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Fast Track [Binder] [1]

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NATIONAL GOVERNORS' ASSOCIATION

Bob Miller
Governor of Nevada
Chairman

George V. Voinovich
Governor of Ohio
Vice Chairman

Raymond C. Scheppach
Executive Director

Hall of the States
444 North Capitol Street
Washington, D.C. 20001-1512
Telephone (202) 624-5300

Anna Cushing

April 16, 1997

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The National Governors' Association (NGA) has consistently supported federal government efforts to expand global free trade. Joint efforts between the Governors and the administration can be credited for such international trade related successes as passage of the North American Free Trade Agreement and the Uruguay round negotiations of the General Agreement on Tariffs and Trade. We write today out of concern that renewal of fast-track trade negotiation authority has been stalled for far too long. The nation's Governors urge you to take the steps necessary to allow congressional consideration of this issue.

Fast-track authority is an important and effective tool that allows the United States to establish cooperative trade agreements with other nations. We have already seen the negative effects of delayed action on this critical issue. Negotiations with Chile over its accession to the North American Free Trade Agreement seem interminably stalled. The rest of Latin America is watching this process and has voiced growing concerns that the United States will be even less able to negotiate effectively on issues related to the creation of the Free Trade Area of the Americas.

Competing nations will not wait for us to resolve internal political disputes over the structure of fast-track authority, and the Governors do not want the nation's businesses left behind in the global marketplace as a result. It is essential that you act swiftly to remedy this gap in the United States' ability to negotiate effectively with other nations in the area of trade expansion.

The Governors have already sent a clear message to Congress on this matter. We are prepared to fully support efforts to achieve congressional renewal of fast-track authority in this Congress.

Sincerely,

Paul E. Patton
Governor Paul E. Patton
Chair
Committee on Economic Development
and Commerce

Edward T. Schafer
Governor Edward T. Schafer
Vice Chair
Committee on Economic Development
and Commerce

c: Ambassador Charlene Barshefsky, United States Trade Representative

Attachment

970421

May 5, 1997

The Honorable Paul E. Patton
The Honorable Edward T. Schafer
National Governors' Association
Hall of States
444 North Capitol Street
Washington, D.C. 20001-1512

Dear Paul and Ed:

Thank you for your letter on behalf of the National Governors' Association regarding fast-track authority for the President and negotiations of the Free Trade Area of the Americas.

As you know, I share your view that obtaining negotiating authority from Congress would enhance America's ability to continue to bring down trade barriers, give American companies and workers a chance to open new markets, provide global leadership on trade, and ensure that the United States remains the world's leading economic power. Be assured that I will continue to work diligently with Congress to pass fast-track legislation.

As always, I appreciate knowing the perspective of the National Governors' Association.

Sincerely,

BILL CLINTON

BC/AC/RSM/RLM/emu-ckb-emu (Corres. #3485160)
(5.patton.pe)

cc: Wayna Wondwossen, 93 OEOB
IGA

FAST TRACK: THE RIGHT THING FOR AMERICA

America needs fast track to continue to create higher-paying jobs for more American workers. And with new markets opening around the world, it is more important than ever to give the President the authority to increase access to foreign markets. If we don't seize these opportunities, our competitors will. An ***"America last"*** *strategy is unacceptable.*

We Need to Keep America's Economy the Strongest in the World

- 13.2 million new jobs with unemployment below 5% -- its lowest level in 24 years.
- Economic growth at over 4% last year -- boosted by $125 billion in new exports.
- Deficit cut by over 90% -- from $290 billion in 1993 to $23 billion today.

Open and Fair Trade Is in Best Interest of American Workers and Their Families

- All over America, jobs have been created in small, medium and large companies that would not be here today if we didn't have the ability to negotiate fair trade agreements.
- More than 12 million jobs in America are dependent on trade. Over the last 4 years, American manufacturing exports rose 42%, high technology exports jumped 46%, service exports climbed 33% and farm exports rose 41%.

The Fast Track Debate Is About Much More Than Trade. It's About American Leadership

- We can meet the challenges of the future, write the trade rules and continue America's economic growth -- or we can turn our back on the world and fail to compete for new markets, new contracts, new business and new jobs.
- Other governments view fast track as a test of whether the U.S. intends to maintain our half century of leadership -- or retreat & turn inward.

Making It Possible For All Americans to Share in the Benefits of Economic Change

- Working with Members of Congress, the President has developed a comprehensive set of initiatives totaling $4 billion over 5 years to ensure that more Americans can succeed in the global economy.
- We need a progressive growth strategy in which we take every action possible to ensure that all Americans can benefit from economic change.
- We need to break out of the old arguments that say you are either for blocking change -- or you are for the market but everyone has to fend for themselves
- The President's plan **(1)** expands resources to workers who lose their jobs, **(2)** helps communities get back on their feet and **(3)** helps tap the untapped potential of America's poor rural and urban communities.

American Workers Still Face A Disadvantage and Other Countries Will Benefit If the U.S. Is Not at the Table

- American exports still face tariff rates higher than our own. Tariffs on U.S. agricultural exports average 38%, while our own rates average 11%.
- Without fast track, these conditions will only persist while more and more countries negotiate their own preferential trade deals to the detriment of America's workers.
- In Latin America and Asia alone, other countries have already reached more than 20 preferential trade agreements without the United States.

We Need Fast Track to Have the Flexibility in Upcoming Negotiations on Agriculture, Commercial Services and Govt. Procurement

- The U.S. stands to benefit the most in these negotiations because of our comparative advantage in each of these export areas, which already support millions of U.S. jobs.

ARKANSAS IS MOVING FORWARD WITH MORE JOBS AND TRADE

Arkansas Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Arkansas has declined from 6.7% in January 1993 to 5.5% in July 1997.
- **117,000 New Jobs In Arkansas.** Since 1993, 117,700 new jobs were created in Arkansas.
- **Exports From Arkansas Are Up 96%.** In the first 6 months of 1997, Arkansas' goods exports were running at a rate of $2.4 billion -- up 96% since 1992. Arkansas' exports of manufactured products were also up 96% from $1.2 billion to $2.3 billion in 1997*.
- **28,100 Jobs In Arkansas Are Supported By Trade.** Jobs supported by goods exports increased 58% -- up 10,000 to 28,100 in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Food Product Exports Are Up 162%.** Food product exports have increased 162% since 1993 from $320 million to over $840 million in 1997*-- creating more higher paying jobs for more people in Arkansas.
- **11,500 New Construction Jobs In Arkansas.** 11,500 new manufacturing jobs were created in Arkansas since 1993.
- **Household Incomes Are Up $1,500 In Arkansas.** Since 1993, real median household income in Arkansas has increased by $1,515 -- from $24,299 in 1993 to $25,814 in 1995.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

CALIFORNIA IS MOVING FORWARD WITH MORE JOBS AND TRADE

California Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in California has declined from 9.7% in January 1993 to 6.1% in July 1997.
- **Over 1,000,000 New Jobs In California.** 1,064,000 new jobs since 1993 -- employment growth 4 times faster than the previous four years.
- **Exports From California Are Up 46%.** In the first 6 months of 1997, California's goods exports were running at a rate of $107 billion -- up 46% since 1992 -- making it the country's largest exporting state.
- **1.3 Million Jobs In California Are Supported By Trade.** Jobs supported by goods exports increased 17% -- up 187,200 since 1992 to 1.3 million jobs in 1997* -- paying an average of 15% more than non-trade related jobs.
- **Electronic And Electric Equipment Exports Are Up 63%.** Electronic and electric equipment exports have increased 63% since 1993 from $16 billion to $26 billion in 1997*-- creating more higher paying jobs for more Californians. California is the country's largest agricultural exporting state -- shipping 12% of U.S. total.
- **Over 47,000 New Manufacturing Jobs In California.** 47,400 new manufacturing jobs -- after falling by 67,000 during the previous four years.
- **Household Incomes Are Up $1,100 In California.** Since 1993, real median household income in California has increased by $1,073 -- from $35,936 in 1992 to $37,009 in 1995.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

COLORADO IS MOVING FORWARD WITH MORE JOBS AND TRADE

Colorado Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Colorado has declined from 6.1% in January 1993 to 3.1% in July 1997.

