing environmental challenges which are unique to the U.S.-Mexico border. Of course, many of the border environmental problems were decades in the making and will take many years to resolve. As you suggest, there are significant obstacles to financing environmental infrastructure, which the North American Development Bank (NADBank) is working to overcome. NADBank is now working closely with the Border Environment Cooperation Commission and federal and state officials on both sides of the border to identify and develop projects in the border region. NADBank is also establishing co-financing mechanisms with the Environmental Protection Agency and other grant programs to provide affordable financing for poor border communities. In addition, the NAFTA process for citizen submissions on environmental enforcement appears to be working effectively. The Commission for Environmental Cooperation has evaluated all submissions and pursued their resolution in accordance with the North American Agreement on Environmental Cooperation.

NAFTA is helping to protect the rights of trade-affected workers. The North American Agreement on Labor Cooperation breaks new ground in providing for oversight of national labor law enforcement. We have achieved a high measure of success in the review of the complaints that have been submitted. In one case, a Mexican labor tribunal granted recognition to the petitioning union, reversing an earlier decision, and afforded a new hearing for workers dismissed for union activity. In other cases, workers were permitted secret ballot elections, a practice not common in Mexico. Mexico has also made important legal advances on labor rights since NAFTA was signed.

Recognizing that some workers require assistance in adjusting to new patterns of trade and production, the NAFTA Transitional Adjustment Assistance (NAFTA-TAA) program provides expanded retraining and income support benefits. Overall, the program is proving its worth. However, concerns have been raised regarding the disproportionate impact on some communities. My Administration is committed to addressing these concerns. Secretary Herman recently travelled to El Paso, Texas to assess the economic impact on this border community. She conveyed to me her assessment that El Paso has strong economic prospects, but needs specialized job retraining for displaced workers.

Both the Transitional Adjustment Assistance (TAA) and NAFTA-TAA programs must be reauthorized before they expire on September 30, 1998. Secretary Herman will work closely with you and other members of the Hispanic Caucus and relevant committees to make both programs more effective for Latino trade-affected workers. In addition, it is essential that we intensify outreach to trade-affected workers, as well as affected secondary workers, to help them take advantage of existing services.

NAFTA breaks new ground in including financing through NADBank's Domestic Window for communities adversely affected by trade, reflecting concerns raised by the Hispanic Caucus. Although it has taken time to create a viable financial framework for the first U.S.-supported development bank within U.S. borders, NADBank's Domestic Window has been operating in Los Angeles since early 1996 and is now fully operational. Last month, the Department of Treasury announced the designation of 35 sites around the country as eligible for financing, and additional sites should be identified within the next month. In these areas, the NADBank, the Departments of Treasury and Agriculture, and the Small Business Administration are engaged in extensive outreach and marketing to help communities take advantage of loan guarantees, and the Los Angeles Office is working with borrowers interested in direct lending. Treasury plans to convene a public meeting of the Presidential Advisory Committee for Community Adjustment and Investment in El Paso in November to gain greater knowledge of the problems confronting trade-affected communities.

I firmly believe the institutions created by NAFTA are strengthening labor and environmental protections in North America -- and I hope you agree. However, this is a long-term process, requiring perseverance and continual improvement. It will be useful for Secretary Rubin and Secretary Herman to hear your concerns first-hand when you meet next week. I have asked my National Economic Adviser, Gene Sperling, to take the lead from the White House in coordinating Administration-wide efforts and to work closely with you and other members of the Hispanic Caucus to address your concerns.

I hope you will work with me in support of future trade agreements that help America compete in the global economy and contribute to improved living standards and environmental protection.

Sincerely,

Bill

The Honorable José E. Serrano
House of Representatives
Washington, D.C. 20515-3216

Fast Track Roll-Out Event
September 10, 1997
Protocol Order

1. Secretary Robert Rubin, Treasury
2. Secretary Dan Glickman, USDA
3. Secretary William Daley, Commerce
4. Administrator Carol Browner, EPA
5. Chair Janet Yellen, CEA
6. Ambassador William Richardson, UN
7. Ambassador Charlene Barshefsky, USTR
8. Administrator Aida Alvarez, SBA
9. Thomas F. "Mack" McLarty, Special Envoy

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10. Under Secretary Stuart Eizenstat, State
11. Deputy Secretary Larry Summers, Treasury
12. Deputy Secretary Richard Rominger, USDA
13. Deputy Secretary Kitty Higgins, Labor
14. Deputy Secretary Mortimer Downey, DOT
15. Deputy Secretary Elisabeth Moler, Energy
16. Debuty Secretary Jacob Lew, OMB
17. Deputy Secretary Jeff Lang, USTR
18. J. Brian Atwood, USAID

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19. Gus Schumacher, USDA
20. Kari Dohn, Commerce
21. David Lane, Commerce
22. Elizabeth Arky, USTR
23. Jay Ziegler, USTR
24. Peter Scher, USTR
25. Sue Esserman, USTR
26. Bob Novick, USTR
27. Nancy Leamond, USTR
28. Vicki Rivas-Vasquez, UN
29. Peter Robertson, EPA
30. Andrew Samet, Labor
31. Elgie Holstein, Energy
32. Joe Minarik, OMB
33. John Haveman, CEA
34. David Marchik, State
35. Bryan Samuel, State
36. Paul Weech, SBA
37. Jeffrey Davidow, State
38. Richard Brown, State

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P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Confirmed Fast Track Reservations for:
The Presidential Event for Fast Track
September 10, 1997 1:30
East Room

Name	*Dept*	**DOB**	**SSN**	**Phone**	*Notes*
1. Bill Daley	Commerce			482-5880	+ 2:
2. David Lane	Commerce			482-5880	Daley (1)
3. Kari Dohn	Commerce			482-5880	Daley(2)
4. Dan Glickman	USDA			720-4830	
5. Richard Rominger	USDA			720-6158	
6. Gus Schumacher	USDA			720-7107	
7. Charlene Barshefsky	USTR			395-9492	+ 2:
8. Elizabeth Arky	USTR			395-9485	USTR (1)
9. Jay Ziegler	USTR		(b)(6)	395-9496	USTR (2)
10. Peter Scher	USTR			395-5057	
11. Jeff Lang	USTR			395-5114	
12. Sue Esserman	USTR			395-3150	
13. Bob Novick	USTR			395-9494	
14. Nancy Leamond	USTR			395-6850	
15. Bill Richardson	UN			736-7555	+ 1:
16. Vicki Rivas-Vasquez	UN			736-7555	UN (1)
17. Carol Browner	EPA			260-4700	+ 1:
18. Peter Robertson	EPA			260-4700	EPA (1)
19. Kitty Higgins	Labor			219-6151	
20. Bruce Talbott	State			647-5291	
21. Elgie Holstein	Energy			586-5534	
22. Jacob Lew	OMB			395-7224	+ 1:

[001]

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23. Joe Minarik	OMB			395-5873	OMB (1)
24. Janet Yellen	CEA			395-5583	+ 1:
25. John Haveman	CEA	(b)(6)		395-3310	CEA (1)
26. Mack McLarty	Envoy			456-2000	
TOTAL = 26					

These people are still pending:

Name	***Dept***	**DOB**	**SSN**	**Phone**	***Notes***
Glickman's Guest	USDA			720-4830	USDA (1)
Herman's Substitute	Labor			219-8271	+1:
Herman's Guest	Labor			219-8271	Labor (1)
Talbott's Guests	State			647-5291	+ 2
Stuart Eisenstat	State			647-5291	
Robert Rubin	Treasury			622-1100	+ 2:
Rubin's Guests	Treasury			622-1100	Trsry (2)
Rodney Slater	DOT			366-1103	+ 1:
Slater's Guest	DOT			366-1103	DOT (1)
Peña's Substitute	Energy			586-5534	
Aida Alvarez	SBA			205-6685	+ 1:
Alvarez's Guest	SBA			205-6685	SBA (1)
Summers's Substitute	Treasury			622-1080	
TOTAL PENDING = 15					

Clinton Library Photocopy

NAFTA/FAST TRACK and Food Safety

ISSUE:

Recent Congressional attacks on the NAFTA and Fast Track authority have been fueled by press reports on the hepatitis A outbreak in Michigan attributed to Mexican strawberries, a cyclospora infection traced to imported Guatemalan raspberries. As Hudson Foods' E. Coli hamburger recall and the Sutton Place Gourmet pesto contamination demonstrate, food safety is a domestic issue, not a trade issue.

POINTS TO MAKE:

- Recent data from the Food and Drug Administration do not substantiate the charge that food-borne illness has increased because of expanded trade through NAFTA.
- In fact, the FDA reported a 12% decrease in the detention rate of Canadian origin food products and a 30% drop in the detention rate for Mexican-origin products compared with 1995. Indeed, it should be further emphasized that the majority of the products that were detained were found not to be in violation of US standards and were held up temporarily because of very stringent US entry procedures.
- During 1995 and 1996, the total number of pest detections by APHIS at US points of entry dropped by almost 10,000. This drop clearly shows that increased trade in agricultural goods has not increased the risks to US animal and plant health.
- In order to protect U.S. animal and plant health from imported pests and disease, APHIS has increased funding for inspections 78% and added 44% more personnel since 1990.
- On August 29, Secretary Glickman announced he would seek enhanced powers to require recall of food and agricultural products which could pose a danger to public health.
- The Department of Health and Human Services and the FDA are proposing legislation (The Food Safety Enforcement and Enhancement Act(s)) to strengthen food safety enforcement within the United States.

What is the Administration doing to reduce the incidence of food borne illness?

○

- In May, Vice President Gore announced a five point plan to increase the safety of the nations food supply. The $43.2 million plan, "Food Safety From Farm to Table", was developed by the Departments of Agriculture, HHS, and FDA. Working with state and local officials, the food industry, scientists, consumer and producer groups, these federal agencies will build on previous Administration steps to modernize the nation's food safety programs. Among the plan's provisions:

  - Build an "Early Warning System" to detect and respond to outbreaks of food-borne illnesses earlier and collect data to help prevent future outbreaks.

  - The Administration requested $ 8.5 million to hire new inspectors to bolster monitoring of seafood, fruits and vegetables, and egg products.

  - Ensure compliance with the seafood, meat and poultry Hazard Analysis and Critical Control Points (HACCP pronounced "Hasip") regulations. These regulations include specific provisions related to imported foods, to prevent food safety hazards before the product enters the marketplace.

  - USDA, FDA and EPA are conducting research to find more efficient ways of testing for food bome hazards like Campylobacter, Salmonella, E. Coli, hepatitis A, mycotoxins and marine toxins in food. $16.5 million has been targeted to these critical research needs.

  - An unprecedented public education campaign was launched by industry, consumer groups and the Vice President in May.

If asked about Guatemalan raspberries only:

- The outbreak of cyclospora due to Guatemalan raspberries would not have been avoided even with 100% inspection. Phytosanitary and food safety health inspection procedures cannot detect cyclospora. In fact, cyclospora outbreaks occur in domestic produce as well.

If asked about the frozen strawberries only:

- The source of contamination for the frozen strawberries originally imported from Mexico is unknown. The Centers for Disease Control and Prevention, the US Food and Drug Administration, the California Department of Health, and the California Department of Food and Agriculture are still conducting an investigation to determine whether the strawberries were contaminated in Mexico, the US processing plant or some other location. (Still fact checking this bullet).

BACKGROUND:

U.S. Small Business Administration

SBA

Championing America's Entrepreneurs

Fax Transmission Cover Sheet

To: DAVID BEAUBOIRE

Organization: CABINET AFF.

Telephone:

Fax: 456-6704

Date:

Time:

Number of Pages (including this page):

From: GENE CARLSON

Office: SBA

Telephone: 205-6664

Fax: 205-6818

Message: WE'D LIKE TO RELEASE THIS WED LATE MORNING. THE ADMINISTRATOR LEAVES FOR OTTAWA EARLY AFTERNOON.

THANKS

GENE CARLSON

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Has 7,000 private sector lenders as partners providing their capital to small business?

Has increased its venture capital program with more private capital in the past two years than in the previous 15 years combined?

Provides loan guarantees and technical assistance to small business exporters through U.S. Export Assistance Centers in 15 cities?

Can be contacted through the SBA Home Page on the Internet (http://www.sba.gov)?

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Are the principal source of new jobs?

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SBA Form 959 (2/97) Previous editions obsolete.

DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

BUSINESS EXPORTERS GROUP SUPPORTS RENEWAL OF PRESIDENT'S TRADITIONAL TRADING AUTHORITY

WASHINGTON – The Small Business Exporters Association (SBEA) informed the Clinton Administration today that it strongly supports renewal of the President's traditional trading authority.

SBEA President Martin E. Duggan made the decision after discussion with Aida Alvarez, Administrator of the U.S. Small Business Administration (SBA). The discussion took place prior to Administrator Alvarez' departure for Ottawa, where she is leading the U.S. business and government delegation to the Asia-Pacific Economic Cooperation (APEC) Ministerial meeting on Small and Medium Enterprises.

Administrator Alvarez and Mr. Duggan each stressed the importance for small companies of reestablishing the President's traditional trading authority, frequently referred to as "fast track."

Administrator Alvarez, a member of President Clinton's Cabinet, said: "Small exporters and companies new to exporting need to have a stable, and consistent U.S. trade policy backing up their efforts. These companies work very hard to establish themselves as reliable partners to their overseas customers. ~~Congress shouldn't jeopardize these developing relationships.~~"

(more)

"With 95 per cent of the world's population, and two-thirds of its purchasing power, located outside the United States, we need to continue to find creative ways to encourage small business to grow through exporting," Ms. Alvarez added.

Mr. Duggan said: "Our members may be small, but they often do big business overseas. There are companies that ship soft drink dispensing equipment and pre-fabricated housing to Russia. They export everything from grain to auto parts."

"After discussing this issue with Administrator Alvarez and my members, we decided that it's important for the Exporters Association to take a public stand."

Under the traditional trade authority that Congress has granted to every President since President Ford, the President can negotiate trade agreements with the understanding that the agreements are likely to be ratified by Congress without major changes. That authority hasn't been renewed by Congress since 1994.

Mr. Duggan's organization is the largest trade association in the U.S. exclusively representing small export companies. Mr. Duggan is also attending the APEC meeting in Ottawa.

APEC was formed in 1989 as a vehicle to promote economic cooperation, growth and community among 18 Asian and Pacific Rim nations. Canada is this year's APEC host nation for a series of ministerial-level conferences, culminating in a meeting of heads-of-state in Vancouver in November.

In Ottawa this week, Administrator Alvarez will address her counterpart ministers from other APEC member nations on financing problems that face small and medium-

(more)

sized enterprises. She'll also hold one-on-one meetings with the small business ministers from China, Korea, Taiwan, Mexico, Canada, Malaysia, Chile, and Chinese Taipei (Taiwan).

The SBA supports Export Working Capital Loans and International Trade Loans through its main guaranteed loan program. The agency also supports 17 Export Assistance Centers around the country in cooperation with the Commerce Department and the U.S. Export-Import Bank.

Small businesses exported about $180 billion in goods and services in 1996, or about 29 per cent of total U.S. exports, according to the U.S. Department of Commerce. The number of exporting firms in the U.S. increased by almost two-thirds from from1987 to 1992, to 113,000 businesses. It's estimated that 108,000 of these firms are small businesses.

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DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

Is this OK to go out?
D. Beaubaire 62572

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U.S. Small Business Administration

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Championing America's Entrepreneurs

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Fast Track: In the National Interest of the United States:

FAST TRACK MEANS: IMPROVING OUR STANDARD OF LIVING

- The Economy is Strong. The President's economic strategy of cutting the deficit, investing in education and training and opening markets abroad is working. America has enjoyed the longest period of sustained growth in a generation— 25% of which was produced by exports. The result: 12 million new jobs, unemployment at 5%, inflation the lowest in a generation.
- Our Future Prosperity Depends on Trade. 96% of the world's consumers live outside the US. The global economy will grow at three times the rate of the US economy. The American people need fast track to negotiate smart new trade agreements that keep us competitive, expand our exports, create more jobs, and raise our standard of living.
- Staying on the Fast Track. By knocking down trade barriers and creating news jobs, President Clinton will use fast track to keep America's economic expansion on the global fast track.