- **Over 300,000 New Jobs In Colorado.** 303,500 new jobs since 1993 -- employment growth nearly twice the rate than the previous four years.

- **Exports From Colorado Are Up 79%.** In the first 6 months of 1997, Colorado's goods exports were running at a rate of $12 billion -- up 79% since 1992. Colorado's exports of manufactured products increased 75% from $6.5 billion to $11.4 billion in 1997*.

- **139,000 Jobs In Colorado Are Supported By Trade.** Jobs supported by goods exports increased 44% -- up 42,100 since 1992 to 139,000 jobs in 1997* -- paying an average of 15% more than non-trade related jobs.

- **Food Product Exports Are Up 178%.** Food product exports have increased 178% since 1993 from $291 million to $807 million in 1997*-- creating more higher paying jobs for more people in Colorado.

- **Nearly 10,000 New Manufacturing Jobs In Colorado.** 9,500 new manufacturing jobs -- after falling by more than 3,000 during the previous four years.

- **Household Incomes Are Up $5,400 In Colorado.** Since 1992, median household income in Colorado has increased by $5,420 -- from $35,286 in 1992 to $40,706 in 1995.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.

- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.

- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.

- **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.

- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.

- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.

- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

FLORIDA IS MOVING FORWARD WITH MORE JOBS AND TRADE

Florida Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Florida has declined from 7.3% in January 1993 to 4.6% in July 1997.
- **Nearly 1 Million New Jobs In Florida.** 943,200 new jobs since 1993 -- employment growth over 3 times faster than the previous four years.
- **Exports From Florida Are Up 51%.** In the first 6 months of 1997, Florida's goods exports were running at a rate of $25 billion -- up 51% since 1992 -- making it the country's eighth largest exporting state.
- **296,000 Jobs In Florida Are Supported By Trade.** Jobs supported by goods exports increased 21% -- up 52,200 since 1992 to 296,000 jobs in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Industrial Machinery And Computer Exports Are Up 102%.** Industrial machinery and computer exports have increased 102% since 1993 from over $3 billion to over $6 billion in 1997*-- creating more higher paying jobs for more Floridians.
- **10,500 New Manufacturing Jobs In Florida.** 10,500 new manufacturing jobs -- after falling by 55,000 during the previous four years.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In the Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

GEORGIA IS MOVING FORWARD WITH MORE JOBS AND TRADE

Georgia Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Georgia has declined from 6.2% in January 1993 to 4.3% in July 1997.
- **Over 550,000 New Jobs In Georgia.** 557,900 new jobs since 1993 -- employment growth 4 times faster than the previous four years.
- **Exports From Georgia Are Up 54%.** In the first 6 months of 1997, Georgia's goods exports were running at a rate of $10.3 billion -- up 54% since 1992. Georgia's exports of manufactured products went from $6.1 billion in 1993 to $9.6 billion in 1997* -- an increase of 59%.
- **121,200 Jobs In Georgia Are Supported By Trade.** Jobs supported by goods exports increased 24% -- up 23,000 since 1992 to 121,200 jobs in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Industrial Machinery and Computer Exports Are Up 81%.** Industrial machinery and computer exports have increased 81% since 1993 from $871 million to over $1.6 billion in 1997* -- creating more higher paying jobs for more Georgians.
- **Over 35,000 New Manufacturing Jobs In Georgia.** 35,900 new manufacturing jobs -- after falling by 19,000 during the previous four years.
- **Household Incomes Are Up $2,800 In Georgia.** Since 1992, real median household income in Georgia has increased by $2,818 -- from $31,281 in 1992 to $34,099 in 1995.

* All figures for 1997 are annualized based on exports for the first 6 months

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

IOWA IS MOVING FORWARD WITH MORE JOBS AND TRADE

Iowa Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Iowa has declined from 4.2% in January 1993 to 2.6% in July 1997.
- **Over 140,000 New Jobs In Iowa.** 141,600 new jobs since 1993 -- employment growth nearly 2 times faster than the previous four years.
- **Exports From Iowa Are Up 103%.** In the first 6 months of 1997, Iowa's goods exports were running at a rate of $3.5 billion -- up 103% since 1992.
- **41,300 Jobs In Iowa Are Supported By Trade.** Jobs supported by goods exports increased 64% -- up 16,000 since 1992 to 41,300 jobs in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Industrial Machinery And Computer Exports Are Up 112%.** Industrial machinery and computer exports have increased 112% since 1993 from $463 million to $983 million in 1997*-- creating more higher paying jobs for more Iowans.
- **15,700 New Manufacturing Jobs In Iowa.** 15,700 new manufacturing jobs -- after only 1,800 were created in the previous four years.
- **Household Incomes Are Up $5,300 In Iowa.** Since 1993, real median household income in Iowa has increased by $5,289 -- from $30,230 in 1993 to $35,519 in 1995.

America Is Moving In the Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

LOUISIANA IS MOVING FORWARD WITH MORE JOBS AND TRADE

Louisiana Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Louisiana has declined from 7.6% in January 1993 to 6.3% in July 1997.

- **Nearly 200,000 New Jobs In Louisiana.** 196,300 new jobs since 1993 -- more employment growth than the entire previous administration.

- **Exports From Louisiana Are Up 21%.** In the first 6 months of 1997, Louisiana's goods exports were running at a rate of $4.5 billion -- up 21% since 1992.

- **Manufactured Exports.** Louisiana's exports of manufactured products increased 19% from $2.4 billion to nearly $3 billion in 1997*.

- **Petroleum And Coal Products Are Up 120%.** Petroleum and coal product exports have increased 120% since 1993 from over $75 million to $165 million in 1997*-- creating more higher paying jobs for more people living in Louisiana.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.

- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.

- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.

- **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.

- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.

- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.

- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

MISSOURI IS MOVING FORWARD WITH MORE JOBS AND TRADE

Missouri Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Missouri has declined from 6.2% in January 1993 to 3.6% in July 1997.
- **240,000 New Jobs In Missouri.** 240,800 new jobs since 1993 -- employment growth nearly 4 times faster than the previous four years.
- **Exports From Missouri Are Up 62%.** In the first 6 months of 1997, Missouri's goods exports were running at a rate of $7.7 billion -- up 62% since 1992. Missouri's exports of manufactured products were up by 44% from $4.3 in 1993 billion to $6 billion in 1997*.
- **91,000 Jobs In Missouri Are Supported By Trade.** Jobs supported by goods exports increased 30% -- up 21,000 since 1992 to 91,000 jobs in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Primary Metal Exports Are Up 213%.** Primary metal exports have increased 213% since 1993 from $101 million to over $314 million in 1997* -- creating more higher paying jobs for more people in Missouri.
- **24,000 New Construction Jobs In Missouri.** 23,900 new construction jobs -- after falling by 5,400 during the previous four years.
- **Household Incomes Are Up $5,100 In Missouri.** Since 1992, median household income in Missouri has increased by $5,104 -- from $29,721 in 1992 to $34,825 in 1995.

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America Is Moving In The Right Direction; Now Is Not The Time to Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

MARYLAND IS MOVING FORWARD WITH MORE JOBS AND TRADE

Maryland Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Maryland has declined from 6.4% in January 1993 to 4.7% in July 1997.

- ***160,000* New Jobs In Maryland.** 160,200 new jobs since 1993 -- after nearly 50,000 jobs were lost in the previous four years.

- **Exports From Maryland Are Up 37%.** In the first 6 months of 1997, Maryland's goods exports were running at a rate of $4.1 billion -- up 37% since 1992. Maryland's exports of manufactured products were up by 42% from $2.6 billion to $3.7 billion in 1997*.

- **49,000 Jobs In Maryland Are Supported By Trade.** Jobs supported by goods exports increased 11% -- up 4,600 since 1992 to 49,000 jobs in 1997*-- paying an average of 15% more than non-trade related jobs.

- **Electronic and Electric Equipment Exports Are Up 92%.** Electronic and electric equipment exports have increased 92% since 1993 from $347 million to $667 million in 1997*-- creating more higher paying jobs for more people in Maryland.

- **17,000 New Construction Jobs In Maryland.** 17,000 new construction jobs -- after falling by 43,700 during the previous four years.

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America Is Moving In The Right Direction; Now Is Not The Time to Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.

- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.

- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.

- **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.

- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.

- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.

- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

MASSACHUSETTS IS MOVING FORWARD WITH MORE JOBS AND TRADE

Massachusetts Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Massachusetts has declined from 7.5% in January 1993 to 3.9% in July 1997.

- **Nearly 300,000 New Jobs In Massachusetts.** 296,000 new jobs since 1993 -- after over 325,000 jobs were lost during the previous four years.

- **Exports From Massachusetts Are Up 47%.** In the first 6 months of 1997, Massachusetts's goods exports were running at a rate of $19 billion -- up 47% since 1992. Massachusetts's exports of manufactured products were up by 51% in 1993 from $12.1 billion to $18 billion in 1997*.

- **221,000 Jobs In Massachusetts Are Supported By Trade.** Jobs supported by goods exports increased 25% -- up 44,000 since 1992 to 221,000 jobs in 1997*-- paying an average of 15% more than non-trade related jobs.

- **Electronic and Electric Equipment Exports Are Up 73%.** Electronic and Electric equipment exports have increased 73% since 1993 from $2.2 billion to $3.8 billion -- creating more higher paying jobs for more people in Massachusetts.

- **21,200 New Construction Jobs In Massachusetts.** 21,200 new construction jobs -- after falling by 56,600 during the previous four years.

*All figures for 1997 are based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time to Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.

- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.

- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.

- **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.

- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.

- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.

- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

NEW YORK IS MOVING FORWARD WITH MORE JOBS AND TRADE

New York Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in New York has declined from 8.3% in January 1993 to 6.4% in July 1997.

- **285,000 New Jobs In New York.** 285,700 new jobs since 1993 -- after losing more than 500,000 jobs in the previous four years.

- **Exports From New York Are Up 31%.** In the first 6 months of 1997, New York's goods exports were running at a rate of $55 billion -- up 31% since 1992 -- making New York the third largest state exporter of goods.

- **Nearly 650,000 Jobs In New York Are Supported By Trade.** Jobs supported by goods exports totaled 650,700 in 1997* -- paying an average of 15% more than non-trade related jobs.

- **Industrial Machinery And Computer Exports Are Up 62%.** Industrial machinery and computer exports have increased 62% since 1993 from $5 billion to over $8 billion in 1997*-- creating more higher paying jobs for more people in New York.

- **18,000 New Construction Jobs In New York.** 18,000 new construction jobs -- after falling by 92,000 during the previous four years.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.

- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.

- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.

- **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.

- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.

- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.

- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

NORTH CAROLINA IS MOVING FORWARD WITH MORE JOBS AND TRADE

North Carolina Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in North Carolina has declined from 5.5% in January 1993 to 3.7% in July 1997.

- **Over 440,000 New Jobs In North Carolina.** 440,100 new jobs since 1993 -- employment growth nearly 3 times as fast as in the previous four years.

- **Exports From North Carolina Are Up 80%.** In the first 6 months of 1997, North Carolina's goods exports were running at a rate of nearly $15 billion -- up 80% since 1992. North Carolina's exports of manufactured products increased 74% from $7.8 billion to $13.6 billion in 1997*.

- **174,100 Jobs In North Carolina Are Supported By Trade.** Jobs supported by goods exports increased 45% -- up 53,600 to 174,100 in 1997*-- paying an average of 15% more than non-trade related jobs.

- **Apparel Product Exports Are Up 155%.** Apparel exports have increased 155% since 1993 from $600 million to $1.6 billion in 1997*-- creating more higher paying jobs for more people in North Carolina.

- **50,000 New Construction Jobs In North Carolina.** 49,600 new construction jobs -- after falling by 16,400 during the previous four years.

- **Household Incomes Are Up $1,800 In North Carolina.** Since 1992, median household income in North Carolina has increased by $1,813 -- from $30,166 in 1992 to $31,979 in 1995.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.

- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.

- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.

- **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.

- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.

- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.

- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

NORTH DAKOTA IS MOVING FORWARD WITH MORE JOBS AND TRADE

North Dakota Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in North Dakota has declined from 4.7% in January 1993 to 2.6% in July 1997.
- **35,000 New Jobs In North Dakota.** Since 1993, 35,000 new jobs have been created in North Dakota.
- **Exports From North Dakota Are Up 135%.** In the first 6 months of 1997, North Dakota's goods exports were running at a rate of $842 million -- up 135% since 1992. North Dakota's exports of manufactured products were up by 100% from $348 million in 1993 to $729 million in 1997*
- **10,000 Jobs In North Dakota Are Supported By Trade.** Jobs supported by goods exports increased 89% -- up 4,700 to 10,000 in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Food Product Exports Are Up 315%.** Food product exports have increased 315% since 1993 from $24 million to over $100 million in 1997* -- creating more higher paying jobs for more people in North Dakota.
- **92,000 New Manufacturing Jobs In North Dakota.** 92,000 new manufacturing jobs -- after only 7,000 manufacturing jobs were created during the previous four years.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

OREGON IS MOVING FORWARD WITH MORE JOBS AND TRADE

Oregon Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Oregon has declined from 7.3% in January 1993 to 5.3% in July 1997.
- **Over 250,000 New Jobs In Oregon.** 250,700 new jobs since 1993 -- employment growth over twice as fast as in the previous four years.
- **Exports From Oregon Are Up 46%.** In the first 6 months of 1997, Oregon's goods exports were running at a rate of $9.1 billion -- up 46% since 1992.
- **107,000 Jobs In Oregon Are Supported By Trade.** Jobs supported by goods exports increased 17% -- up 15,600 to 107,100 in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Paper Product Exports Are Up 220%.** Paper product exports have increased 220% since 1993 from $116 million to nearly $372 million in 1997*-- creating more higher paying jobs for more people in Oregon.
- **35,700 New Manufacturing Jobs In Oregon.** 35,700 new manufacturing jobs -- after 7,400 manufacturing jobs were lost during the previous four years.
- **Household Incomes Are Up $1,700 In Oregon.** Since 1992, real median household income in Oregon has increased by $1,693 -- from $34,681 in 1992 to $36,374 in 1995.

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America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

TENNESSEE IS MOVING FORWARD WITH MORE JOBS AND TRADE

Tennessee Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Tennessee has declined from 7.6% in January 1993 to 5.4% in July 1997.
- **Over 255,000 New Jobs In Tennessee.** 256,600 new jobs since 1993 -- employment growth nearly twice as fast as in the previous four years.
- **Exports From Tennessee Are Up 56%.** In the first 6 months of 1997, Tennessee's goods exports were running at a rate of $10 billion -- up 56% since 1992.
- **117,000 Jobs In Tennessee Are Supported By Trade.** Jobs supported by goods exports increased 25% -- up 24,000 to 117,000 in 1997*-- paying an average of 15% more than non-trade related jobs.
- **Transportation Equipment Exports Are Up 95%.** Transportation equipment exports have increased 95% since 1993 from $900 million to over $1.8 billion in 1997* -- creating more higher paying jobs for more people in Tennessee.
- **26,800 New Construction Jobs In Tennessee.** 26,800 new construction jobs -- after 3,300 construction jobs were lost during the previous four years.
- **Household Incomes Are Up $2,600 In Tennessee.** Since 1992, real median household income in Tennessee has increased by $2,600 -- from $26,415 in 1992 to $29,015 in 1995.

* All figures for 1997 are annualized based on exports for the first 6 months.

America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

- **13 Million New Jobs.** The economy has created nearly 13 million new jobs under President Clinton. Private sector job growth rate nearly 8 times greater than during previous Administration.
- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.
- **1.7 Million New Export-Related Jobs -- Paying On Average 15% Higher Wages.** Since President Clinton took office, the number of export-related jobs has increased by 1.7 million.
- **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.
- **Exports Are Up By Nearly 50%.** Since the beginning of 1993, exports from the U.S. have grown by nearly 50% -- up $318 billion -- after adjusting for inflation. Exports have accounted for 38% of the overall growth in the economy since 1993.
- **Renewed Growth In Key Industries.** After a decade of enormous job losses in construction, manufacturing, and autos, these industries have made a remarkable recovery -- more than one million new jobs combined under President Clinton.
- **Smallest Deficit Among Major Economies.** Under President Clinton, the deficit has been cut by more than 80% -- from a record $290 billion in 1992 to an expected $37 billion this year.

TEXAS IS MOVING FORWARD WITH MORE JOBS AND TRADE

Texas Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Texas has declined from 7.6% in January 1993 to 5.4% in July 1997.

- **Over 1 Million New Jobs In Texas.** 1,085,200 new jobs since 1993 -- employment growth nearly twice as fast as in the previous four years.

- **Exports From Texas Are Up 57%.** In the first 6 months of 1997, Texas's goods exports were running at a rate of $60 billion -- up 57% since 1992. Texas is the second largest state exporter of goods in the country.

- **710,000 Jobs In Texas Are Supported By Trade.** Jobs supported by goods exports increased 26% -- up 147,300 to 710,000 in 1997* -- paying an average of 15% more than non-trade related jobs.

- **Electronic And Electric Equipment Exports Are Up 104%.** Electronic and electric equipment exports have increased 104% since 1993 from $6.7 billion to over $13.7 billion in 1997* -- creating more higher paying jobs for more people in Texas.

- **92,000 New Manufacturing Jobs In Texas.** 92,000 new manufacturing jobs -- after only 7,000 manufacturing jobs were created during the previous four years.

- **Household Incomes Are Up $1,700 In Texas.** Since 1992, median household income in Texas has increased by $1,675 -- from $30,364 in 1992 to $32,039 in 1995.

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America Is Moving In The Right Direction; Now Is Not The Time To Turn Back

President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

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- **Unemployment Rate Down To 24-Year Low.** In 1992, the unemployment rate was 7.5%. Today it is under 5% -- as low as it's been at any time in the last 24 years.

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WASHINGTON IS MOVING FORWARD WITH MORE JOBS AND TRADE

Washington Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Washington has declined from 8.3% in January 1993 to 4.7% in July 1997.
- **284,000 New Jobs In Washington.** 283,900 new jobs in Washington have been created since 1993.
- **Exports From Washington Are Up 16%.** In the first 6 months of 1997, Washington's goods exports were running at a rate of $36 billion -- up 16% since 1992. Washington exports of manufactured products were up by 29% from $26 billion to $33 billion in 1997*.
- **423,000 Jobs In Washington Are Supported By Trade.** Over 423,000 jobs in Washington were supported by goods exports in 1997* -- paying an average of 15% more than non-trade related jobs.
- **Electronic And Electric Equipment Exports Are Up 83%.** Electronic and electric equipment exports have increased 83% since 1993 from $600 million to $1.1 billion in 1997*-- creating more higher paying jobs for more people in Washington.
- **27,000 New Manufacturing Jobs In Washington.** 27,000 new manufacturing jobs -- after only 7,000 manufacturing jobs were created during the previous four years.
- **Household Incomes Are Up $1,700 In Washington.** Since 1992, median household income in Washington has increased by $1,675 -- from $30,364 in 1992 to $32,039 in 1995.

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President Clinton's three part economic strategy of cutting the deficit, investing in our people through education and training and opening more markets to U.S. goods is working. Now is the time to continue that progress by renewing fast track authority to help create more jobs that pay more.

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WISCONSIN IS MOVING FORWARD WITH MORE JOBS AND TRADE

Wisconsin Is Moving In The Right Direction

- **Unemployment Is Down.** The unemployment rate in Wisconsin has declined from 4.4% in January 1993 to 3.8% in July 1997.

- **259,000 New Jobs In Wisconsin.** Since 1993, 259,000 new jobs have been created in Washington.

- **Exports From Wisconsin Are Up 76%.** In the first 6 months of 1997, Wisconsin's goods exports were running at a rate of $11.4 billion -- up 76% since 1992. Wisconsin exports of manufactured products were up by 74% from $6.3 billion to $11 billion in 1997*.

- **139,000 Jobs In Wisconsin Are Supported By Trade.** Jobs supported by goods exports increased 18% -- up 39,400 to 139,000 in 1997*-- paying an average of 15% more than non-trade related jobs.