FAST TRACK MEANS: CREATING MORE JOBS

- Knocking Down Barriers. The President will keep knocking down barriers to American products and services because that strategy is working for the American people. The US is once again the world's largest total exporter, the largest producer of semiconductors, and the largest producer of automobiles. Exports support 11 million American jobs, including one in five manufacturing jobs, and over the past four years, one-quarter of our economic growth came from trade and exports.
- Sectoral Agreements. The President will negotiate agreements in sectors where the US is most competitive: medical equipment, telecommunications, environmental technology and agriculture.
- Regional Free Trade Agreements. The President will open markets in Asia, Latin America, and Africa to US goods and services.
- Free and Fair Trade. The President supports raising labor standards, protecting the environment and ensuring through aggressive worker retraining and increased educational opportunities that no American is left out of the global economy.

FAST TRACK MEANS: MAINTANING AMERICA'S GLOBAL LEADERSHIP

- Staying On Top. As we prepare the American people for the challenges of the 21st century, we face a critical choice: Embrace the global economy and continue to shape it to America's advantage, or turn back and fail to compete for new contracts, new business or new job opportunities.
- Lead or Be Left Behind. Since 1992, in Latin America and Asia other countries have reached more than 20 preferential agreements without the United States. Lack of leadership will let barriers block American products and deny American workers the opportunity to increase their prosperity.
- Bipartisanship. Every President since Ford has had fast track authority. Congress has consistently recognized the President must have the authority to break down foreign trade barriers and a bipartisan majority of the United States Congress has consistently supported American leadership in opening markets and creating jobs.

Fast Track Talking Points:

GENERAL POINTS

- Fast track authority is in the national interest of the United States. America's economic strength and standard of living is linked to knocking down trade barriers, exporting our goods and services, and creating more high skilled jobs.

- Fast track is a prerequisite to US negotiating credibility and without it, the President cannot assure our negotiating partners that the deal they strike is the deal that will be voted on by Congress. Without that assurance, foreign governments are reluctant to negotiate with the United States.

- As we prepare the American people for the challenges of the 21st century, we face a critical choice: We can embrace the global economy and continue America's economic expansion, or we can turn our back on the world and fail to compete for new contracts, new markets, new business or new job opportunities.

- Every President since Ford, Republican and Democrat, has had fast track authority. Congress has consistently recognized the President must have the authority to break down foreign trade barriers and a bipartisan majority of the United States Congress has consistently supported American leadership in opening markets and creating jobs.

- The President supports raising labor standards, protecting the environment and ensuring through aggressive worker retraining and increased educational opportunities that no American is left out of the global economy

THE RECORD IS CLEAR

- President Clinton's economic strategy of deficit reduction, investing in our people through education and training, and opening markets to our goods and services has created the largest economic expansion in a generation.

- The American people have enjoyed the longest period of sustained growth of all our G-7 partners--seven years as of last March. The US economy has created 12 million new jobs, the unemployment rate is 5%, core inflation is at a 30 year low, and the value of the stock market has doubled since 1993.

- The United States is once again the world's largest exporter, the largest producer of semiconductors, and the largest producer of automobiles. Independent studies have found America to be the most competitive economy in the world for the past five years.

- Over the last four years, American manufactured exports rose by 42%, high technology exports jumped 46%, service exports climbed 26% and farm exports rose 43%.

- US industrial production has increased by 18% in real terms between 1992 and 1996, while Japan's has risen just 8% and Germany's declined by 1%.

- No country is better positioned to compete than the United States. To maintain the standard of living of the American people, President Clinton needs fast track authority to continue America's record economic expansion.

STAYING ON THE FAST TRACK: CREATING AMERICAN JOBS

- Over the past four years, one-quarter of our economic growth has come from overseas trade and US exports have created 1.4 million new American jobs. Fast track will help this trend continue.

- In addition, 11 million total American jobs are supported by exports, including one in five manufacturing jobs--paying 13-16% more than non-trade related jobs.

- Over the next decade, the global economy is expected to grow at three times the rate of the US economy. Growth will be particularly powerful in the world's emerging markets.

- In a world where over 96% of the world's consumers live outside of the United States, we must export our goods and services to sustain our standard of living at home. To stay on the global fast track, the American economy needs fast track authority.

MAINTAINING AMERICA'S STANDARD OF LIVING

The rapidly expanding global economy presents enormous potential for American companies and workers:

- <u>Sectoral Agreements</u>: The President would negotiate agreements in sectors where the US is most competitive. From medical equipment, environmental technology, telecommunications to high tech computers, the President will tear down more barriers to American exports. For example, the recent Information Technology Agreement eliminated tariffs and unshackled $500 billion of trade in semiconductors, computers, telecommunications equipment and software, amounting to a $5 billion tax cut in tariffs on American exports.

- <u>Agriculture</u>: The President would use fast track authority for negotiations to cut barriers in the $536 billion global agriculture market that will attack such practices as export subsidies and domestic support programs.

- <u>Services</u>: A $1.2 trillion global market—where US firms exported more than $220 billion in 1996 with a surplus of $74 billion. The President would address a wide range of service sectors, including health care, education, entertainment, tourism and business consulting and advertising.

<u>Regional Free Trade Agreements</u>

- Asia: Asia has the fastest growing economies in the world, with nearly 3 billion consumers. Forecasters expect real growth of 6-7% annually for the next 15 years. In APEC, the President is working to reach agreement in key sectors that could open these markets to America's goods and services.

- Latin America/Caribbean: The Latin American market is the fastest growing area for US exports in 1996. If this trend continue, Latin America and the Caribbean will exceed the EU as the top destination for US exports by 2000 and exceed Japan and the EU combined by 2010. The President is committed to the Free Trade Area of the Americas and Chile would be our first step in this process.

- Africa: Working with Congress, the President recently launched an Africa trade initiative to foster stronger economic prosperity in Africa and create new markets to American products. Africa's nations are joining the march toward freedom and open markets with Sub-Saharan Africa having 700 million potential consumers. Yet the United States supplies only 7% of Africa's imports. When ready, the President would explore free trade negotiations with South Africa.

AMERICAN LEADERSHIP

- Over 50 years of persistent American leadership has helped bring down global barriers to America's products--falling from an average 40% at the end of World War II to about 5% today. This has lead to a 90-fold increase in global trade.

- As the world's sole superpower, we simply cannot turn our back on the global economy. The United States exports more products and services than any country in the world and trade provided more than one-fourth of our economic growth over the past four years. Without fast track authority, the United States will lose our strong competitive advantage, erode our growing economic expansion and miss the opportunity to increase our exports and create more job opportunities.

THE PRICE OF INACTION:

- America's failure to participate in shaping the global trading system will allow our competitors to negotiate preferential trade arrangements, form strategic relationships excluding the United States and create new exclusive trade alliances. The United States must not abdicate its global leadership to the detriment of the American economy.

- Since 1992, in Latin America and Asia alone, our competitors have negotiated 20 free trade pacts excluding the United States.

- Today every major economy in this hemisphere has a preferential trade deal with Chile except the United States. This gives our competitors an 8% across-the-board tariff advantage for their products, which means American companies must sell to Chile with an immediate 8% cost disadvantage.

- For example, Canada's Northern Telecom won a $180 million telecommunications contract over three US companies in part because it could avoid paying $200 million worth of tariffs.

- MERCOSUR (Argentina, Brazil, Paraguay, Uruguay) wants to expand its agreements to include all of South America.

- China has targeted Mexico, Argentina, Brazil, Chile and Venezuela as "strategic priorities" in Latin America.

- ASEAN is forming a trade area that will include 400 million people. President Menem recently suggested a MERCOSUR-ASEAN FTA--an agreement that would encompass over 600 million people and severely disadvantage key US sectors.

- The EU has begun a process to reach a free trade agreement with Brazil, Argentina and other MERCOSUR countries and President Chirac has declared "Latin America's essential economic interests...lie not with the United States but with Europe."

FAST TRACK IS NOT ABOUT NAFTA:

- This debate is not about NAFTA. Fast track authority will allow the President to knock down trade barriers and negotiate a broad array of trade agreements--from sectoral agreements on medical equipment and telecommunications to regional agreements in Asia, Africa and Latin American to eliminating global barriers in the WTO. The debate over fast track is about embracing the opportunities of the global economy to create jobs, expand exports, and maintain America's standard of living.

RAISING LABOR STANDARDS AND PROTECTING THE ENVIRONMENT

- Opening foreign markets does not mean retreating from our commitment to labor and the environment. The President is committed to promoting worker rights and ensuring that economic growth does not come at the expense of a clean and healthy environment. Failing to engage the world's markets will not improve worker rights or protect the environment—but through dialogue and engagement these issues will be addressed.

STAYING ON THE FAST TRACK

- Fast track authority is in the overriding national interest of the United States. America's economic strength and standard of living are linked to breaking down trade barriers, exporting our goods and services, and creating more high-skilled jobs.

- This debate is also about American leadership. As the American people prepare for the challenges of the 21st century, we face a critical choice: We can embrace the global economy, write the trade rules, and continue America's economic expansion, or we can turn our back on the world and fail to compete for new markets, new contracts, new business and new job opportunities.

- The President must have the authority to break down foreign trade barriers. Every President since 1974-- Republican and Democratic---has had fast track authority. A bipartisan majority of Congress has consistently supported initiatives to open markets and create jobs. At stake in this debate is both Presidential leadership and a bipartisan consensus on US trade policy.

- Fast track gives the US the credibility to negotiate tough trade deals because our partners know any agreement will not be reopened provision-by-provision by the Congress. Fast track also preserves for the Congress the ultimate decision of whether any potential agreement is good or bad for America. That assurance puts American in the best position to negotiate major trade agreements and maintains a balance that has worked for over 20 years.

- As we increase our trade, the President is committed to raising labor standards and protecting the environment around the world and ensuring through aggressive worker retraining and increased educational opportunities that no American is left out of the global economy

MAINTAINING OUR STANDARD OF LIVING

- Opening markets to US goods and services has been critical to our economic expansion.

- President Clinton's economic strategy of deficit reduction, investing in our people through education and training, and opening markets to our goods and services has created the largest economic expansion in a generation.

- The American people have enjoyed the longest period of sustained growth of all our G-7 partners--seven years as of last March. The US economy has created 12 million new jobs, the unemployment rate is 5%, core inflation is at a 30-year low.

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- The United States exports more products and services than any country in the world and trade provided more than one-fourth of our economic growth over the past four years.

- Over the last four years, American manufacturing exports rose by 42%, high technology exports jumped 46%, service exports climbed 26% and farm exports rose 43%.

- No country is better positioned to compete than the United States. We have every reason to have confidence in our economy, in our companies and workers and in our capacity to compete and win. Fast track is a test of that confidence—and a prerequisite for seizing the trade opportunities before us around the world.

CREATING MORE AMERICAN JOBS

- Over the past four years, more than 25% of our economic growth has come from overseas trade and US exports have created 1.4 million new American jobs. Fast track will give us the chance to continue this trend.

- In addition, 11 million total American jobs are supported by exports, including one in five manufacturing jobs--paying an average of 13-16% more for non-management workers than non-trade related jobs.

- Over the next decade, the global economy is expected to grow at triple the rate of the US economy. Growth will be particularly strong in the world's emerging markets, where demand for American goods and services are taking off.

- In a world where over 96% of the world's consumers live outside of the United States, we must export our goods and services to sustain our standard of living at home. To stay on the global fast track, the President needs fast track authority.

BREAKING DOWN TRADE BARRIERS

The expanding global economy presents enormous potential for American companies and workers:

- <u>Sectoral Agreements</u>: The President would use fast track authority to negotiate agreements in sectors where the US is most competitive. From medical equipment and services, environmental technology and services, telecommunications to high tech computers, the President will tear down more barriers to American exports. For example, the recent Information Technology Agreement eliminated tariffs and unshackled $500 billion of trade in semiconductors, computers, telecommunications equipment and software, and according to industry estimates, amounts to a $5 billion tax cut in tariffs on American exports.

- <u>Agriculture</u>: The President would use fast track authority for negotiations to reduce barriers in the $536 billion global agriculture market that will attack such practices as export subsidies.

- <u>Services</u>: The service sector represent a $1.2 trillion global market—where US firms exported more than $220 billion in 1996 with a surplus of $73 billion. We have the opportunity to open a wide range of service sectors, including health care, education, entertainment, tourism and business consulting and advertising.

Regional Free Trade Agreements

- Asia: Asia has one of the fastest growing economies in the world, with nearly 3 billion consumers. Forecasters expect real growth of 6-7% annually for the next 15 years. With our APEC partners, the President is working to reach agreement in key sectors that could open these dynamic markets to America's goods and services and keep the free trade process going.

- Latin America/Caribbean: The Latin American market including Mexico is the fastest growing area for US exports. If this trend continues, Latin America and the Caribbean will exceed the European Union as a market by 2000 and exceed Japan and the EU combined by 2010. The President is committed to moving forward toward a Free Trade Area of the Americas by 2005. Negotiating a free trade agreement with Chile is the next critical step in this process.

- Africa: Working with Congress, the President recently launched an African trade initiative to foster stronger economic prosperity in Africa and create new markets to American products. Africa's nations are joining the march toward freedom and open markets--Sub-Saharan Africa alone has 700 million potential consumers. Yet the United States currently supplies only 7% of Africa's imports.

AMERICAN LEADERSHIP IN THE WORLD

- Half a century of determined American leadership has led to a 90-fold increase in global trade and helped bring down global barriers to America's products--falling from an average 40% at the end of World War II to about 5% today. Our leadership of the global economy has served America's interest—and the world's.

- As the sole remaining superpower, the United States has a fundamental national interest in contributing to stability and security around the world. A more prosperous world will be a more peaceful world—a world more hospitable to American interests and ideals. By opening markets, fast track authority will contribute to global as well as American prosperity—it will reinforce the common interest that diverse countries and regions share in sustaining that prosperity.

- America's failure to participate in shaping the global trading system will allow our competitors to negotiate preferential trade arrangements, form strategic relationships excluding the United States, and create new exclusive trade alliances. The United States cannot abdicate its global leadership to the detriment of the American economy.

- This debate must not be about the past but about the opportunities for the future. Fast track authority will allow the President to knock down trade barriers and negotiate a broad array of trade agreements--from sectoral agreements on medical equipment and telecommunications to regional agreements in Asia, Africa and Latin American to eliminating global barriers in the

WTO. The debate over fast track is about embracing the opportunities of the global economy to create jobs, expand exports, and maintain America's standard of living.

- Opening foreign markets does not mean retreating from our commitment to labor and the environment. The President is committed to promoting worker rights and ensuring that economic growth does not come at the expense of a clean and healthy environment. Walking away from the world's markets will not improve worker rights or protect the environment—but through dialogue and engagement these issues can be addressed.

THE PRICE OF INACTION

- Other countries are breaking down trade barriers and moving forward in creating competitive trading relationships to the disadvantage of US companies and workers. It is in the national interest of the American people to stay engaged in the global economy.

- Since 1992, in Latin America and Asia alone, our competitors have negotiated 20 free trade agreements that exclude the United States.

- Today every major economy in this hemisphere has a preferential trade deal with Chile except the United States. This gives our competitors an 11% across-the-board tariff advantage for their products, which means American companies must sell to Chile with an immediate 11% cost disadvantage.

- Similarly, US corn producers are at a competitive disadvantage in Chile compared to Argentinean corn producers because of a preferential agreement which gives Argentina a 3.3% tariff preference which will soon increase to 11%.

- MERCOSUR (Argentina, Brazil, Paraguay, Uruguay) wants to expand its agreements to include all of South America a move which would disadvantage American businesses.

- China has targeted Mexico, Argentina, Brazil, Chile and Venezuela as "strategic priorities" to expand bilateral trade in Latin America

- The EU has begun a process to reach a free trade agreement with Brazil, Argentina and other MERCOSUR countries. President Chirac recently declared "Latin America's essential economic interests...lie not with the United States but with Europe."