- **Industrial Machinery And Computer Exports Are Up 114%.** Industrial machinery and computer exports have increased 114% since 1993 from $2.4 billion to over $5.1 billion in 1997*-- creating more higher paying jobs for more people in Wisconsin.

- **48,000 New Manufacturing Jobs In Wisconsin.** 48,000 new manufacturing jobs -- after 4,500 manufacturing jobs were lost during the previous four years.

- **Household Incomes Are Up $5,100 In Wisconsin.** Since 1992, median household income in Wisconsin has increased by $5,068 -- from $35,887 in 1992 to $40,905 in 1995.

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NATIONAL GOVERNORS' ASSOCIATION

Bob Miller
Governor of Nevada
Chairman

George V. Voinovich
Governor of Ohio
Vice Chairman

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Hall of the States
444 North Capitol Street
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Telephone (202) 624-5300

April 16, 1997

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The National Governors' Association (NGA) has consistently supported federal government efforts to expand global free trade. Joint efforts between the Governors and the administration can be credited for such international trade related successes as passage of the North American Free Trade Agreement and the Uruguay round negotiations of the General Agreement on Tariffs and Trade. We write today out of concern that renewal of fast-track trade negotiation authority has been stalled for far too long. The nation's Governors urge you to take the steps necessary to allow congressional consideration of this issue.

Fast-track authority is an important and effective tool that allows the United States to establish cooperative trade agreements with other nations. We have already seen the negative effects of delayed action on this critical issue. Negotiations with Chile over its accession to the North American Free Trade Agreement seem interminably stalled. The rest of Latin America is watching this process and has voiced growing concerns that the United States will be even less able to negotiate effectively on issues related to the creation of the Free Trade Area of the Americas.

Competing nations will not wait for us to resolve internal political disputes over the structure of fast-track authority, and the Governors do not want the nation's businesses left behind in the global marketplace as a result. It is essential that you act swiftly to remedy this gap in the United States' ability to negotiate effectively with other nations in the area of trade expansion.

The Governors have already sent a clear message to Congress on this matter. We are prepared to fully support efforts to achieve congressional renewal of fast-track authority in this Congress.

Sincerely,

Paul E. Patton

Governor Paul E. Patton
Chair
Committee on Economic Development
and Commerce

Edward T. Schafer

Governor Edward T. Schafer
Vice Chair
Committee on Economic Development
and Commerce

c: Ambassador Charlene Barshefsky, United States Trade Representative

Attachment

STATE OF COLORADO

(303) 866-4267

EXECUTIVE CHAMBERS
136 State Capitol
Denver, Colorado 80203-1792
Phone (303) 866-2471

Roy Romer
Governor

Statement by Gov. Roy Romer
September 10, 1997

"International trade is a big part of Colorado's economic success, that's why I support "Fast-Track" negotiating authority for the President of the United States.

"Under the "Fast-Track" provisions, the President has the authority to conduct trade negotiations under the conditions that Congress can either approve or reject a negotiated trade agreement, but it cannot amend the agreement. Almost every country that is aggressively pursuing international trade opportunities has reserved similar "Fast Track" authority for its chief executive.

"Because of Colorado's strong interest in international trade and our particular strength as a market in the "new economy' connected to high technology and telecommunications, "Fast-Track' authority can seriously affect our future success. For example, Canada recently concluded a free trade agreement with Chile and one of the effects of that agreement is that Colorado companies that sell and service mining equipment are being slow squeezed out of the Chilean marketplace.

"If the President does not receive "Fast-Track" negotiating authority, America's global competitiveness could suffer as trade agreements are negotiated without our participation. That would be a shame for our country and for Colorado and would, in the long run, cost Americans access to highly-skilled, high paying jobs.

"I applaud President Clinton's efforts, and encourage Congress to extend "Fast-Track" negotiating authority to the President."

THE GOVERNOR OF THE STATE OF FLORIDA

July 9, 1997

LAWTON CHILES

Governor Bob Miller
State of Nevada
State Capitol
Carson City, Nevada 89710

Dear Bob:

Once again this fall, it is anticipated that Congress will take up legislation restoring the "fast track" authority for conducting trade negotiations. "Fast track" is the term for describing procedures used for trade negotiations which delegates authority away from Congress to the executive branch in order to give the President a more unfettered position in conducting trade negotiations. Under fast track, Congress has only a straight up and down vote on specific trade agreements under a process where no amendments are in order.

This authority is critical to a president's ability to protect U.S. interests in international trade, and has been granted to every chief executive since President Gerald Ford. Because of the lapse in granting President Clinton this authority since 1994, it is jeopardizing his stature in trade negotiations as well as undermining his credibility in foreign policy and international economic matters.

As governors, we have been on record through NGA policy as supportive of fast track. We have, over the years, recognized its influence on our states' ability to promote markets for our many goods and services. The Democratic Leadership Council is crafting an appeal to Congress supporting the President on fast track authority and is reaching out to Democratic leaders across the nation to sign such an appeal. The DLC hopes to show members of Congress that the economies of state and local levels throughout the country have a huge investment in the future of international trade. I know this is true in Florida, where our exports have emerged as the backbone of our international trading industry, totaling more than 25 billion during the last year.

I encourage you to lend your name to the DLC's appeal and show your support for giving President Clinton fast track authority. As you well know, the Clinton-Gore Administration has bolstered the U.S. economy and expanded our markets worldwide. Providing fast track authority will only enhance that success. If you agree to support the DLC's appeal, please let Ed Kilgore of the DLC staff know of your interest at (202) 608-1224.

Thanks for your interest and I hope to see you in Las Vegas.

With kind regards, I am

Sincerely,

Lawton

LAWTON CHILES

OFFICE OF THE GOVERNOR
STATE CAPITOL
DES MOINES, IOWA 50319
515 281-5211

TERRY E. BRANSTAD
GOVERNOR

September 9, 1997

The Honorable Leonard Boswell
1029 Longworth House Office Building
Washington, D.C. 20515

Congressman Boswell,

America's standing as a world leader depends directly upon our competitive success in the global economy. Over the past 50 years, the United States has led the world in breaking down barriers to trade. This increased market access has been very beneficial to our state's economy.

Because Iowa's economy is sensitive to trade and increased trade holds great promise for all Iowans, I urge you to support renewal of the President's "fast track" authority on trade agreements.

By expanding trade, all Iowans will benefit. With 95 percent of the world's consumers living outside the borders of the United States, increased trade will provide new opportunities for Iowa businesses and farmers to sell goods and services. People throughout the world are eager customers for Iowa grown and produces products. By developing new markets for Iowa goods and services, all Iowans will benefit.

Even today, in an economy at full employment, trade expansion benefits Iowans by contributing to higher incomes and shifting the pattern of job creation in the direction of high-productivity, high wage jobs. I urge you to support renewal of the President's "fast track" authority.

Sincerely,

Terry E. Branstad

TERRY E. BRANSTAD
Governor of Iowa

OFFICE OF THE GOVERNOR
STATE CAPITOL
DES MOINES, IOWA 50319
515 281-5211

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Sincerely,

Terry E. Branstad

TERRY E. BRANSTAD
Governor of Iowa

STATE OF ILLINOIS

OFFICE OF THE GOVERNOR

SPRINGFIELD 62706

JIM EDGAR
GOVERNOR

September 17, 1997

The Honorable Phil Crane
United States House of Representatives
233 Cannon Office Building
Washington, DC 20515

Dear Representative Crane:

As Congress begins to debate President Clinton's request for fast track trade authority, I would like to make you aware of the potential impact fast track has on the State of Illinois. While fast track is necessary for the United States to reach agreements that tear down barriers to U.S. trade and investment, it also serves as an important tool to the continued strength of the Illinois economy.

First and foremost, this vote must not be viewed as a NAFTA evaluation vote. While I believe that NAFTA has been a tremendous economic benefit to Illinois, I fear that opposition to fast-track authority is being based on NAFTA alone. Fast track is for the future. The rest of the world is moving ahead of the United States in the area of free trade. The European Union and Canada are moving quickly to establish trade agreements with Latin America. Southeast Asia is currently on pace to have its own free trade area by 2010, and without fast track the US will be left out. Latin America and Southeast Asia are two of the fastest growing economies in the world, the United States can ill afford to be left out of trade agreements with these regions.

Second, when the WTO agreement was passed, included in the agreement was a "built-in-agenda" that would reduce trade barriers further in key sectors at a future date. Over the next three years, that agenda will begin to be negotiated and fast track is needed to finish those talks. The two most important issues to Illinois will be efforts to cut barriers in the $256 billion global agriculture market and to insure greater protection of intellectual property rights. Illinois currently ranks third in the nation in exports of technology based products. Stronger protection in the area of intellectual property rights will strengthen our reputation as the Silicon Prairie.

Third, Illinois exports totaled almost $35 billion in 1996. In a state where one out of every five manufacturing jobs is tied to exports, this figure means only thing: more jobs for the people of Illinois. These jobs are paying an average of 13-16 % more than non-trade-related jobs. The rapidly expanding global economy presents numerous opportunities for Illinois companies and Illinois workers. If we are to continue to raise our standard of living for our workers, we must continue creating jobs through exports.

While I can list a number of other reasons to vote for fast track authority, this may be the most compelling. Canada, Illinois' largest trading partner, recently signed a trade agreement with Chile. An Illinois producer wishing to export a similar product as a Canadian producer to Chile, would face tariffs that are 11% higher than what the Canadian producer pays. Fast track authority is essential if we are to continue to break down foreign barriers to Illinois' goods and services.

Your support for the renewal of fast track is critical to the continued growth of the Illinois economy that is being fueled by increased exports to foreign countries. As always, thank you for your time and consideration on this matter. Please feel free to contact my office if I can be of any further assistance on this subject.

Sincerely,

Jim Edgar

Jim Edgar
GOVERNOR

3711 5971
239650

JANE DEE HULL
GOVERNOR
STATE OF ARIZONA

October 17, 1997

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Ave., N.W.
Washington, DC 20500

Dear President Clinton,

The bold vision of establishing historic trade agreements such as NAFTA, and expanding current ones, is crucial to the formation of a solid economic foundation for future generations of Americans. It is our duty as leaders to act in the best interest of the people, ensuring the future of US economic stability, opportunity, and leadership in world markets.

The heart of the issue surrounding presidential fast track authority is the commitment and foresight to work now for the future of our country. In the first three years of NAFTA we have seen considerable growth and promise for new markets and economic stability in the neighboring nations of the Western Hemisphere. In the case of Arizona, our state has seen exports increase by 55% in that short period of time.

The leader of our country must possess the ability to anticipate future needs and respond by expanding existing trade agreements or negotiate new ones. While the US waits for Congressional approval of fast track authority, other major developed nations are enjoying the opportunity of capitalizing on available markets. The numbers already exist that show the amount of money US companies are losing to world competitors that enjoy duty-free trade with our neighbors. Any further delay will place the US at a considerable disadvantage.

Those who argue about the losses of today associated with NAFTA and free trade fail to envision the future of a solid Western Hemisphere trading bloc. We must begin today to reach the goal of a Free Trade Area of the Americas by 2005.

OCT 21 1997

1700 WEST WASHINGTON, PHOENIX, ARIZONA 85007
(602) 542-4331 • FAX (602) 542-7601 • WWW.STATE.AZ.US/GV

On behalf of the State of Arizona, I would like to extend to you our complete support for presidential fast track authority. It is imperative that we focus on the future and expand our alliances into South and Central America. NAFTA has proven, even in its short existence, that it works; now we need to begin expanding and working toward the development of a trading bloc that encompasses the rest of the Western Hemisphere.

If there is any way that the State of Arizona can be of assistance in gaining this authority, we would like to do what can be done. Please keep me informed of any potential developments with regard to this issue. Thank you for your consideration.

Sincerely,

Jane Dee Hull

Jane Dee Hull
GOVERNOR

JDH:ja

10/23/97 TUE 12:04 FAX 202 456 5420

239437

State of North Dakota

OFFICE OF THE GOVERNOR
600 E. BOULEVARD – GROUND FLOOR
BISMARCK, NORTH DAKOTA 58505-0001
(701) 328-2200
FAX (701) 328-2205 TDD (701) 328-2887

EDWARD T. SCHAFER
GOVERNOR

October 14, 1997

The President
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Mr. President:

North Dakota's economy depends on exports, and so it is with great interest that I follow your recent efforts on behalf of "fast-track" negotiating authority. I commend your leadership on this important issue.

In 1996, North Dakota ranked 10th among all 50 states in the value of its agricultural exports. The estimated value of this trade climbed to $1.7 billion last year, an increase of $300 million from 1993.

At the same time, the state has witnessed significant growth in "value-added" food processing and other manufacturing areas. Access to foreign markets will be critical to this sector's continued expansion. With fast-track authority, the executive branch will be able to negotiate trade agreements that ensure our ability to sell in these markets.

We in North Dakota have heard the argument that fast-track should be delayed until problems with existing trade agreements are fixed. I regard this argument as poorly disguised protectionism. Yes, inequities exist in such areas as Canadian wheat exports, and your Administration should take the lead in solving them. But blocking fast-track does nothing in the way of accomplishing that goal.

North Dakota's economy deserves a chance to growth through expanded exports. Granting the executive branch fast-track authority would give us that chance. I applaud your efforts to win passage of this important legislation.

Sincerely,

Ed Schafer

Edward T. Schafer
Governor

Clinton Presidential Records
Digital Records Marker

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

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: **TALKING PTS.**

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.

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 increase 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.