Fast Track: In the National Interest of the United States

FAST TRACK MEANS: IMPROVING OUR STANDARD OF LIVING

- Keeping the Economy on the Fast Track. By breaking down trade barriers and creating new jobs, the President will use fast track authority to keep America's economic expansion on the global fast track.
- The Economy Is Strong. The President's three-part economic strategy of cutting the deficit, investing in education and training, and opening markets abroad is working. America has enjoyed the longest period of sustained growth in a generation— one-third of which was produced by exports since 1993. The result: 12 million new jobs, unemployment at 5%, inflation the lowest in a generation.
- Our Future Prosperity Depends on Trade. 96% of the world's consumers live outside the United States. The global economy will grow at three times the rate of the US economy. America needs fast track to seize opportunities to negotiate fair new trade agreements that will keep us competitive, expand our exports, create more jobs, and raise our standard of living.

FAST TRACK MEANS: CREATING MORE JOBS

- Breaking Down Barriers. The President will keep breaking down barriers to American products and services because that strategy is producing positive results for companies and workers. America is once again the world's largest total exporter, the largest producer of semiconductors, and the largest producer of automobiles. Exports support 11 million American jobs, including one in five manufacturing jobs and over the last four years have created 1.4 million new jobs.
- Sectoral Agreements. The President needs the flexibility to negotiate agreements in sectors where the United States is most competitive: such as agriculture, medical equipment, telecommunications, and environmental technology.
- Regional Free Trade Agreements. With this authority, the President is determined to continue opening markets in Asia, Latin America, and Africa to US goods and services.
- Free and Fair Trade. The President supports raising labor standards, protecting the environment and expanding worker retraining and educational opportunities to ensure that no American is left out of the global economy.

FAST TRACK MEANS: MAINTANING AMERICA'S GLOBAL LEADERSHIP

- Compete or Retreat. As the American people prepare to meet the challenges of the 21st century, we face a critical choice: Embrace the global economy and continue to shape it to America's advantage, or turn back and fail to compete for new business, new contracts, and new jobs.
- Credibility. Fast track gives the US the credibility to negotiate tough trade deals because our partners know any agreement will not be reopened provision-by-provision by the Congress. Fast track also preserves for the Congress the ultimate decision of whether any potential agreement is good or bad for America. That assurance puts American in the best position to negotiate major trade agreements and maintains a balance that has worked for over 20 years.
- Continued Bipartisanship. Every President since 1974--Republican and Democratic--has had fast track authority. Congress has consistently recognized that the President must have the authority to break down foreign trade barriers, and a bipartisan majority of the United States Congress has consistently supported American leadership in opening markets and creating jobs.

August 21, 1997

Note For Vicki Radd

From: David Beaubaire

Attached is the list of ~~what~~ events the Cabinet have currently planned for the days immediately following the President's September 10th Fast Track Event. Once we have further direction from the different White House offices as to additional travel, events, and media, that we want the Cabinet to do on these days we will work with the agencies to make this happen.

In addition, we are currently moving forward with Legislative Affairs in scheduling the various consultations meetings the Cabinet will have with the Members of Congess prior to September 10th, and we are working with Public Liaison to have strong Cabinet participation in the series of breifings they are conducting during the month of September.

I hope this helpful for your planning, please let me know if you have questions.

cc: T. Marshall
S. Silverman
B. Hubbard

lickman
Richardson

Michael Cohen
08/20/97 12:40:00 PM

Record Type: Record

To: Stephen B. Silverman/WHO/EOP

cc: See the distribution list at the bottom of this message
Subject: Re: Back-to-School/Education PSA Roll-OUT

A couple of reactions:

1. I don't think we should consider this for Sept. 8--we clearly need to save that date for a testing-related event that ties in with the Congressional battle that will be underway.

2. I've seen the video--it made me feel old. I too didn't recognize many of the players, and I'm clearly not hip enough to connect with the message. I assume it will play better with the kids to whom it is targeted. But--unlike the baseball PSA's which had broad (adult) appeal, this one doesn't. Therefore, I think we should be careful in how we associate POTUS with this, so it doesn't create the impression that he has bought into some hip but superficial and shallow education message.

Message Copied To:

Ann F. Lewis/WHO/EOP
Jennifer M. Palmieri/WHO/EOP
Rahm I. Emanuel/WHO/EOP
Katherine Hubbard/WHO/EOP
Kris M Balderston/WHO/EOP
David S. Beaubaire/WHO/EOP
Karen E. Skelton/WHO/EOP
Thurgood Marshall Jr/WHO/EOP

ROBERT T. MATSUI
FIFTH DISTRICT, CALIFORNIA

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON TRADE
RANKING DEMOCRAT

SUBCOMMITTEE ON HUMAN RESOURCES

WHIP AT LARGE

Congress of the United States
House of Representatives
Washington, DC 20515–0505

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2308 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–0505
(202) 225–7163

DISTRICT OFFICE:
8058 FEDERAL BUILDING
650 CAPITOL MALL
SACRAMENTO, CA 95814
(916) 498–5600

original given to Jerry

David -
FYI
- Jane

FAX COVER SHEET

(Sent from fax# 202-225-0566)

Please Deliver To: Jay Berm

Fax #: 456-2464 Date: Oct 9

From: The Office of Congressman Robert T. Matsui

Tom Keaney____
Shirley Queja____
Jim Bonham ____
Cynthia Johnson ✓
Karen Goldmeier____
Steve Mastorakos____
Howard Moon____
Dustin Painter____

Number of Pages (including cover sheet):____________

(If you do not receive all pages, or if they are not clear, please call 202-225-7163)

Comments:

Attached are
(1) USTR produced summary
(2) Republican Summary
(3) Gephardt ltr. and analysis -
we need at least 1 person to do paper response. Let's talk later if possible. Thanks -
Cy

The information contained in this facsimile is intended for the official and confidential use of the designated recipient named above. It may contain information that is privileged or confidential or exempt from disclosure under applicable law. If the reader of this disclosure is not the intended recipient or agent, you are hearby notified that you have received this document in error and that any further review, dissemination, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify Congressman Matsui's D.C. office immediately at (202) 225-7163.

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Ways and Means Fast Track Bill

The Ways and Means Compromise Addresses Key Concerns.
The bill ensures the President is able to pursue his three central objectives: 1) to break down unfair foreign trade barriers and create good American jobs; 2) to promote and advance worker rights; and 3) to promote responsible environmental protections.

- Principal Negotiating Objective Advancing Labor and Environment Goals. The bill includes the promotion of worker rights (including the rights of children) and protection of the environment as a principal negotiating objective of U.S. negotiators. It establishes for the first time the objective of ensuring that foreign governments do not derogate from or waive existing domestic environmental, health, safety or labor measures, including measures that deter exploitative child labor, to gain competitive advantage in international trade or investment.

- Worker Rights in the ILO/WTO. The bill also promotes worker rights and the environment by stating the President should pursue non-fast track agreements on various labor/environmental subjects in the ILO, WTO and other fora.

- Assistance for Dislocated Workers. The bill would contain reauthorization for trade adjustment assistance programs. It also specifically states that future trade agreement bills could contain adjustment assistance for workers and firms adversely affected by trade.

- Agriculture. The bill contains a specific detailed negotiating objective on agriculture that is designed to promote fairer and more open conditions of agricultural trade, with particular regard for import sensitive products.

- Better Consultations. It includes several provisions to require greater consultations with the Congress than ever before.

- Flexibility in Future Bills. The Ways and Means Committee bill also provides flexibility to include in future trade agreement implementing bills provisions "related to the operation or effect of the provisions of the trade agreement", as well as provisions that permit the U.S. to include assistance for dislocated workers or other provisions important for the U.S. to adjust to the effects of trade.

SUMMARY OF FAST TRACK DEAL

RESTRICTING PROVISIONS IN AN IMPLEMENTING BILL TO THE PRINCIPLE NEGOTIATING OBJECTIVES (Limiting Trade Agreements to Trade Issues)

Retained our provision that the provisions in a trade agreement implementing bill be "directly related to the principle trade negotiating objectives." This has been our formulation intended to ensure that non-trade issues are not included in trade agreements. I consider this the key substantive trade policy issue in the fast track debate, as it offers unprecedented protection in the fast track statute to keep unlimited environmental or labor policy goals from being advanced through inclusion in fast track trade bills.

LABOR AND ENVIRONMENT IN PRINCIPLE NEGOTIATING OBJECTIVES

Expanded the concept of trade and environment "directly related to trade" that are appropriate for inclusion in trade agreements. The original Archer mark considered labor and environmental policies acting as direct trade barriers as "directly related to trade." This agreement will add the concept of labor and environmental standards being reduced to entice investment or distort trade. This parallels the concept in the Senate bill.

MODIFIED "NECESSARY & APPROPRIATE" LANGUAGE

Accepted language similar to the Senate bill regarding the types of "extraneous" provisions that can be included in an implementing bill. Past fast tracks permitted any provision that was "necessary or appropriate," leaving an implementing bill open to essentially any provision "needed to get votes." The Archer mark restricted provisions to those "necessary" to implement an agreement, as well as provisions closely related to the agreement. This has been expanded to permit provisions "related" to the "effects of the provisions of the agreement."

The past fast track process opened the door wide open to extraneous provisions being attached to a bill on the fast track. The Archer version leaves the door 1 percent open. The Senate bill leaves the door 20 percent open. Our language leaves the door 19 percent open.

INCLUSION OF GENERAL POLICY OBJECTIVES IN BILL

Although not subject to fast track, the bill states that the President should pursue trade policies consistent with our environmental policies, respect for worker rights in multilateral forums including the ILO (does not mention WTO), and expanded intellectual property in forums outside of the WTO.

RICHARD A. GEPHARDT
MISSOURI
DEMOCRATIC LEADER

H-204 U.S. CAPITOL
202-225-0100

Congress of the United States
House of Representatives
Office of the Democratic Leader
Washington, DC 20515–6537

October 8, 1997

The Honorable Robert T. Matsui
2308 Rayburn House Office Building
Washington, D.C. 20515

Dear Bob:

Today the Ways and Means Committee is scheduled to mark up legislation to grant the President fast track trade negotiating authority. I am writing to urge you to vote against Chairman Archer's proposal.

The question isn't whether we trade. The question is what are the terms and who benefits. The Archer plan would continue to limit the ability to deal effectively with workers rights and environmental issues as part of trade agreements. Rather than being a force for progress, the Archer plan would validate the status quo.

Fast track is an extraordinary grant of Congressional power. Without the ability to fully debate and amend an agreement when brought back to Congress, we must be very specific about how we define "success." What's at stake are two very different competing ideological approaches to globalization.

The debate over fast track boils down to this: A majority of Democrats want proper treatment and enforcement of environmental and labor laws to be as integral to the negotiations as issues like intellectual property and protections for capital. We are demanding that people and the environment be given the same protections and enforcement in trade treaties as copyrights. Why is that considered an insurmountable hurdle? Because Republicans argue that the environment and workers rights rate less consideration than protecting intellectual property and therefore should not be part of an agreement.

Including and enforcing worker and environmental protections in the core treaty would help to begin to build a consuming class in the countries we're doing business with. It's the right thing to do — and it's economically smart. More people would be able to buy more of our products; we would abate the worldwide low-wage derby that threatens our standard of living and our middle class. Environmental enforcement would reduce global pollution. And companies wouldn't continue to chase low wages and lax environmental enforcement, exporting jobs overseas simply to reduce their costs.

Trade policy has to focus on more than short-term profits, no matter what the costs in terms of pollution, income distribution and social concerns. This is a decisive choice — and the alternative we're fighting for is truly freer trade and long-term prosperity in a world that respects human rights, workers rights and the environment. To achieve that, we have to expand the debate, not limit it to an unconditional fast track which is the wrong road to freer trade.

So far, the benefits of more open trade have not trickled-down to middle class citizens and workers struggling to get into the middle class. The profits of trade will not simply "trickle-down" to everyone. The experience with NAFTA, bears this out. The income gap in Mexico is increasing, not decreasing. A United Nations report describes the same phenomenon on a wider stage: "As trade and foreign investment have expanded, the developing world has seen a widening gap between winners and losers...The greatest benefits of globalization have been garnered by a fortunate few."

Bill Archer has argued that I will never support fast track. He's wrong. I will never support *his* fast track and I doubt that a majority of Democrats would. I've supported fast track in the past and am prepared to do so again. But the Archer plan is fatally flawed. It's bad for America.

I have attached a staff analysis of the specific flaws in the Archer plan. Let me, however, summarize them here:

- It specifically limits progress on labor and environmental issues. Action on these issues must be "directly related" to trade -- a term that the Congressional Research Service has said is *designed to "limit the President's discretion."* To quell any doubt, the Archer plan adds additional language requiring that action on labor and the environment must also be "necessary" to the operation of the trade agreement.

- A country could actually lower its labor and environmental protections if they benefit domestic and foreign companies and assist that country's "macroeconomic development."

- Efforts to promote labor and the environment would have to be dealt with outside of free trade agreements -- at the ILO -- and fast track would <u>not be</u> available for action on these issues.

- Consultations with the business community are now required as to whether labor and the environment should be dealt with in new trade agreements. Consultations with the Labor Sector Advisory Committee -- created under the law -- are excluded from this process under the Archer plan.

- It calls for new criminal penalties on intellectual property -- sound recordings, movies and the like -- but could allow child labor to continue.

These are just a few of the flaws in the Archer plan. I urge you to vote against it. We must not rush to pass fast track. Let's do what's in the best interests of our farmers, workers, consumers and businesses.

Yours very truly,

Dick Gephardt

Richard A. Gephardt

enclosure

RAG:mrw

Staff Analysis
Republican Fast Track Proposal
"Reciprocal Trade Agreement Authorities Act of 1997"
H.R. 2621
October 8, 1997

The greatest flaw is the limitation on the ability to enforce labor and environmental laws if they are viewed as fairly and equally applied or simply ignored. In essence, if a country refuses to enforce its labor and environmental laws against both domestic as well as foreign-owned firms, nothing is required under this proposal and, indeed, action would be prohibited under Archer's plan.[1]

And, the Archer plan indicates that if a country's policies can be excused simply because of their stage of economic development, that's fine. If they're a poor country, anything in the area of labor and the environment could be justified under the Archer plan as being acceptable.[2]

In terms of labor and the environment, the Archer plan limits the discretion of the negotiators to achieve results only on matters that are "directly related" to trade[3]. In analyzing similar language, the Congressional Research Service stated:

> *"The language in the bill contrasts with the previous fast-track authorization, which provided for fast-track consideration of provisions that are 'necessary and appropriate' to the President's discretion to negotiate trade agreements that include areas that are not specified in the fast-track authorization. The purpose of the proposed changes was to limit the President's discretion to negotiate trade agreements that include areas that are not specified in the fast-track authorization."*[4]

The Archer plan includes additional limiting language: Not only must the language be directly-related, but it also must now be necessary for the operation or implementation of the trade agreement. The President would be precluded from achieving more than allowed for under the Archer plan and having those provisions being considered under the fast track.[5]

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1 Section 102(b)(7).

2 Section 102(b)(7).

3 Section 102(b)(7).

4 "Fast track authority: Objectives for Future Trade Negotiations," Library of Congress, Congressional Research Service, Updated May 27, 1997 (CRS-97-229-E), Page 6.

5 Section 103(b)(3)(B).

The Archer plan would only allow for actions relating to governmental practices. Private sector actions to limit labor rights or environmental protections would not be addressed.[6]

Also, the Archer plan adds a new requirement that specifically gives the business community the ability to participate in determining how labor and environmental provisions are to be treated by the negotiators in each trade agreement. Labor and environment are put in a separate category where consultations are required with the private sector and the Ways and Means and Senate Finance Committees. These Committees -- on their own -- can preclude or limit negotiations on these matters. The legislation requires the President to consult with the business community. But the legislation eliminates the Presidentially-appointed Labor Advisory Committee, established under the law, from this consultation requirement.[7]

The Archer plan tries to artfully address the issue of child labor -- an issue that Democrats have demanded be addressed. Yet the Archer plan allows exploitative child labor to continue if it is continued on a "nondiscriminatory" basis and is "consistent with sound macroeconomic development." Thus, if a country wants to attract investment to stimulate its economy and allows child labor to continue for domestic and foreign firms, that would be allowed under the plan. And, progress on "exploitative child labor" is shuttled off to be dealt with at the International Labor Organization rather than being a subject of our trade negotiations under the fast track. It's specifically excluded from being eligible for fast track treatment.[8]

The Archer plan also goes farther than any previous fast track authority by requiring that intellectual property rights be aggressively enforced with the possibility of criminal sanctions being imposed.[9] And the Archer plan requires that any future trade agreement partner adopt standards at least as strong as those in the NAFTA for intellectual property.[10] Yet, in other areas, the proposal does not call for any standards.

---

6 Section 102(b)(7).

7 Section 104(a)(2)(A). The principal trade negotiating objective referred to as section 102(b)(7) is the negotiating objective relating to "labor, the environment, and other matters."

8 Section 102(b)(7)(B) and 102(c)(1)(C) as limited by Section 103(b)(3)(B).

9 Section 102(b)(4)(A)(iv).

10 Section 102(b)(4)(A)(i)(III).

The Archer plan could jeopardize our food safety by changing the standard by which we protect public health possibly requiring additional scientific justification for the measures food safety experts here in the U.S. have adopted to protect our citizens.[11]

The Archer plan accelerates a number of negotiations -- eliminating the historical Congressional evaluation of negotiating objectives and targets for each separate agreement. So, Congress' ability to address Chile's prohibition on the importation of U.S. wheat and enforcement of the Wine Equity Act, the current dumping of Chilean Salmon into the U.S. market, and other important sectoral issues, could be dramatically limited.[12]

The Archer plan limits the public's participation in the review of trade agreements. His plan allows the President to classify trade reports at his discretion. Previous language allowed the President to classify information only when necessary to protect national security or trade secrets.[13]

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11 Section 102(b)(6)(C)(iii).

12 Section 106 and, with reference to Chile, Section 106(a)(4).

13 Section 103(c)(4).

President Submits Legislation to Restore Traditional Trading Authority
Tuesday, September 16, 1997

Sensible Bipartisan Legislation. Today, President Clinton will submit legislation to Congress that restores the President's traditional authority to negotiate trade agreements and break down barriers to American exports. This negotiating authority legislation will help keep our economy on the right track and create good American jobs, while honoring our commitment to our workers and environment. We expect this legislation will garner the bipartisan support it deserves.

Open Trade is Critical to America's Continued Prosperity. The American economy is on the move again. The President's three-part economic strategy -- cutting the deficit to spur private sector investment, investing in critical priorities like education and training, and opening markets abroad -- is a proven success. Since President Clinton took office, the American economy has generated nearly 13 million new jobs, unemployment is below 5%, wages are up, and the deficit has been cut by more than 85%. America is in the midst of a longer period of sustained growth than any other major economy in the world; one-third of our growth depends on overseas trade.

American Exports Create Millions of High-Paying Jobs. Our aggressive export strategy has paid off for American companies and workers. America is once again the world's largest exporter, the largest producer of semiconductors, and the largest producer of automobiles. Exports support over 11.5 million jobs in the United States, including one in five manufacturing jobs. Over the last four years alone, exports have created 1.7 million new jobs -- jobs that typically pay 15 percent more than non-export-related jobs.

We Need To Keep Breaking Down Foreign Trade Barriers. To keep our economy on the right track, we need to give the President the power that every President since Ford has had to break down unfair foreign barriers to American exports. This legislation restores the President's power to negotiate agreements that will help American businesses compete and win.

Legislation Honors Our Commitment to America's Workers and Our Environment. As we expand trade, the President is committed to pursuing three objectives: (1) to break down unfair foreign trade barriers and create good American jobs; (2) to promote and advance worker rights; and (3) to promote responsible environmental protections. As we renew fast track authority, our goal has been to give the President an array of negotiating tools to advance those objectives and level the playing field for American workers in the trade deals:

- Trade Agreements. This bill permits labor/environmental provisions "directly related to trade" to be brought back to Congress under fast track authority.

- Side Agreements. The President has extensive executive authority to reach labor/environmental agreements with countries. We have already committed to conclude companion labor/environment agreements in future trade agreements where appropriate, and Chile has already agreed to enter such agreements.

- Other Agreements. This Administration has done more than any other to press countries to improve labor and environmental protection -- and we will continue to do so, whether through the ILO, the WTO, the UN, or international financial institutions. We should be concerned about improving conditions in all countries, not just in free trade partners.

President is Committed to Ensuring that Everyone Benefits from the Global Economy. President Clinton has always recognized that we have a special obligation to help low wage and dislocated workers. That's why he fought to raise the minimum wage, provide a more generous Earned Income Tax Credit, increase investment in training, and win new pension and health benefits for workers. That effort has already brought real results for low wage workers:

- Since the President's 1993 Economic Plan passed, the real average income of the poorest 20 percent of families has increased nearly $1,000 -- or 9.7 percent.
- In 1995 -- the most recent year data are available -- America saw its largest decline in income inequality and the biggest drop in the number of people in poverty in 27 years.

As trade helps America continue to prosper, the President will continue his fight to expand opportunities for dislocated and low wage workers.

Specific Provisions of the Bill Include:

- Authority to Open Markets: The bill gives the President authority to negotiate global, regional, sectoral and/or bilateral trade agreements, which would be brought back for Congressional approval under "fast track" procedures (extensive consultations, limited debate, no amendments). This authority is critical to give our negotiators the credibility they need to secure good agreements.

- Reaffirms Commitment to Labor/Environment: The bill includes a specific negotiating instruction to improve labor rights and environmental protection abroad (a first-ever reference to the environment in fast track legislation). Provisions in bilateral free trade agreements must be "directly related to trade," but the Administration may also seek side agreements, where appropriate.

- Pursues Trade Priorities: The bill contains negotiating objectives emphasizing key U.S. trading interests, such as agriculture, services, investment, intellectual property, and the need for the U.S. to preserve its health and safety laws and to vigorously enforce U.S. trade laws.

- Enhanced Congressional Consultations: We have added strong language to ensure Congress is a full partner in setting objectives and establishing trade priorities for American negotiators, including some provisions that have never before been included in fast track bills: (1) a requirement that the Administration inform Congress of its negotiating objectives for a specific agreement before negotiations begin; (2) a requirement that the Administration consult before signing a trade agreement about any parallel agreements, such as labor and environmental side agreements.

- Duration. Authority granted until 2001, with extension until 2005 only after a congressional vote.

David:

Do you think these groups would consider some type of resolution supporting Fast Track, that we might get some mileage out of.

— Pete

CABINET AFFAIRS ROUTING SLIP

DATE: 8/25

~~ACTION~~/CONCURRENCE/COMMENT DUE BY: ASAP
FOR APPROPRIATE ACTION:________
FOR YOUR INFORMATION:________

FROM: **DAVID S. BEAUBAIRE**
SPECIAL ASSISTANT TO THE CABINET SECRETARY
AND DIRECTOR OF SURROGATE SCHEDULING

SUBJECT: DALEY - FAST TRACK EVENT

COMMENTS: Is this important for him to do?

ERSKINE BOWLES	__1 FL WW	**RON KLAIN**	__276 OEOB
JOHN PODESTA	__1 FL WW	**DAVID LEAVY**	__331 OEOB
SYLVIA MATHEWS	__1 FL WW	**LISA LEVIN**	__106 OEOB
THURGOOD MARSHALL, JR.	__2 FL WW	**ANN LEWIS**	__G FL WW
GLYN DAVIES	__G FL WW	**JOE LOCKHART**	__G FL WW
DON BAER	__G FL WW	**LAURA MARCUS**	__1 FL WW
KRIS BALDERSTON	__160 OEOB	**JULIE MASON**	__103 OEOB
NICK BALDICK	__115 OEOB	**ANDREW MAYOCK**	__164 OEOB
BEVERLY BARNES	__1 FL WW	**MIKE MCCURRY**	__1 FL WW
MARSHA BERRY	__103 OEOB	**ANNE MCGUIRE**	__160 OEOB
LISA BERG	__281 OEOB	**LORRIE MCHUGH**	__1 FL WW
JILL BLICKSTEIN	__251 OEOB	**CHERYL MILLS**	__2 FL WW
ANTONY BLINKEN	__331 OEOB	**MONA MOHIB**	__106 OEOB
EMILY BROMBERG	__106 OEOB	**LINDA MOORE**	__115 OEOB
REBECCA CAMERON	__1 FL WW	**MINYON MOORE**	__115 OEOB
PHIL CAPLAN	__G FL WW	**JON MURCHINSON**	__170 OEOB
LAURA CAPPS	__196 OEOB	**JENNIFER PALMIERI**	__184 OEOB
DAWN CHIRWA	__130 OEOB	**MONA PASQUIL**	__115 OEOB
PEGGY CUSACK	__200 OEOB	**JULIA PAYNE**	__170 OEOB
LYNN CUTLER	✓106 OEOB	**CHIP PAYSON**	__184 OEOB
SUZANNE DALE	__2 FL WW	**NICOLE RABNER**	__100 OEOB
FRED DUVAL	__106 OEOB	**VICKY RADD**	✓115 OEOB
MARIA ECHEVESTE	__2 FL WW	**BRUCE REED**	__2 FL WW
RAHM EMANUEL	__1 FL WW	**DAN ROSENTHAL**	__185½ OEOB
SKY GALLEGOS	__111½ OEOB	**STEFANIE SANFORD**	__160 OEOB
JASON GOLDBERG	__1 FL WW	**STEVE SILVERMAN**	__160 OEOB
JULIA GREEN	__1 FL WW	**KAREN SKELTON**	__115 OEOB
LARRY HAAS	__253 OEOB	**CRAIG SMITH**	__1 FL WW
BILL HALTER	__356 OEOB	**PATTI SOLIS-DOYLE**	__185½ OEOB
JOHN HART	__106 OEOB	**GENE SPERLING**	__2 FL WW
NANCY HERNREICH	__1 FL WW	**DOUG SOSNIK**	__1 FL WW
JOHN HILLEY	__2 FL WW	**ELISABETH STEELE**	__2 FL WW
RUSSELL HORWITZ	__2 FL WW	**TODD STERN**	__G FL WW
BIBB HUBBARD	__160 OEOB	**STEPHANIE STREETT**	__G FL WW
MARK HUNKER	__2 FL WW	**GINNY TERZANO**	__273.5 OEOB
MICKEY IBARRA	__2 FL WW	**KIM TILLEY**	__287 OEOB
RONDA JACKSON	__160 OEOB	**BARRY TOIV**	__G FL WW
CYNTHIA JASSO-ROTUNNO	__115 OEOB	**MICHAEL WALDMAN**	__196 OEOB
BEN JOHNSON	__122 OEOB	**PAUL WEINSTEIN**	__214 OEOB
ANSLEY JONES	__281 OEOB	**DAN WEXLER**	__117 OEOB
ELENA KAGAN	__2 FL WW	**BILL WHITE**	__111½ OEOB
JONATHAN KAPLAN	__235 OEOB	JAY BEAMAN ✓	OEOB
		JEFF FORBES ✓	EW/WH
		PETER O'KEEFE ✓	OEOB 117
		CHERI CARTER ✓	OEOB 116

CITY OF FOUNTAINS
HEART OF THE NATION
KANSAS CITY
MISSOURI

Office of the Mayor

Emanuel Cleaver II, Mayor

29th Floor, City Hall
414 E. 12th St.
Kansas City, Missouri 64106-2778

(816) 274-2595
Fax: (816) 274-1991

August 8, 1997

The Honorable William M. Daley
U.S. Secretary of Commerce
U.S. Department of Commerce
14th Street between Pennsylvania & Constitution
Washington, D.C.

Dear Mr. Secretary:

Thank you once again for the video you taped for the *First Summit of Mayors* held last April in Monterrey, Mexico. I very much appreciated your support of this important initiative. I would also like to commend the outstanding assistance of Ms. Susan Levine in your office for her facilitation of the videotaping.

The *Second Summit Of Mayors To Promote The International Trade Corridor Partnership* will take place in the United States. It will be held here in Kansas City, Missouri on September 26, 1997. I, along with seven other Mayors from the United States, Mexico and Canada are sponsoring the Summit. Presidents Clinton and Zedillo, along with U.S. Secretary of Transportation Slater and Secretario de Comunicaciones and Transporte Ruiz, have been officially invited to join us for the Summit, as well.

I realize that you have an outstanding invitation to participate in the 1997 Midwest U.S.-Japan Association Conference scheduled for early September here in Kansas City. Although I fully support the conference, I would like to provide you with yet another worthwhile opportunity to join us in our fair city! Since the *Summit of Mayors* partnership focuses on enhanced economic development and trade opportunities within our North American communities, we believe that your vision of international commerce would be of great benefit to the event. Of course, we will accommodate your schedule but hope that you will be able to open the Summit or participate in a panel discussion with your counterparts from Canada and Mexico during the morning of September 26th.

As a result of the *First Summit of Mayors*, a partnership was established through an *Agreement of Intention* signed by approximately ninety Mayors from México, the United States and Canada. The objective in September is to further the mission of establishing a partnership of North American communities linked by an international trade corridor through a commitment of resources and communications for sustainable economic development.

Joining me in sponsoring the Summit are Mayors Ronald Kirk of Dallas, Ronald Norick of Oklahoma City, Robert Knight of Wichita, Adalberto Nuñez of San Nicolás de los Garza, Cesar Coll of Guadalajara, José Luis Durán Reveles of Naucalpan, and Susan Thompson of Winnipeg. We are convinced that through this international trade corridor partnership, our cities, states and countries will be able to move forward in a collaborative and strategic manner to implement identified economic development and trade priorities.

This initiative incorporates highway, air, rail and sea linkages among our three countries. In addition to the TransCanada and 401 Quebec City-to-Windsor highways in Canada, and the Pan-American Highway in México, the International Trade Corridor Partnership includes all or portions of the following U.S. interstates: I-29; I-35; I-44; I-45; I-55; I-69; I-70; and I-94. From north-to-south, the route ranges from Winnipeg, Windsor and Quebec City on the northern end to Mexico City and Guadalajara on the southern end. From east-to-west, this trade corridor system branches as far west as Denver and as far east as Indianapolis. The following thirteen states are included in this system: Missouri; Kansas; Texas; Oklahoma; North Dakota; South Dakota; Nebraska; Iowa; Illinois; Michigan; Indiana; Minnesota and Colorado.

Over three-hundred and fifty Mayors from North America have been invited to participate at the Summit. We have further requested that each city bring a team of technical advisors (knowledgeable in the areas of transportation, technology, international law, education, and city-to-city-alliances) to participate during focused work sessions. Through the participation of cities impacted by this international trade system, we will create a strong network of communities working together towards mutually beneficial goals.

Enclosed is a copy of the original *Agreement of Intention* which fully articulates the mission and objectives of this initiative. I have also included a copy of our tentative agenda for your use.

Thank you for your thoughtful consideration of this request. We look forward to hearing how you will be able to participate in the *Second Summit Of Mayors To Promote The International Trade Corridor Partnership*.

Sincerely,

Emanuel Cleaver

Emanuel Cleaver II

Enclosures

cc: Mr. Paul Donovan, Chief of Staff

SECOND SUMMIT OF MAYORS TO PROMOTE THE INTERNATIONAL TRADE CORRIDOR PARTNERSHIP

Tentative Agenda

September 25-27, 1997

Thursday, September 25, 1997:

5:00-9:00 p.m.	-	Registration in hotel lobby/Westin Crown Center
6:00-7:00 p.m.	-	Private reception with Mayors & Sponsors
7:00-9:00 p.m.	-	General Welcoming Reception at Milano's/Crown Center

Friday, September 26, 1997:

7:30-9:00 a.m.	-	Buffet breakfast at Bartle Hall Conference Center
7:30-9:00 a.m.	-	Registration at Bartle Hall Conference Center
9:00-9:15 a.m.	-	Welcoming Remarks by Mayor Emanuel Cleaver, etc.
9:15-9:45 a.m.	-	Submission of Recommendations from 1st Summit
9:45-10:45 a.m.	-	Sponsoring Mayors Panel (success stories/regional progress)
10:45-11:00 a.m.	-	Coffee Break
11:00-12:00	-	Trade Corridor Panel Discussion
12:00-12:30	-	Midwest Research Institute - Impact Study Presentation
12:30-12:55	-	Signing of Agreement of Intention
12:55-1:25	-	Sponsoring Mayors Press Conference
12:55-2:25p.m.	-	Luncheon with Federal Government Level Speakers
2:25-2:50	-	Group Photo
2:50-6:00	-	Mayors' Tour of MRI/CEO Roundtable/Work Session
2:50-6:00	-	Work Sessions (Technical Teams)
8:00-10:30	-	Closing Ceremony/Dinner at Ritz-Carlton Hotel

Saturday, September 27, 1997:

9:00a.m.-12:00	-	Optional Tours
1:00-4:00p.m.	-	Optional Tours
7:00-10:00 p.m.	-	Community Concert (tentative)

morning - plenary
press conference for
signing
lunch
dinner.