PAPERS, EXPERTS & OPINION LEADERS ON FAST TRACK

NATIONAL NEWSPAPERS ENDORSE FAST TRACK

***New York Times* said President Clinton Deserves Fast Track**

"Every President for over the past 20 years has used [Fast Track] to open up foreign markets... The Administration needs Fast Track to complete negotiations... on opening markets to foreign-provided services, tightening copyright protections and prying open government contracts to bids by foreign companies. Fast Track is also needed to negotiate trade agreements with Chile and other South American countries. They are already negotiating deals with Europe, Mexico and Canada that would give exports from those countries favored access." [*NYT*, 9/8/97]

***Washington Post* Said Much Is To Be Gained By Giving The President Fast Track**

Washington Post editorial: "Free trade is good for the U.S. economy. It helps create jobs that tend to be higher-paying than average. Exports have helped revive the U.S. manufacturing sector, which not so many years ago was widely portrayed as terminally rusting. New agreements, if achieved, will increasingly play to U.S. strengths in agriculture, high-technology products and services ranging from insurance to telecommunications. Pursuing such agreements particularly makes sense because the American economy already is so open; little is to be lost, and much is to be gained, from pressuring other countries to approach the U.S. level of openness. That can't happen unless Congress gives Mr. Clinton what's known as 'fast-track' negotiating authority. [*Washington Post*, 4/27/97]

***Los Angeles Times* Supported Fast Track Authority For The President**

Los Angeles Times editorial: "Clinton needs so-called fast-track authorization to move on this opportunity to expand hemispheric trade, a goal we support. The time seems right...Congress should grant the president the fast-track authorization he needs to shape a package for Chile and bring it to a vote." [*Los Angeles Times*, 2/28/97]

***Chicago Tribune* Called For Granting Fast Track Fast**

Chicago Tribune editorial entitled "Grant Fast-track Authority Fast": "Congress should move on the president's request [for fast track] at once...Free trade means jobs and opportunity. Why is Congress standing in the way?" [*Chicago Tribune*, 8/26/97]

***Business Week* Said Fast Track Was Vitally Important**

Business Week editorial entitled "Put Fast-track in the Fast Lane": "There will doubtless be grandstanding about trade with China in coming weeks, and bellyaching about Japan's recent trade gains -- but that will pass. Fast-track authority transcends this political brouhaha, and is vitally important as an instrument to help break down global trade barriers. [*Business Week*, 5/19/97]

***Newsday* Said Fast Track Promises Americans New Jobs and Higher Incomes**
"In the long run, the issue of expanding trade in the Americas is compelling because it promises Americans new jobs and higher incomes - which is why Congress should grant President Bill Clinton "fast-track" negotiating authority so both Chile and the United States could share the benefits of increased imports and exports as soon as possible." [*Newsday* editorial, 3/6/97]

***Houston Chronicle* Said It Was "Vital" For Congress To Grant President Fast Track**
Houston Chronicle editorial: "Failure to be a major player when these trade agreements are being negotiated and hammered out among countries in regions like Latin America and Asia reduces this nation's ability to expand its exports and increase jobs at home. That is why it is vital for Congress to grant President Clinton fresh fast-track negotiating authority to develop new trade agreements in Latin America and Asia." [*Houston Chronicle*, 3/17/97]

***Boston Globe* In 1994 Said Fast Track Had Worked For Nearly Half A Century**
1994 *Boston Globe* editorial: "The so called 'fast track' method of negotiating international agreements with Congress has worked well for nearly half a century." [*Boston Globe*, 9/16/94]

***Sun-Sentinel* Said Fast Track Would Give The President Essential Flexibility**
"Fast-track...would give the administration essential flexibility in negotiating trade pacts with Chile and other Latin American nations, and with the World Trade Organization as broader accords are discussed...It's critical for Congress to be wise and think ahead...in moving swiftly but thoughtfully to provide a fast track." [*Sun-Sentinel* editorial (Ft. Lauderdale, FL), 7/15/97]

***Fresno Bee* and *Sacramento Bee* Said President Clinton Was Right To Seek Fast Track**
Editorial in both the *Sacramento Bee* and *Fresno Bee*: "Clinton is right to seek such [fast track] authority, given the advantages new trade pacts could bring to U.S. firms facing growing competition abroad." [*Sacramento Bee*, 4/27/97; *Fresno Bee*, 4/29/97]

***Washington Times* Called Fast Track an Important Initiative to Expand Free Trade**
Washington Times editorial: "This deal should be a no-brainer... To the extent that government restricts worldwide competition among producers through tariffs or other trade barriers, it taxes, in effect, consumers everywhere, including in the United States. This is Big Government in an age when Mr. Clinton said its day has passed." [*Washington Times*, 9/9/97]

***Rocky Mountain News* Said American Workers Will Be Hurt Without Fast Track**
Rocky Mountain News editorial: "NAFTA gives Congress ample precedent to approve fast-track legislation. Should Congress tarry, other fast-moving nations will leave their tracks all over American workers' opportunities" [*Rocky Mountain News*, 5/21/97]

***Arizona Republic*: President Clinton Needs Fast Track, Without It US Has No Credibility**
"Before [the reconvening of the Summit of the Americas in March], Clinton needs fast-track authority from Congress...Without fast track, the United States will not have the credibility it needs to negotiate a delicate agreement involving 34 countries." [*Arizona Republic*, 7/10/97]

FAST TRACK Q&A'S

Q: Some say fast track is just about expanding NAFTA to include Chile. Are they correct? What will the President do with fast track?

- Fast track is about giving the United States the ability to open markets, create jobs and improve the standard of living of American companies and workers. The President's fast track authority will be used to negotiate sectoral agreements in key industries where the US is most competitive, like agriculture, medical equipment and services and environmental technologies and services. It will be used to continue opening markets in Latin America and Asia, the fastest growing markets in the world, and it will be used to reach global agreements in the World Trade Organization to reduce barriers in key areas. The Administration is asking for authority simply to negotiate these agreements: Congress would then have the right to approve or disapprove any fast track agreement once it is negotiated.

- These agreements can provide enormous benefits for American companies and workers. For example, last year's 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. With fast track authority, we can tear down more barriers to America's exports and create more high-skilled jobs

- More fundamentally, fast track is about maintaining America's competitive position and global leadership. If America does not break down foreign trade barriers, our competitors will--to their advantage, not ours. Since 1992, in Latin America and Asia alone, other countries reached more than 20 preferential trade agreements excluding the United States. These countries are busy leveling the playing field for their exports. Without fast track, America will lose its global leadership and risk being relegated to the sidelines.

Q: Why is it so important to provide fast track authority? What happens if the United States doesn't have it?

- America's future prosperity is increasingly tied to the expansion of the global economy. In a world where over 96% of the world's consumers live outside the U.S. and the global economy is expected to grow at three times the rate of the U.S. economy, we must continue to export to be able to create more high-skilled American jobs. Without fast track, America's hands will be tied in its ability to negotiate these critical agreements and drastically slow down our job creating potential.

- Over the past four years, one-quarter of our economic growth came from trade. To take advantage of these opportunities, we must continue to open export markets for America's companies and workers. If we don't move forward, US workers and companies from telecommunications firms to agricultural producers will lose out in foreign markets. Fast track authority gives the President the tools to move America ahead to the 21st century.

Q: Some say U.S. workers can't compete against workers from low wage countries. What are the facts?

- The fact is the U.S. economy is the strongest in the world and American workers are the best trained, most highly educated and productive work force in the world—they can certainly compete with workers from low wage countries.

- In the last 10 years, U.S. exports to low-wage countries have risen 240%, while exports to high wage countries are up just 140%. Exports to low-wage countries now account for 42% of total U.S. exports. And these are high-skilled, high paying jobs. Wages for export-related jobs pay 13-16% more for non-management jobs than the national average.