Sunday, September 28, 1997:

3:00-6:00 p.m.	-	Kansas City Chiefs v. Seattle Seahawks

Fast Track Cabinet Team in Washington, DC

Monday, September 22	Barshefsky, Raines, Yellen
Tuesday, September 23	Barshefsky, Raines, Yellen
Wednesday, September 24	Barshefsky, Raines, Yellen
Thursday, September 25	Alvarez, Barshefsky, Browner, Daley, Glickman, Herman, Raines, Yellen
Friday, September 26	Alvarez, Barshefsky, Browner, Daley, Glickman, Herman, Raines, Yellen
Saturday, September 27	Alvarez, Barshefsky, Browner, Daley, Glickman, Raines, Rubin, Yellen
Sunday, September 28	Alvarez, Barshefsky, Browner, Daley, Glickman, Raines, Rubin, Yellen
Monday, September 29	Alvarez, Barshefsky, Browner, Daley, Raines, Rubin, Yellen
Tuesday, September 30	Alvarez, Barshefsky, Browner, Daley, Herman, Glickman, Raines, Rubin, Yellen
Wednesday, October 1	Alvarez, Barshefsky, Browner, Daley, Glickman, Herman, Raines, Slater, Yellen
Thursday, October 2	Alvarez, Barshefsky, Browner, Daley, Glickman, Herman, Peña, Raines, Slater, Yellen
Friday, October 3	Alvarez, Barshefsky, Browner, Herman, Peña, Raines, Rubin, Slater, Yellen
Saturday, October 4	Alvarez, Barshefsky, Browner, Herman, Peña, Rubin, Slater
Sunday, October 5	Alvarez, Barshefsky, Browner, Glickman, Herman, Peña, Rubin, Slater
Monday, October 6	Alvarez, Barshefsky, Browner, Herman, Glickman, Peña, Slater
Sunday, October 7	Alvarez, Barshefsky, Browner, Herman, Glickman, Peña, Rubin, Slater
Monday, October 8	Alvarez, Barshefsky, Browner, Glickman, Herman, Peña, Rubin, Slater
Tuesday, October 9	Alvarez, Barshefsky, Browner, Glickman, Herman, Raines, Rubin, Slater, Yellen
Wednesday, October 10	Barshefsky, Browner, Daley, Glickman, Raines, Rubin, Slater, Yellen

FAST TRACK AUTHORITY
COMMUNICATIONS CALENDAR
As of 8/1/97

DATE	EVENT	STATUS/FOLLOW UP
AUGUST	**AUGUST**	**AUGUST**
Wk. 8/4	Berman press outreach w/WH reporters.	
8/17	**Radio Address (T).** Make pivot from budget to Fast Track.	• Radd to work with Rahm, Lewis etc…
8/10	Chamber of Commerce – Briefing by Berman and Radd.	
Tbd.	WH Briefing for Manufacturing Companies. Bowles–Rubin–Barshefsky–McLarty–Berman	• OPL lead
Tbd.	WH Briefing for High Technology Companies. VPOTUS-Barshefsky-McLarty-Gipps-Berman	• OPL lead
Tbd.	WH Briefing for AgriBusiness Companies. Glickman-Barshefsky-McLarty-Berman	• OPL lead
SEPTEMBER	**SEPTEMBER**	**SEPTEMBER**
9/8	**Fall Agenda Speech (T).**	
9/10	**Kick-Off Event at White House.** POTUS submits legislation.	• Shape event • Event media plan (NSC;NEC;USTR)
9/10	VPOTUS speaks to Business Roundtable.	
9/12	Albright speech in Miami (T).	
9/13	**CBC Dinner.** Emphasize in remarks?	
9/16	**Congressional Hispanic Caucus Dinner**. Emphasize in remarks?	
9/16	American Business Conference (T)	• Admin. speaker?

DATE	EVENT	STATUS/FOLLOW UP
9/20	**Los Angeles Message Event (T)**	
9/22	**UNGA Speech**. Section on open trading system?	
9/24	**AFL-CIO Convention**. Emphasize in remarks?	
OCTOBER	**OCTOBER**	**OCTOBER**
10/2	**Meeting with Automobile Executives.** Emphasize in talking points.	
10/4	**Radio Address (T).**	
10/7	**Message Event with Leading Validators**. Former POTI; Sectys of State… if vote 10/9.	• SP (NSC)
10/9	**POSSIBLE HOUSE VOTE**	
10/12	Dow Jones Global Leadership Conference.	• Seeking Admin. speaker.
10/12-20	**Latin America Trip**	
NOVEMBER	**NOVEMBER**	**NOVEMBER**
11/14	**Zedillo Visit & NAFTA anniversary**	
11/22-26	**APEC Meeting (Vancouver)**	

ACTION ITEMS

ISSUE/IDEA/EVENT	STATUS/FOLLOW-UP
1. Update schedule of relevant speeches by principals, sub-principals; planned briefings for Congress; relevant media interviews etc...	• All agencies to submit to NSC Planning
2. Create weekly blast fax & data base.	• USTR lead • All agencies to feed in names, numbers
3. Create fact book.	• Radd lead
4. Set up home page/web site	• WH Comunications lead
5. Create surrogate speaker tracking/scheduling system	• Cabinet affairs/Scheduling
6. Editorial Board call list	• Media Affairs/Leg Affairs
7. Create list of desired endorsements	• Radd
8. Organize SBA Regional Admin. Events	• Siewart/NEC
9. Organize Commerce District Export Council Events.	• Radd
10. Organize Leadership Days – WH briefings for community influentials recommended by MOCs.	• O'Keefe/OPL
11. Assign MOCs to Cabinet for personal calls	• LegAffairs/Cabinet Affairs
12. Organize events for Agriculture Department Regional Administrators	
13. Dole-Bentsen op/ed	• In works for September.
14. Bowles op/ed Columbia B-School Journal	• In works.

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. list	Confirmed Fast Track Reservations; RE: Personally Identifiable Information [partial] (2 pages)	09/10/1997	b(6)

COLLECTION:

Clinton Presidential Records
Cabinet Affairs
David Beaubaire
OA/Box Number: 13609

FOLDER TITLE:

[Fast Track] [loose] [2]

2017-0401-F
db4703

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
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P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

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b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Confirmed Fast Track Reservations for:
The Presidential Event for Fast Track
September 10, 1997 1:30
East Room

Name	*Dept*	DOB	SSN	Phone	*Notes*
1. Bill Daley	Commerce			482-5880	+ 2:
2. David Lane	Commerce	[redacted]	[redacted]	482-5880	Daley (1
3. Kari Dohn	Commerce	[redacted]	[redacted]	482-5880	Daley(2)
4. Dan Glickman	USDA	[redacted]	[redacted]	720-4830	
5. Richard Rominger	USDA	[redacted]	[redacted]	720-6158	
6. Gus Schumacher	USDA	[redacted]	[redacted]	720-7107	
7. Charlene Barshefsky	USTR	[redacted]	[redacted]	395-9492	+ 2:
8. Elizabeth Arky	USTR	[redacted]	[redacted]	395-9485	USTR (1)
9. Jay Ziegler	USTR	[redacted]	[redacted]	395-9496	USTR (2)
10. Peter Scher	USTR	[redacted]	[redacted]	395-5057	
11. Jeff Lang	USTR	[redacted]	[redacted]	395-5114	
12. Sue Esserman	USTR	[redacted]	[redacted]	395-3150	
13. Bob Novick	USTR	[redacted]	[redacted]	395-9494	
14. Nancy Leamond	USTR	[redacted]	[redacted]	395-6850	
15. Bill Richardson	UN	[redacted]	[redacted]	736-7555	+ 1:
16. Vicki Rivas-Vasquez	UN	[redacted] (b)(6)	[redacted]	736-7555	UN (1)
17. Carol Browner	EPA	[redacted]	[redacted]	260-4700	+ 1:
18. Peter Robertson	EPA	[redacted]	[redacted]	260-4700	EPA (1)
19. Kitty Higgins	Labor	[redacted]	[redacted]	219-6151	
20. Andrew Samet	Labor	[redacted]	[redacted]	219-6151	Labor (1
21. Elgie Holstein	Energy	[redacted]	[redacted]	586-5534	
22. Jacob Lew	OMB	[redacted]	[redacted]	395-7224	+ 1:
23. Joe Minarik	OMB	[redacted]	[redacted]	395-5873	OMB (1)
24. Janet Yellen	CEA	[redacted]	[redacted]	395-5583	+ 1:
25. John Haveman	CEA	[redacted]	[redacted]	395-3310	CEA (1)
26. Mack McLarty	Envoy	[redacted]	[redacted]	456-2000	
27. Elizabeth Moler	Energy	[redacted]	[redacted]	586-5500	
28. Mort Downey	DOT	[redacted]	[redacted]	366-2222	+ 1:
29. Stuart Eizenstat	State	[redacted]	[redacted]	647-7575	
30. Bryan Samuel	State	[redacted]	[redacted]	647-6754	State (1
31. David Marchik	State	[redacted]	[redacted]	647-2532	State (2

[002]

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32. Aida Alvarez	SBA			205-6685	+ 1:
33. Paul Weech	SBA			205-6685	SBA (1)
34. Robert Rubin	Treasury			622-1100	Treas +2:
35. Larry Summers	Treasury	(b)(6)		622-1100	Treas
36. Jeffrey Davidow	State			647-5780	State
37. Richard Brown	State			736-7533	State
38. J. Brian Atwood	USAID			647-9434	USAID
TOTAL = 38					

These people are still pending:

Name	***Dept***	**DOB**	**SSN**	**Phone**	***Notes***
Glickman's Guest	USDA			720-4830	USDA (1)
Rubin's Guests	Treasury			622-1100	Trsry (2)
TOTAL PENDING =3					

September 8, 1997 (9:12am)

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Confirmed Fast Track Reservations for:
The Presidential Event for Fast Track
September 10, 1997 1:30
East Room

[003]

Name	*Dept*	**DOB**	**SSN**	**Phone**	*Notes*
1. Bill Daley	Commerce			482-5880	+ 2:
2. David Lane	Commerce	[redacted]	[redacted]	482-5880	Daley (1)
3. Kari Dohn	Commerce	[redacted]	[redacted]	482-5880	Daley(2)
4. Dan Glickman	USDA	[redacted]	[redacted]	720-4830	
5. Richard Rominger	USDA	[redacted]	[redacted]	720-6158	
6. Gus Schumacher	USDA	[redacted]	[redacted]	720-7107	
7. Charlene Barshefsky	USTR	[redacted]	[redacted]	395-9492	+ 2:
8. Elizabeth Arky	USTR	[redacted]	[redacted]	395-9485	USTR (1)
9. Jay Ziegler	USTR	[redacted] (b)(6)	[redacted]	395-9496	USTR (2)
10. Peter Scher	USTR	[redacted]	[redacted]	395-5057	
11. Jeff Lang	USTR	[redacted]	[redacted]	395-5114	
12. Sue Esserman	USTR	[redacted]	[redacted]	395-3150	
13. Bob Novick	USTR	[redacted]	[redacted]	395-9494	
14. Nancy Leamond	USTR	[redacted]	[redacted]	395-6850	
15. Bill Richardson	UN	[redacted]	[redacted]	736-7555	+ 1:
16. Vicki Rivas-Vasquez	UN	[redacted]	[redacted]	736-7555	UN (1)
17. Carol Browner	EPA			260-4700	+ 1:
18. Peter Robertson	EPA			260-4700	EPA (1)
19. Kitty Higgins	Labor			219-6151	
20. Bruce Talbott	State			647-5291	
21. Elgie Holstein	Energy			586-5534	
22. Jacob Lew	OMB			395-7224	+ 1:

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23. Joe Minarik	OMB			395-5873	OMB (1)
24. Janet Yellen	CEA			395-5583	+ 1:
25. John Haveman	CEA			395-3310	CEA (1)
26. Mack McLarty	Envoy			456-2000	
27. Elizabeth Moler	Energy			586-5500	
28. ~~Rodney Slater~~	DOT	(b)(6)		366-1103	+ 1:
29. Stuart Eizenstat	State			647-7575	
30. Aida Alvarez	SBA			205-6685	+ 1:
31. Paul Weech	SBA			205-6685	SBA (1)
TOTAL = 31					

These people are still pending:

Name	*Dept*	**DOB**	**SSN**	**Phone**	*Notes*
Glickman's Guest	USDA			720-4830	USDA (1)
Herman's Substitute	Labor			219-8271	+1:
Herman's Guest	Labor			219-8271	Labor (1)
Talbott's Guests	State			647-5291	+ 2
Robert Rubin	Treasury			622-1100	+ 2:
Rubin's Guests	Treasury			622-1100	Trsry (2)
Slater's Guest	DOT			366-1103	DOT (1)
Summers's Substitute	Treasury			622-1080	
TOTAL PENDING = 10					

August 29, 1997 (6:19pm)

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DEADLINE
Tuesday
5:00 pm

Sam Astin

FAST TRACK MEETING

September 26, 1997 at 3:00 p.m.
Roosevelt Room

Joe Gorman
TRW

At the Table

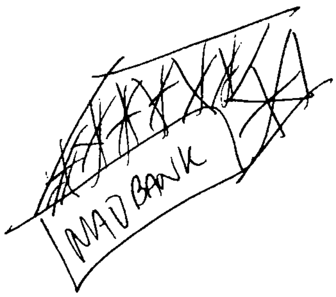
~~Mr. Eizenstat~~
Dep~~uty Secretary Summer~~s called
Secretary ~~Glick~~man
S~~ecretary Daley~~ - called
S~~ecretary Her~~man called
M~~r. Dempse~~y
Secretary ~~Peña (~~tentative)
~~Administrator Brow~~ner
~~Mr. Raine~~s
A~~mbassador Barshefsk~~y
Mr. Berger
~~Mr. Munoz~~
Ad~~ministrator Alvarez~~ (tentative)
~~Mr. Bowle~~s
Mr. Podesta
~~Mr. Hille~~y
~~Mr. Sperli~~ng
~~Mr. Tarullo~~
~~Mr. Berm~~an
~~Ms. Radd~~
~~Ms. Brophy~~
~~Mr. Emanue~~l
~~Mr. Silver~~man

Not at the Table

Deputy Secretary Higgins
~~Mr. Kyle~~
~~Nelson Cunningha~~m
R~~ebecca Coo~~per

DISARMING
THE AMERICAN PRESIDENT

MUSCULAR, JINGOIST
RHETORIC



lead/engage
superpower - license to trade

~~Herman~~
~~Summers~~
Podesta

Bill marked
up b/4 recess
2 weeks away
WAYS/MEANS
FINANCE

NOV. 15

SENATE
FIRST SESSION

PUBLIC ANNOUNCEMENTS
BEFORE RECESS

PODESTA
HIGGINS

ALVAREZ
BARSHEFSKY

FAST TRACK BRIEFING

September 2, 1997
Roosevelt Room 11:00

DEPARTMENT	RESPONSE
STATE	
Secretary Albright	No, Out of the country
Stuart Eisenstat	YES
TREASURY	
Secretary Rubin	Not Sure
Larry Summers	Left Message
USDA	
Secretary Glickman	Left Message
Richard Rominger	
Dallas Smith (or Replacement)	
COMMERCE	
Secretary Daley	YES
LABOR	
Secretary Herman	Will Call Back
Kitty Higgins	YES
EPA	
Administrator Browner	Left Message
UN	
Amb Richardson	Will Call Back
USTR	
Amb Barshefsky	YES
Peter Scher	YES
Jeff Lang	YES
Bob Novick	YES
Sue Esserman	YES
Nancy Leamond	YES

SBA

Adm Alvarez	YES

Others

Mack McLarty	YES
Bob Kyle	Left Message
Sandy Berger	YES

Contacted Through E-Mail

John Hilley	YES
Jay Berman	
Vicki Radd	YES
Al Mauldon	
Jeff Forbes	
Dan Tarullo	
Bill Danvers	
Gene Sperling	YES

Office of Cabinet Affairs

interoffice memorandum

TO:
- ☐ All OCA Staff
- ☐ Kris Balderston
- ☑ David Beaubaire
- ☐ Bibb Hubbard
- ☑ Ronda Jackson
- ☐ Anne McGuire
- ☐ Steve Silverman
- ☐ Stefanie Sanford
- ☐ Elisabeth Steele
- ☐ Other ________

FROM: Thurgood Marshall, Jr.

DATE: 9/12/97

- ☑ For your action.
- ☐ For your files.
- ☐ For your information.
- ☐ Per your request.
- ☐ ________

ROUTING SLIP
DATE: 9/11/97

FROM: Stephanie Streett
Assistant to the President and Director of Presidential Scheduling

SUBJECT: Fast Track Great Americans Event

David Beaubaire		Mike McCurry	✓
Paul Begala		Mack McLarty	
Sandy Berger		Katie McGinty	
Erskine Bowles		Chip Payson	✓
Peg Cusack		John Podesta	
Rahm Emanuel		Bruce Reed	
Maria Echaveste		Dan Rosenthal	
Jack Gibbons		Charles Ruff	
Shanan Guinn		Patti Solis-Doyle	
Nancy Hernreich		Craig Smith	
John Hilley		Doug Sosnik	
Mickey Ibarra		Gene Sperling	
Ron Klain		Todd Stern	
Ann Lewis	✓	Ann Stock	
Bruce Lindsey		Kim Tilley	
Thurgood Marshall, Jr.	✓	Melanne Verveer	
Sylvia Mathews		Michael Waldman	
		Vicki Radd	✓
		Jason Berman	✓

FILE: Pending

COMMENTS:

to RJ/DB Sept. 12, 1997

Schedule Proposal 98 September 4, 1997 AUG 8 PM 4:43

____ ACCEPT ____ REGRET _✓_ PENDING

TO:	Stephanie Streett Assistant to the President and Director of Scheduling
FROM:	Jason Berman Special Counselor to the President for Fast Track Victoria Radd Assistant to the President
REQUEST:	President's participation in a White House event with present and former senior government officials (including, possibly, former presidents, secretaries of state and treasury, etc.) to build support for fast track authority.
PURPOSE:	To showcase the bipartisan and foreign policy establishment support for fast track authority and to encourage passage of the authority in the House. (Note: the House vote may be held two days later.)
BACKGROUND:	Passage of fast track authority is the President's number one legislative priority for the fall. Already, other countries are breaking down trade barriers and moving forward in creating competitive trading relationships to the disadvantage of US companies and workers. By opening markets, fast track authority will contribute to global and American prosperity, and will reinforce the common interest that diverse countries and regions share in sustaining that prosperity. This event would bring together current and former Administration officials, key Senators and House Members and other elected officials in a demonstration of bipartisan support for fast track authority. (Note: the DLC is working to bring many of the Democratic elected officials to this event.)
PREVIOUS PARTICIPATION:	The President has spoken out on the importance of fast track numerous times. The President is kicking-off the Administration's coordinated effort to pass fast track at a White House ceremony on September 10.

DATE AND TIME:	October 7, 1997.
DURATION:	One hour plus briefing time.
LOCATION:	East Room.
PARTICIPANTS:	Possible participants to include present and former: Presidents Vice Presidents Secretaries of State Secretaries of Treasury Secretaries of Commerce Key Senators Key Members
OUTLINE OF EVENTS:	To be provided.
REMARKS REQUIRED:	Remarks to be provided by Speechwriting.
MEDIA COVERAGE:	Open press.
FIRST LADY:	No.
VICE PRESIDENT:	Yes.
RECOMMENDED BY:	USTR, Commerce, State
CONTACT:	Victoria Radd X6-2640

Fast Track Scheduling

ADMINISTRATION	MEMBER	TIME
Barshefsky	Rangel	Request Pending
Barshefsky	Breaux	9/2 4:45 pm
Barshefsky	English	9/3 2:00 pm
Barshefsky	Hooley	9/3 1:00 pm
Barshefsky	Moynihan/Breaux/Kerrey/ Graham/Baucus	Request Pending
Barshefsky	House Rep. Leadership	Request Pending
Berger	Hamilton	Phone Call
Berger	Gejdenson	Phone Call
Berman	Kennelly	9/4 11:30 am
Berman	Cardin	9/4 3:30 pm
Berman	Harman	
Berman	Berman	9/4 12:00 pm
Berman	Sherman	9/5 1:30 pm
Berman	Schumer	Request Pending
Berman	Becerra	Done 8/19
Berman	Bono	9/4 3:00 pm
Berman	Wyden	Request Pending
Berman	Lieberman	Request Pending
Berman	Levin	Request Pending
Berman	Feinstein	9/4 4:00 pm
Berman	Lautenberg	Request Pending
Berman	Hoyer	9/2 2:30 pm

Berman	Fazio	9/3 11:30 am
Berman	Breaux	9/4 4:30 pm
Berman	Pelosi	9/5 9:30 am
Berman	Bingaman	9/5 11:30 am
Berman	Clement	9/3 3:30 pm
Berman	Tauscher	9/3 1:00 pm
Berman	Rockefeller	Request Pending
Berman	Baucus	9/3 4:30 pm
Berman	Kerrey	9/4 1:30 pm
Brophy	Tauscher	Hold (Whip)
Brophy	Matsui	Hold (Whip)
Brophy	(Kennelly)	9/4 11:30 am
Brophy	Hoyer	9/2 2:30 pm
Brophy	Pelosi	9/5 9:30 am
Brophy	Edwards	9/4 4:30 pm
Brophy	Dicks	Hold (Whip)
Brophy	DeLauro	9/4 1:30 pm
Brophy	Luther	Hold (Whip)
Brophy	Weygand	9/4 2:00 pm
Brophy	Blumenauer	Hold (Whip)
Brophy	J. Kennedy	Request Pending
Brophy	Fazio	9/3 11:30 am
Brophy	Meehan	9/3 2:00 pm
Brophy	Neal	9/4 1:00 pm
Brophy	Bentsen	9/3 10:00 am
Browner	Deutsch	9/4 4:30 pm

Browner	Breaux	9/2 4:45 pm
Browner	Wexler	9/5 9:30 am
Browner	Capps	9/5 10:30 am
Browner	English	9/3 2:00 pm
Browner	Daschle	9/5 2:30 pm
Daley	Towns	Request Pending
Daley	G. Green	Request Pending
Daley	McCarthy	9/3 4:15 pm (Tentative)
Daley	Markey	Request Pending
Daley	Boxer	9/4 11:00 am
Daley	T. Kennedy	9/4 3:30 pm (Tentative)
Daley	Kerrey	9/4 1:30 pm
Daley	Durbin	9/4 4:30 pm
Daley	Moseley-Braun	Request Pending
Daley	Dodd	9/4 5:30 pm
Daley	Glenn	9/2 2:30 pm
Esserman	J. Maloney	9/3 1:00 pm
Esserman	Wise	Request Pending
Esserman	Kleczka	Request Pending
Forbes	(DeGette)	Request Pending
Forbes	Moran	9/2 4:00 pm
Forbes	Dooley	9/3 2:00 pm
Forbes	Snyder	Request Pending
Forbes	Berry	Request Pending
Forbes	J. Davis	Request Pending
Glickman	G. Brown	9/4 3:30 pm

Glickman	Clayton	8/26
Glickman	Cramer	9/4 3:00 pm
Glickman	Stenholm	9/4 2:30 pm
Glickman	Hefner	9/4 3:30 pm
Glickman	Harkin	9/4 11:30 am
Glickman	T. Johnson	9/3 4:15 pm
Higgins	Visclosky	9/4 (Tentative)
Higgins	Levin	9/4 4:30 pm
Higgins	S. Brown	9/4 2:00 pm
Higgins	Rothman	9/4 3:15 pm
Higgins	Owens	Request Pending
Higgins	Barrett	Request Pending
Higgins	Kanjorski	Request Pending
Hilley	(Rangel)	Request Pending
Hilley	Dingell	Request Pending
Hilley	Eshoo	Request Pending
Hilley	Sawyer	Request Pending
Hilley	Spratt	9/4 2:15 pm
Hilley	Menendez	Request Pending
Hilley	Murtha	Request Pending
Hilley	Frost	9/4 3:45 pm
Hilley	Roemer	9/4 3:00 pm
Hilley	Torres	Request Pending
Hilley	Daschle	9/5 2:30 pm
Kyle	Borski	Request Pending
Kyle	McDermott	Request Pending

Kyle	Pallone	Request Pending
Kyle	Engel	Request Pending
Kyle	(Clayton)	9/3 2:30 pm
Kyle	(Dixon)	Request Pending
Kyle	Fattah	Request Pending
Kyle	Foglietta	Request Pending
Kyle	Lampson	Request Pending
Kyle	Berry	Request Pending
Lang	Farr	Request Pending
Lang	Thurman	Request Pending
Lang	Strickland	Request Pending
Lang	A. Smith	Request Pending
Lang	LaFalce	Request Pending
Lang	Lofgren	Request Pending
Leamond	Ackerman	Request Pending
Leamond	Woolsey	9/4 3:00 pm
Leamond	Slaughter	Request Pending
Leamond	Lowey	Request Pending
Leamond	C. McCarthy	Request Pending
Maldon	C. Brown	9/3 2:30 pm
Maldon	Clyburn	9/3 3:00 pm
Maldon	E.B Johnson	9/4 11:00 am
Maldon	Jefferson	9/4 12:00 pm
Maldon	Clayton	9/4 2:30 pm
Maldon	Skelton	9/5 9:00 am
Maldon	Dixon	9/5 11:00 am

Maldon	Flake	Request Pending
McLarty	Sandlin	9/3
McLarty	Doggett	9/3
McLarty	Bumpers	Phone Calls
McLarty	Graham	Phone Calls
Novick	Millender-McDonald	9/3 3:30 pm
Novick	Turner	Request Pending
Novick	Andrews	Request Pending
Novick	Ford	Request Pending
Radd	Skaggs	9/3 12:00 pm
Radd	Kohl	9/4 3:00 pm
Radd	Landrieu	9/5 12:30 pm
Radd	Reed	9/9 10:30
Radd	Leahy	9/8
Radd	Mikulski	Request Pending
Richardson	Pastor	Phone Calls
Richardson	Reyes	Phone Calls
Richardson	Rodriguez	Phone Calls
Richardson	Ortiz	Phone Calls
Richardson	Hinojosa	Phone Calls
Richardson	Sanchez	Phone Calls
Richardson	(Torres)	Phone Calls
Richardson	Serrano	Phone Calls
Scher	McIntyre	9/5 11:00 am
Scher	Etheridge	9/3 4:30 pm
Scher	J. Johnson	9/3 1:45 pm

Scher	Boswell	9/3 5:15 pm
Scher	Boyd	9/3 3:00 pm
Scher	Kind	9/3 6:00 pm
Scher	Farr	9/5 9:00 am
Schumacher	Baldacci	9/4 2:30 pm
Schumacher	Baesler	9/5 9:15 am
Schumacher	John	9/4 2:00 pm
Schumacher	Goode	9/3 2:00 pm
Schumacher	Minge	9/3 1:30 pm
Schumacher	Pomeroy	Request Pending
Schumacher	Price	9/4 1:00 pm
Schumacher	Conrad	Request Pending
Sperling	Roybal-Allard	Request Pending
Sperling	Gejdenson	9/4 11:30 am
Sperling	Fattah	Request Pending
Steinberg	Doyle	Request Pending
Steinberg	T. Hall	Request Pending
Steinberg	Hamilton	Request Pending
Steinberg	Lantos	Request Pending
Tarullo	Mascara	9/4 2:00 pm
Tarullo	B. Scott	Request pending
Tarullo	J. Maloney	Request pending

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Lang	Thurman	Request Pending
Lang	Strickland	Request Pending
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Lang	LaFalce	Request Pending
Lang	Lofgren	Request Pending
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Novick	Ford	Request Pending
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Radd	Kohl	9/4 3:00 pm
Radd	Landrieu	9/5 12:30 pm
Radd	Reed	9/9 10:30
Radd	Leahy	9/8
Radd	Mikulski	Request Pending
Richardson	Pastor	Phone Calls
Richardson	Reyes	Phone Calls
Richardson	Rodriguez	Phone Calls
Richardson	Ortiz	Phone Calls
Richardson	Hinojosa	Phone Calls
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Schumacher	Minge	9/3 1:30 pm
Schumacher	Pomeroy	Request Pending
Schumacher	Price	9/4 1:00 pm
Schumacher	Conrad	Request Pending
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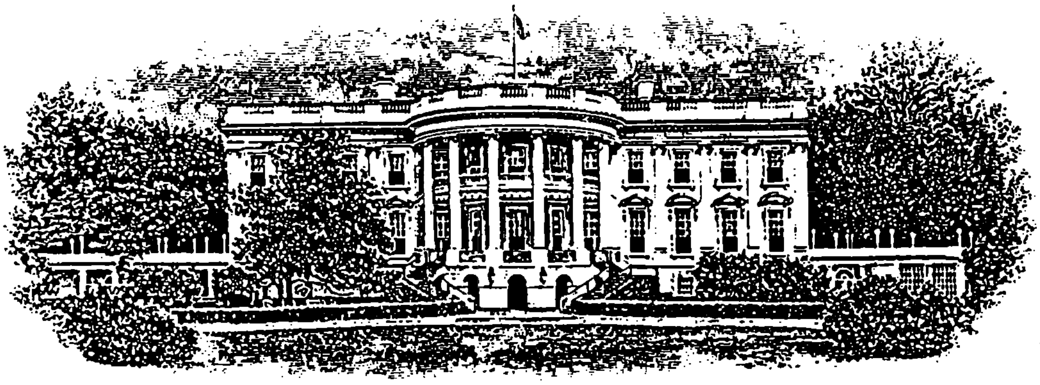
Steinberg	Doyle	Request Pending
Steinberg	T. Hall	Request Pending
Steinberg	Hamilton	Request Pending
Steinberg	Lantos	Request Pending
Tarullo	Mascara	9/4 2:00 pm
Tarullo	B. Scott	Request pending
Tarullo	J. Maloney	Request pending

David,
This went out
8:20 a.m.



THE WHITE HOUSE
OFFICE OF CABINET AFFAIRS

Room 160 OEOB
Washington, D.C. 20500
Telephone: (202) 456-2572
Faxsimile: (202) 456-6704

FAX COVER SHEET

DATE: 9/10/97

TO: Chiefs of Staff

PHONE:

FAX:

FROM: David S. Beaubaire

NO. OF PAGES: 14
(Including Cover Sheet)

PRIORITY: Y N

MESSAGE:

For Your Information.

FAST TRACK FACT SHEET

FAST TRACK: IN AMERICA'S NATIONAL INTEREST

FAST TRACK MEANS: **IMPROVING OUR STANDARD OF LIVING**

- Keeping the Economy on the Fast Track. The President will use Fast Track authority to continue breaking down trade barriers and creating new jobs -- keeping America's economic expansion on the global fast track.
- The Economy Is Strong. The President's 3-part economic strategy of cutting the deficit, investing in education and training, and opening markets abroad is working. America has enjoyed the longest period of sustained growth in a generation— one-third from overseas trade. The result: Nearly 13 million new jobs, unemployment below 5%, inflation the lowest in a generation.
- Our Future Prosperity Depends on Trade. More than 95% of the world's consumers live outside the US. Many emerging economies in Asia and Latin America will grow at three times the rate of the US economy. America needs fast track to negotiate fair new trade agreements that will keep us competitive, expand our exports, create more jobs, and raise our standard of living.

FAST TRACK MEANS: **CREATING MORE JOBS**

- Breaking Down Barriers. The President, in consultation with Congress, will keep breaking down barriers to our products and services. That strategy is paying off for companies and workers. America is once again the world's largest total exporter, the largest producer of semiconductors, the largest producer of automobiles. Exports support over 11 million American jobs, including one in five manufacturing jobs and over the last four years have created 1.7 million new jobs.
- Sectoral Agreements. The President needs the flexibility to negotiate agreements and increase exports in sectors where the United States is most competitive: such as agriculture, medical equipment, telecommunications, and environmental technology.
- Regional Free Trade Agreements. America will also benefit from opening markets in Asia, Latin America, and Africa to US goods and services.
- Free and Fair Trade. The President supports raising labor standards, protecting the environment and expanding worker retraining and educational opportunities to ensure that no American is left out of the global economy.

FAST TRACK MEANS: **MAINTAINING AMERICA'S GLOBAL LEADERSHIP**

- Compete or Retreat. As the American people prepare to meet the challenges of the 21st century, we face a critical choice: Shape the global economy to America's advantage, or turn back and fail to compete for new business, new contracts, and new jobs.
- Credibility. Fast track gives the US credibility to negotiate tough trade deals. It preserves for Congress the ultimate decision to vote an agreement up or down, but without reopening it provision-by-provision and causing gridlock. That puts America in a strong position to negotiate trade agreements and maintains a partnership between the President and Congress that has worked for over 20 years.
- Continued Bipartisanship. Every President since 1974--Republican and Democratic--has had fast track authority. Congress has consistently recognized that the President must have the authority to break down foreign trade barriers, and a bipartisan majority of the United States Congress has consistently supported American leadership in opening markets and creating jobs.

FAST TRACK FACT SHEET

BASIC FACTS ABOUT FAST TRACK NEGOTIATING AUTHORITY

What is Fast Track?

- Expedited Procedure: Fast track is an expedited procedure for Congressional consideration of trade agreements. The three essential features of any fast track authority are: (1) extensive consultations and coordination with Congress throughout the process; (2) a vote on implementing legislation within a fixed period of time, and (2) an up or down vote, with no amendments. Congress is ensured a central role before, during and after negotiations.

- Credibility to Negotiate Tough Trade Deals: Fast Track gives the President credibility to negotiate tough trade deals. Congress is required to vote on an agreement without reopening any of its provisions, while retaining the ultimate power of voting it up or down. Fast Track puts America in a strong position to negotiate major trade agreements while maintaining a partnership between the President and Congress that has worked for over 20 years.

How will the President Use Fast Track?

The President has identified three main areas in which new trade agreements would greatly benefit the United States.

- The WTO Agenda: The "built-in" agenda of the World Trade Organization calls for negotiations on government procurement in 1997; intellectual property in 1998; agriculture in 1999; and trade in services in 2000. In each of these areas, the United States is the most competitive nation in the world and stands to benefit the most from writing the rules of trade.

- Key Sectors of the Future: The President also wants to build on the success of the Information Technology Agreement (ITA). This $5 billion tariff cut on products for which the United States is the world's leading producer was achieved by the use of residual tariff cutting authority. The Administration has identified 8 additional sectors for future negotiations: ITA II, chemicals, automotive, oilseeds, energy equipment and services, environmental technology and services, medical equipment and services, and wood and paper products. Other APEC members have submitted their "wish lists" and there is overlapping support for many of the US suggestions. Without fast track, it is very unlikely that this process will go forward.

- Emerging Economies: The President hopes to move forward in the Asia Pacific Economic Cooperation Forum (APEC) toward the goal of open trade by the year 2010 and with a Free Trade Agreement for the Americas (FTAA) by the year 2005. In both regions, economic growth rates are among the highest in the world and barriers to US exports remain high. Tariff reductions and greater market access will have a very positive effect on our exports. Without the active participation of the United States, both of these processes will slow considerably.

COSTS OF INACTION: WHY AMERICA WILL NOT GET A FAIR SHARE OF JOBS WITHOUT FAST TRACK?

IF CONGRESS FAILS TO GIVE THE PRESIDENT FAST-TRACK AUTHORITY -- THE SAME POWER EVERY PRESIDENT HAS HAD FOR 20 YEARS -- AMERICA WILL NOT GET HER FAIR SHARE OF JOBS. Congress' failure to grant fast-track authority will leave America sitting on the sidelines as trade agreements are negotiated without our participation. This will cost America high-paying jobs, while blocking American workers from competing against the world on a level playing field.

- **Lost Jobs in Telecommunications Industry**. In November 1996, Canada and Chile reached a comprehensive trade agreement that eliminated Chile's 11 percent across-the-board tariff starting this year. As a result, American telecommunications companies competing for contracts in Chile will do so at a significant competitive disadvantage.

  Lost Jobs In Fresh Fruit Industry. Chilean fresh fruit pays a 2-percent duty when entering Venezuela (due to the Chile-Venezuela FTA), whereas American producers pay a 15-percent tariff. The U.S. Embassy estimates that the U.S. market share would grow from its current 39 percent to 67 percent if US producers had equivalent access to the Venezuelan market.

- **Lost Job Opportunities In South Asia Without Fast Track.** The South Asian countries -- India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka, and the Maldives -- are creating a free trade zone. Without fast-track authority, America will not be able to make fair trade agreements with this region and will American workers will not have a fair chance to sell their goods to roughly 20 percent of the world's population.

- **Lost Job Opportunities In Textile Industry Without Fast-Track Authority.** Venezuela, Colombia, Ecuador, Peru, and Bolivia comprise a market of 100 million people and a GDP of over $260 billion. As part of the effort to develop a common external tariff, the import tariff on textile goods, for example, was raised from 5 to 15 percent. Without fast track authority, America will be unable to knock down this barrier to goods made by American workers -- thus costing the United States jobs.

- **Lost Job Opportunities In Latin America Without Fast Track.** Brazil, Argentina, Paraguay, and Uruguay comprise the largest market in Latin America: 200 million people and a GDP of nearly $1 trillion. These four countries have entered into free trade agreements raising tariffs on most items imported from outside their boundaries. Thus, American firms *not located and producing within* these countries face a competitive disadvantage; this disadvantage will only grow as these countries expand the free-trade zone. Fast-track authority will give the President the chance to pry open this market and allow America to have her fair share of the jobs.

EXAMPLE: 1.8 MILLION REASONS WHY THE PRESIDENT SHOULD HAVE FAST-TRACK TRADE AUTHORITY

- **Quaker Fabric Company Lost Bid For A $1.8 Million Contract Because They Had To Pay High Tariffs.** Quaker Fabric Company -- located in Fall River, Massachusetts -- is a $200 million a year corporation with 1,750 employees. Recently, Quaker was informed by its Sales Representative in Chile that it had lost a bid for a $1.8 million a year account to a competitor from Mexico, solely because of the 11-percent tariff that Quaker must pay, while its competitors can import tariff free.

PRESIDENT CLINTON'S TRADE POLICY: A RECORD OF ACHIEVEMENT

Employment growth is strong. Unemployment is low. Inflation is stable. And incomes for American families are rising again. Part of the reason the American economy has enjoyed such remarkable success is because we are opening foreign markets to American goods and increasing the amount of American-made goods sold abroad.

- **13 Million New Jobs.** Since January 1993, the economy has created nearly 13 million new jobs, including more than 1.5 million new jobs in basic industries (1.1 million in construction and 445,000 in manufacturing). [Source: Bureau of Labor Statistics, Current Employment Statistics survey.]

- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5 percent. Today, it is under 5 percent -- as low as it's been at any time in the last 24 years. [Source: Bureau of Labor Statistics, Current Population Survey.]

- **Exports Are Up More Than $300 Billion.** Since the beginning of 1993, exports from the United States have grown by nearly 50 percent -- up $318 billion, after adjusting for inflation. Exports have accounted for 38 percent of the overall growth in the economy since 1993. [Source: Department of Commerce, Bureau of Economic Analysis]

- **1.7 Million New Export-Related Jobs – Paying On Average 15 Percent Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million . These job pay an average of 15 percent more than non-trade related jobs. [Source: Department of Commerce.]

- **Smallest Deficit Among Major Economies.** After climbing to $290 billion in 1992, the deficit declined to $107 billion last year and is expected to fall to $37 billion this year -- down more than 80 percent from 1992. [Source: CBO] As a share of GDP, the general government deficit is smaller than in any major economy. [Source: OECD Economic Outlook, 6/97]

- **Family Income Up $1,600.** After stagnating for 20 years, family incomes are rising again. Since 1993, the income of the typical American family increased by $1,631, after adjusting for inflation. [Source: Bureau of the Census.]

- **High-Tech Exports Are Soaring.** Exports of semiconductors have grown 139 percent under the Clinton Administration; telecommunications exports have grown 113 percent; and exports of computers and computer-related goods have grown 54 percent. [Source: Council of Economic Advisers/Department of Treasury, April 10, 1996]

- **The World's Most Competitive Economy.** The United States has now been ranked Number One on competitiveness for five years in a row -- and up from Number Five in 1992. [Source: World Economic Forum and IMD.]

- **The World's Automobile Leader Once Again.** The United States is the world's Number One producer of automobiles for the first time since the 1970's -- overtaking Japan. [Source: American Automobile Manufacturers Association.]

- **The World's Semiconductor Leader Once Again.** The United States has regained its position as the world's Number One producer of semiconductors -- surpassing Japan. [Source: Dataquest.]

THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)

Several outside studies conclude that NAFTA has contributed to America's economic expansion. DRI estimates that NAFTA boosted real exports to Mexico by $12 billion in 1996, compared to a smaller increase in imports of $5 billion, and contributed $13 billion to U.S. real income and $5 billion to business investment, controlling for Mexico's financial crisis. Since NAFTA was signed, exports have grown 37 percent to Mexico and 34 percent to Canada, reaching record levels. Before NAFTA, Mexico had virtually one-way free trade into the United States. Under NAFTA, Mexico's tariff cuts have been 5 times greater than ours, leveling the playing field.

ANY WAY YOU LOOK AT IT, NAFTA HAS BEEN A JOB CREATOR FOR AMERICA'S WORKERS.

- **Jobs Supported by Exports to Mexico and Canada Have Increased More Than 300,000.** Under NAFTA, jobs supported by exports to Canada have gone up by 189,000 and jobs supported by exports to Mexico by 122,000. Export jobs are good jobs -- paying 13 to 16 percent more than the national average. [Study on the Operation and Effects of the NAFTA, 1997; Department of Commerce]

- **NAFTA Increased Net Exports to Mexico.** It is wrong to assume imports displace U.S. jobs: history shows that the U.S. trade deficit increases most when our job growth is highest. But even if you adopt the critics' methodology and look at net exports, NAFTA was a job creator. Outside studies conclude that -- isolating for the effects of the peso crisis and America's strong economy -- NAFTA caused an <u>increase</u> in net exports of roughly $7 billion in 1996. [DRI, 1997]

EXPERTS AGREE: IF ANYTHING, NAFTA PROTECTED THE MEXICAN ECONOMY -- AND AMERICAN EXPORTS -- FROM THE FINANCIAL CRISIS BY LOCKING IN MEXICO'S ECONOMIC REFORMS AND PROVIDING SAFEGUARDS FOR FOREIGN INVESTORS.

- **NAFTA Helped Mexico Recover Faster:** Following Mexico's 1982 financial crisis, it took Mexico 7 years to return to international capital markets, while in 1995, it took 7 months. Following the 1982 crisis, Mexican output did not recover to pre-crisis levels for five years, while following the 1995 crisis, Mexican output rebounded to pre-crisis peaks in less than 2 years. [Study on the Operation and Effects of the NAFTA, 1997]

- **NAFTA Protected American Jobs and Exports by Locking in Preferential Access:** Following its 1982 crisis, Mexico raised tariffs by 100 percent, and American exports to Mexico fell by half and did not recover for seven years. In 1995, Mexico continued to implement its NAFTA obligations even as it raised tariffs on imports from other countries. As a result, American exports recovered in 18 months and were up 37 percent by the end of 1996 relative to pre-NAFTA levels.

SINCE NAFTA WENT INTO EFFECT, MEXICO HAS CUT TARIFFS ON U.S. EXPORTS FIVE TIMES MORE THAN THE U.S.

- **Taking Share from Foreign Competitors**: U.S. suppliers have increased their share of Mexico's import market from 69.3 percent to 75.5 percent, reflecting a 10 percentage point tariff advantage over foreign suppliers.

TRADE AND LABOR PROTECTIONS UNDER PRESIDENT CLINTON

President Clinton is committed to ensuring that trade expansion benefits all American workers and international competition is consistent with internationally accepted labor standards. Internationally, he has done more than any other President -- advancing core labor standards through the North American Free Trade Agreement (NAFTA), the World Trade Organization (WTO), the International Labor Organization (ILO), and the Organization of American States (OAS), and encouraging the voluntary adoption of codes of conduct through Model Business Principles and the Apparel Industry Partnership. At home, he has fought to expand opportunities for dislocated and low wage workers through increases in training, the security of pension and health benefits, the minimum wage and the Earned Income Tax Credit (EITC).

PRESIDENT CLINTON HAS DONE MORE TO PROMOTE LABOR STANDARDS IN INTERNATIONAL TRADE THAN ANY OTHER PRESIDENT. GAINING INTERNATIONAL RECOGNITION OF THE LINK BETWEEN TRADE AND LABOR ISSUES WILL BE A GRADUAL PROCESS, REQUIRING PERSEVERANCE AND COMMITMENT. DESPITE SIGNIFICANT OBSTACLES, THE CLINTON ADMINISTRATION HAS MADE SIGNIFICANT PROGRESS ON LEVELLING THE PLAYING FIELD FOR AMERICAN WORKERS, OBTAINING COMMITMENTS ON CORE LABOR STANDARDS IN INTERNATIONAL TRADE ORGANIZATIONS, AND IMPROVING THE STANDARD OF LIVING FOR WORKERS EVERYWHERE.

- **Winning International Recognition of Core Labor Standards:** At the UN Summit for Social Development in 1995, the Administration succeeded in obtaining a commitment by over one hundred heads of State and government -- for the first time in history -- to recognition of those "core" worker rights that the Administration believes should be protected in every country, regardless of the level of economic development.

- **Protecting Labor Rights in the Hemisphere:** At the OAS Labor Ministerial in 1995, the Administration obtained a commitment from all countries in our hemisphere recognizing the importance of protecting worker rights as we negotiate the Free Trade Area of the Americas.

- **Advancing Labor Standards in the WTO:** At the Singapore Ministerial Meeting of the WTO in 1996, the Administration fought for and won -- for the first time in the GATT/WTO's existence -- a formal commitment by 128 nations to the observance of core labor standards. The WTO also endorsed collaboration with the ILO to advance this agenda.

- **Encouraging Private Sector Codes of Conduct:** In 1994, the Administration developed and disseminated Model Business Principles protecting core worker rights and encouraged private sector adoption through conferences and a best practices award. In 1996, President Clinton helped launch the Apparel Industry Partnership: a collaboration between labor, business and nongovernmental organizations to encourage adoption of a code of conduct prohibiting exploitative child labor and encouraging humane working conditions through external monitoring and consumer awareness.

- **Suspension of Trade Benefits:** The Administration suspended full trade preferences for Burma, Sudan, Mauritania, and Syria and partial preferences for Pakistan for inadequate observance of basic worker rights.

- **International Monitoring of Labor Standards:** In 1997, Administration support was decisive in the adoption of an ILO proposal to establish a mechanism to monitor countries' implementation of core labor standards. The Administration has supported examination of labor standards implementation through the Organization for Economic Cooperation and Development (OECD), conferences on core labor standards in developing economies in Asia and Latin America, and ILO Programs to combat child labor in Pakistan, Bangladesh, Thailand, and Brazil.

NAFTA IS THE FIRST TRADE AGREEMENT TO INCLUDE PROTECTIONS FOR WORKERS. THE NORTH AMERICAN AGREEMENT ON LABOR COOPERATION (NAALC) HAS ENHANCED OVERSIGHT AND ENFORCEMENT OF NATIONAL LABOR LAWS AND CREATED NORTH AMERICAN COOPERATION ON FUNDAMENTAL LABOR ISSUES – FOR THE FIRST TIME. THE INTERNATIONAL PUBLIC SCRUTINY ASSOCIATED WITH THE NAFTA SUBMISSION PROCESS HAS BEEN AN IMPORTANT IMPETUS FOR CHANGE IN MEXICO.

- **Union Recognition and Secret Ballots:** The NAALC submission process subjects member governments to public and international scrutiny for alleged violations of labor laws; it can also lead to economic sanctions. To date, the United States has received seven submissions against Mexico, and Mexico has reviewed one submission against the United States. The review of these submissions has yielded concrete remedies. In one case, a Mexican labor tribunal granted recognition to the petitioning union, reversing an earlier decision, and afforded a new hearing for workers dismissed for union activity. In other cases, workers were permitted secret ballot elections, a practice not common in Mexico. In addition, a number of Mexican labor disputes have been settled by companies wishing to avoid the negative publicity associated with the NAFTA review process.

- **Legal Advances:** Important legal advances on labor rights have taken place in Mexico since NAFTA was signed. In 1996, the Supreme Court of Mexico issued two decisions finding state statutes restricting freedom of association unconstitutional. Mexico's Department of Labor has issued recommendations providing for greater autonomy and professionalism of tripartite labor tribunals and making the union registration process a purely administrative decision.

- **Stronger Mexican Enforcement:** Since NAFTA was signed, Mexico's Secretariat of Labor and Social Welfare reports a nearly 250 percent increase in funding for enforcement and a 30 percent reduction in the number of workplace injuries and illnesses.

PRESIDENT CLINTON HAS CONSISTENTLY FOUGHT TO ENSURE THAT THE NEW ECONOMY BENEFITS ALL WORKERS. INDEED, NO PRESIDENT CARES MORE ABOUT THE CONCERNS OF LOW-WAGE AND DISLOCATED WORKERS.

- **NAFTA Transitional Adjustment Assistance (NAFTA TAA).** The President fought for and won a special NAFTA-TAA program that or the first time provides retraining and reemployment assistance and income support to workers displaced by production shifts as well as trade, and provides income support for "secondary" workers.

- **Dislocated Worker Training.** President Clinton has doubled funding for the Dislocated Worker assistance program helping an additional 300,000 workers get training and job search assistance.

- **HOPE Scholarships and Tuition Tax Credits.** To help workers enhance their skills throughout their working lifetimes, the President fought for and won both a $1,500 two-year HOPE Scholarship and a 20% tuition tax credit.

- **Health Benefits for Job Changers.** The 1996 "Kassebaum-Kennedy" law ensures that as many as 25 million more Americans will no longer have to fear that they will lose their access to health insurance if they lose their job or change jobs.

- **One-Stop Career Centers.** To help workers make a rapid transition between jobs, the Administration is transforming a fragmented array of employment and training programs into a "One-Stop" coordinated information and delivery system. The President's budget proposed $150 million in funding to expand One-Stop Career Centers to all states in 1998.

TRADE AND THE ENVIRONMENT UNDER PRESIDENT CLINTON

President Clinton is committed to ensuring that trade expansion and increased international competition contribute to environmental protections at home and abroad. The President negotiated the first trade agreement to include explicit environmental provisions and fought to ensure that NAFTA contained mechanisms to address the unique environmental problems that have long challenged communities along the 2000-mile shared border with Mexico. President Clinton fought for and won important advances on the environment in the WTO Agreement, including a permanent forum to address the link between trade and the environment in the World Trade Organization (WTO). He has strongly and effectively implemented U.S. environmental laws to obtain improvements in other countries' environmental practices, including using, where called for, the threat of trade sanctions.

PRESIDENT CLINTON HAS DONE MORE TO ADVANCE ENVIRONMENTAL INTERESTS IN INTERNATIONAL TRADE FORA THAN ANY OTHER U.S. PRESIDENT.

- **Advancing Environmental Protections in the WTO:** The Administration fought for and won important environmental advances in the Uruguay Round of trade negotiations, including recognition in the Preamble of the WTO Agreement of sustainable development as a key objective of the WTO; strengthened agreements on Sanitary and Phytosanitary Measures and the Agreement on Technical Barriers to Trade to protect legitimate environmental measures from challenge under the Agreements; improvements to the Dispute Settlement Understanding to provide for the use of environmental experts in disputes and to make the process more transparent by allowing disputing parties to make their submissions public and requiring that a public version be provided of all panel submissions; and securing the creation of a Committee on Trade and Environment in the WTO, for the first time creating a permanent forum for addressing the linkage between trade and the environment.

- **Improved Environmental Practices Worldwide:** The Administration has aggressively implemented U.S. environmental laws, using the threat of trade sanctions where appropriate to obtain improvements in other countries' environmental practices. For example, President Clinton imposed trade sanctions on Taiwan for its failure to curb illegal trade in rhino horn and tiger bone. These sanctions were lifted when Taiwan made demonstrable progress in halting this trade.

- **Proposed an APEC Environmental Technologies and Services Sector Liberalization Initiative:** The Administration is working to advance APEC-wide sector liberalization in an industry ignored by previous administrations. High tariffs and disguised barriers to trade have limited the ability of developing countries to use the most advanced and useful technologies and services to address environmental problems from basic water and wastewater treatment needs to the need for the most advanced bioremediation technologies.

- **Forged Agreement For A Global Phaseout of Persistent Pollutants:** The Clinton Administration led the way on an agreement to phase out the use of 12 dangerous, persistent organic pollutants worldwide, such as PCBs and DDT.

THE NORTH AMERICAN AGREEMENT ON ENVIRONMENTAL COOPERATION (NAAEC) HAS LED TO UNPRECEDENTED REGIONAL ENVIRONMENTAL COOPERATION AND IMPROVED ENFORCEMENT OF MEXICO'S ENVIRONMENTAL LAWS. THE INTERNATIONAL PUBLIC SCRUTINY ASSOCIATED WITH THE NAFTA SUBMISSION PROCESS HAS BEEN AN IMPORTANT IMPETUS FOR CHANGE IN MEXICO.

- **Cleaning Up the U.S.-Mexico Border:** NAFTA's environmental institutions are addressing critical environmental infrastructure needs.

  - **$2-3 Billion in Lending:** Over time, the North American Development Bank (NADBank) will be able to leverage its capital into $2 to $3 billion in lending. To date, 16 projects have been certified with a combined cost of nearly $230 million, and construction has already begun on seven projects.

  - **Border Cleanup Projects:** The NADBank, together with the NAFTA Border Environment Cooperation Commission (BECC) and federal and state officials on both sides of the border, have identified more than 30 environmental projects along the border with a total cost of about $500 million for their 1997-99 work plan.

- **Affordable Water Cleanup for Poor Border Communities.** NADBank is establishing co-financing mechanisms with U.S. and Mexican grant programs to provide affordable financing for poor border communities. A recent agreement will enable NADBank to combine its loans with up to $170 million in grants from the Environmental Protection Agency for border water and wastewater projects.

- **Border XXI:** The United States and Mexico have established a five-year blueprint for achieving a clean border environment. We are already cooperating to abate emissions from vehicles at border crossings, tracking transboundary shipments of hazardous wastes, and operating a U.S.-Mexico Joint Response Team to minimize the risk of chemical accidents, to name just a few activities.

- **Submission Process on Environmental Enforcement:** The NAAEC submission process -- which subjects member governments to public and international scrutiny for alleged violations of environmental laws, and can also lead to economic sanctions -- is working as intended. Under NAFTA, Mexico's enforcement of its environmental laws has improved and there has been an unprecedented amount of cooperation between the United States and Mexico on environmental enforcement.

  - **Oversight of Enforcement:** The NAFTA Commission for Environmental Cooperation's (CEC) review of citizen submissions alleging nonenforcement of environmental laws has led to an investigation of the adequacy of environmental reviews of a cruise ship pier in Cozumel, Mexico and a report on water use in the Fort Huachuca, Arizona area.

  - **Banning Pesticides.** Through the CEC, Mexico has agreed to join the United States and Canada in banning the pesticides DDT and chlordane, ensuring that these long-lived, toxic substances no longer cross our border.

  - **Improved Mexican Enforcement.** Mexico has increased the number of environmental enforcement actions from roughly 3,100 in 1991 to between 12.000 and 13,000 annually since NAFTA was signed. Mexico reports a 72% reduction in serious environmental violations in the maquiladora industry and a 43% increase in the number of maquiladora facilities in complete compliance.

TRADE AGREEMENTS AND FOOD SAFETY

America applies the same food safety standards to imports as we do to domestic products.

- **Safety of Imported Foods.** The Food and Drug Administration (FDA) figures show that, in general, agricultural imports are no more likely to present health risks from microbial pathogens than domestic agricultural products.

- **Funding Up For Inspections For Imported Pests and Diseases.** In order to protect U.S. animal and plant health from imported pests and disease, the Agricultural and Plant Health Inspection Services has increased funding for inspections 78 percent and added 44 percent more personnel since 1990.

- **Drop In Tainted Food Entering the United States.** The FDA reports that detentions of Canadian origin food products dropped 12 percent and detentions of Mexican origin products declined 30 percent in 1996.

- **NAFTA and Food-Borne Illnesses.** Recent data from investigation of food-borne illness outbreaks by the American government do not substantiate the charge that food-borne illness has increased because of expanded trade through NAFTA.

- **This Year, Vice-President Gore Announced Plan To Modernize and Increase U.S. Food Safety.** In May, Vice-President Gore announced initiative, "Food Safety from Farm to Table", to modernize and increase the safety of the nation's supply. The plan would, among other things:

    - Enhance coverage of imported foods and evaluate new methods for testing imports.

    - The Hazard Analysis and Critical Control Points regulations include specific provisions related to food imports to prevent food safety hazards before the product enters the marketplace. USDA, FDA, and EPA are also researching more efficient ways of testing for food-borne hazards.

    - Federal, state, and local governments will build a new early warning system to help detect outbreaks of food-borne illness earlier, so the food safety regulatory network can quickly respond to contain any future problems, including stopping shipments at the border and increasing testing.

* DRAFT

TRADE WITH DEVELOPING COUNTRIES

Phenomenal growth in U.S. exports has contributed more than one-third of our economic growth over the last four and a half years -- with half that growth concentrated in developing country export markets. Our strong export performance reflects the fact that America's workers are the most productive in the world -- in sector after sector. Export growth has been a key source of new jobs for America's workers. And these jobs are good jobs, paying above the national average. With this increased trade, the American economy is now the envy of the world, with strong employment growth; low unemployment; stable inflation; and rising incomes for American families. America workers lead the world in industry after industry, from specialty steel to telecommunications.

- **American Workers Are Worth More.** A recent McKinsey study found that the U.S. has significantly higher labor and capital productivity than both Japan and the European Union. If companies want to most efficient workers, America is now the country for them. Moreover, the U.S. market is attractive to businesses because we have the biggest consumer market in the world, high-quality infrastructure, advanced supplier networks, and political and economic stability.

- **Study Finds That Labor Costs More In Many Low-Wage Countries Than In U.S.** A recent San Francisco Federal Reserve study finds that for many of the Asian non-industrialized countries the average cost of labor needed to produce key products was higher than in the United States, because the higher productivity of American workers more than makes up for their higher wages. It concludes that "low wages are a symptom of low productivity, not an independent source of international competitiveness."

TRADE IS NOT A ONE-WAY STREET. AS WE TRADE WITH DEVELOPING COUNTRIES, GOODS PRODUCED BY AMERICAN WORKERS INCREASE IN DEMAND. AND THE DEVELOPING COUNTRY BENEFITS AS THEIR STANDARD OF LIVING INCREASES.

- **World Bank Finds Free Trade Benefits Developing Countries.** A recent World Bank report concludes that real wages have grown fastest in those developing countries that trade the most. Over the past two decades, real wages rose at an average rate of 3 percent per year in developing countries with above-average ratios of export growth to GDP and stagnated in below-average countries. [1995 World Development Report]

- **U.S. Benefits In Long-Term From Trading With Developing Countries.** By making early inroads in the markets of the four original Asian tigers (Korea, Hong Kong, Singapore, Taiwan) and Japan, our companies have secured an additional $131 billion in export opportunities over the last 23 years. ($72 billion for four tigers alone). That is nearly twice the increase in exports to the 4 largest members of the EU during the same time period ($67 billion).

FAST TRACK FACT SHEET

BACKGROUND ON FAST TRACK

Who Has Trade Negotiating Authority?

- A Balance Between the President and Congress: The Constitution gives Congress exclusive authority to set tariffs and enact other legislation governing international trade. The President has the Constitutional authority to negotiate international agreements. If the President negotiates a trade agreement that requires changes in U.S. tariffs or in other domestic laws, that trade agreement's implementing legislation must be submitted to Congress--or the President must have Congress' advance approval of such changes.

How does Fast Track Work?

- A Strong Role for Congress: In exchange for the expedited considerations of implementing legislation, Congress retains a central role before and during the negotiating process and, equally important in determining how to implement trade agreements. Requests for fast track have always included extensive notification and consultation requirements for the President with Congress itself and with private sector advisory committees. In every trade agreement negotiated under fast track, Congress has been an active participant in identifying negotiating objectives, monitoring the actual negotiations, and drafting implementing legislation.

  - To apply fast track to a trade agreement, whether sectoral, bilateral or multilateral, the President must notify Congress in advance of his intention to sign such an agreement. For most previous grants, the advance notice requirement was 90 days; for the Uruguay Round, the notice requirement was set at 120 days. Even before the President signals his intention to enter into an agreement, the private sector advisory committees are required to report to both Congress and the President on their views as to whether the agreement meets U.S. negotiating objectives. For bilateral trade agreements, the Congress must be given advance notice of the President's intent to begin negotiations. During the next 60 legislative days, either the House Ways and Means Committee or the Senate Finance Committee can vote to deny fast track for the proposed agreement.

  - Once the negotiations have been concluded and the President has signed it, the Congress and the Administration begin a period of extensive discussions on drafting legislation. This process, reflecting the growing complexity of trade agreements, has involved an increasing number of committees of jurisdiction and interested Congressional Members. The President is required to spell out precisely how he intends to use his existing regulatory authority in implementing the agreement. Congress retains the right to vote down an agreement if, after consultation, it still finds the package unacceptable.

  - Additional Congressional prerogatives include special procedures for revoking fast track if the President fails to meet the consultation requirements. Where fast track authority has been granted with the possibility of an extension, either House retains the right to disapprove an extension provided either the House Ways and Means Committee or the Senate Finance Committee have reported out an "extension disapproval resolution."

- 60 Years of Cooperation between the President and Congress: For over 60 years, the Congress and the President have recognized that the negotiation and implementation of trade agreements require special cooperation. In the aftermath of the Smoot-Hawley Tariff Act of 1930 and the Depression, both the Congress and the President recognized that only by working closely together could trade barriers be torn down and markets opened to US goods. This new attitude was first reflected in the Reciprocal Trade Agreements Act of 1934, and has remained part of U.S. trade law ever since.

- Fast Track has Worked for Over 20 Years: In recent years, as tariffs became less of an obstacle to trade and many of our trading partners sought to protect their domestic markets by erecting non-tariff barriers, the scope of trade negotiations broadened and by agreement between the Ford Administration and the Congress, fast track was created to accommodate this broader trade agenda. It was first embodied in the Trade Act of 1974 to deal with the Tokyo Round negotiations called for in the GATT. Fast track procedures for approving trade agreements have been renewed by Congress in 1979, 1984, 1988, 1991 and most recently in 1993. As a result, Presidents have had fast track negotiating authority continuously from January 1975 until April 1994, with a brief hiatus for eight months in 1988.