- Competition from low-wage countries does create competitive pressures in industries where skills and productivity are lower, but most such jobs don't compete with imports. In fact, imports from non-oil developing countries account for only 4% of U.S. spending and have grown only 1.5% during the past decade. For those workers who are affected, we need to maintain our commitment to education and worker retraining. That's why the President is committed to making sure no American is left out of the global economy. Trade expansion must be part of a complete strategy to prepare the U.S. for global competition.

Q: What evidence is there that the Administration is concerned abut labor and environment issues?

- We believe labor and environmental issues are an important part of the Administration's agenda and we are committed to progress in these areas. The Administration's record demonstrates that we have negotiated agreements related to labor and the environment at every opportunity. Our strategy maximizes our ability to open markets for US workers and companies and improve international environmental and labor standards. In fact, the Administration has made unprecedented progress in defining and advancing core labor standards—the right to organize and bargain collectively, freedom of association, a prohibition on exploitative child labor, a prohibition on forced labor, and a commitment to non-discrimination in employment—in such international arenas as the World Trade Organization, the International Labor Organization, and in the Organization of Economic Cooperation and Development.

- The recent "sweatshop" initiative is an example of the Administration's efforts to improve working conditions by establishing an industry-wide partnership with labor organizations and consumer interests on wage and workplace conditions for apparel industry manufacturers. The NAFTA side agreements can help address labor and environmental issues, particularly along our 2,000 mile border with Mexico. And, in the Free Trade Area of the Americas, the United States is pushing for a commitment across the Hemisphere to sustainable development practices.

Q: Has NAFTA been a success? What's the record?

- The record is good. NAFTA has provided many benefits, including expanded exports, creation of high-wage jobs and protection of those exports and jobs during Mexico's recession and peso crisis. With the phasing in of NAFTA, U.S. goods exports have risen to historic levels in the last three years (1993 to 1996), up 33% to Canada, up 37% to Mexico. Goods exports to Mexico and Canada supported 2.3 million U.S. jobs last year. Such export related jobs by exports pay 13% to 16% more for non-management jobs than the U.S. national average.

- The best information available indicates that NAFTA has had a positive effect on jobs, creating 90,000 to 160,000 jobs in trade with Mexico alone. A study by DRI estimates that NAFTA boosted real exports to Mexico by $12 billion in 1996, compared to a smaller increase in imports of $5 billion, which contributed to controlling Mexico's financial crisis. The agreement has also leveled our playing field with Mexico. Mexico's tariff cuts have been 5 times greater than our own. The agreement has helped American suppliers in key industries capture additional shares of Mexico's import markets. Since NAFTA went into effect, our share of Mexico's import market has grown from 69.3% to 75.5%.

Q: Did NAFTA cause the peso crisis and the resulting recession?

- No. In fact, the effects of the peso crisis would have been worse for the United States if it were not for NAFTA. When Mexico had its last financial crisis in 1981-82, it imposed 100% duties on American products, U.S. exports fell by half, and it took 7 years for US exports to recover to 1981 levels. This time, Mexico continued to reduce its tariffs as required by NAFTA (even though it raised tariffs on our competitors). U.S. exports recovered to pre-recession levels in 18 months, protecting the 750,000 jobs dependent on those exports. A Federal Reserve of Dallas study concluded U.S. export growth was 7% higher than it would have been absent NAFTA.

Q: What is the record on NAFTA labor and environmental conditions along the U.S.-Mexican border?

- NAFTA has given us better progress and cooperation with Mexico on labor and environmental concerns than we would have had without it. The problems along the border are longstanding and will not be solved overnight. But there are clear signs of improvement:

    - From 1993 to 1996, Mexico's Secretariat of Labor and Social Welfare enforcement budget increased in real terms by nearly 250%.
    - The overall rate of occupational injuries and illnesses fell from 47 per thousand in 1994 to 33 per thousand in 1996.
    - Mexico has seen the number of environmental violations dropping; with a 72% reduction in serious violations in the maquiladora industry from 1993 to 1996; and a 43% increase in the number of maquiladora facilities in complete compliance.
    - The NAFTA institutions financing border cleanup projects have certified 16 projects, including infrastructure projects costing nearly $230 million.

- We need to continue labor and environmental efforts with Mexico. But it's important to remember that the agreements to be reached under new fast track authority will not raise the kind of border concerns presented by Mexico, a country sharing a 2000-mile border with the United States.

Q: Some say U.S. companies use the threat of relocation to Mexico to jawbone down the wages of America's workers - and they fear that will happen over and over again if we reach more free trade agreements. Why aren't they right?

- A: The fact is that NAFTA makes it more attractive to stay in the United States. Before NAFTA, U.S. exports faced an average 10% tariff when sending U.S.-made goods to Mexico. Mexico also had restrictions that basically forced US companies to locate car production in Mexico in order to sell to Mexicans. NAFTA eliminates these barriers on the Mexican side- and will eliminate only a 2% average tariff on products coming here.

- If we let other countries reach trade agreements, while we sit on the sidelines, it will make it even more attractive for companies to locate outside the United States. If other countries eliminate the barriers their exports face, while U.S. exports still face high barriers, there is that much more incentive to produce elsewhere. If we want to keep jobs in the U.S., we should eliminate trade barriers for U.S.-made products. To do that, the President needs fast track authority.

Q: Some say NAFTA has diverted a considerable investment from the U.S. to Mexico. Is that true?

- No. U.S. foreign direct investment in Mexico averaged $3.1 billion in 1994-96, little changed from the average $2.8 billion the three years before NAFTA took effect. The $3.1 billion was less than 0.3% of gross private fixed investment in the U.S. in 1996. The Big Three automobile manufactures invested $39 billion in the U.S. economy in the last three years, only $3 billion in Mexico.

FAST TRACK NEWS NOTES

Edition I, August 25, 1997

President Clinton Underscores Economic Performance

In his radio address to the nation on Saturday, August 23, President Clinton outlined the Administration's global trade agenda and the importance of securing fast track trade negotiating authority to ensure U.S. workers and companies can compete on equal terms in the U.S. economy.

Following are highlights from the President's radio address on the importance of fast track authority:

- Our nation has been ranked the world's most competitive economy for the last five years. With a strong and prosperous America moving into the 21st century, we must continue our successful economic strategy.

- To keep our economy growing and to create these good jobs we must keep tearing down foreign barriers to American goods and services. That's why, next month, I will ask Congress to renew presidential fast track authority to negotiate tough new trade agreements. This is authority that every President from both parties has had since 1974. I will use it to negotiate trade agreements that will keep us competitive, boost our exports, create more good jobs and raise our standard of living.

- This fast track authority will do three things:

  --**First**, it gives the President the flexibility I need to forge strong agreements in sectors where our nation is most competitive -- such as agriculture, information technology, medical equipment and environmental technology;

  --**Second**, it will strengthen my ability to get worldwide agreements, especially for our nation's farmers, tearing down barriers in the world agricultural market. It will also help to ensure that American companies and workers compete in the global economy in a contest that is open, with a level playing field, with rules that are fair and enforced;

  --**Third**, it will help me to negotiate more open markets with specific countries, especially in Latin America and Asia. In the coming century, these emerging markets in Latin America and Asia are expected to grow three times as fast as our own -- and their demands for United States goods and services is already taking off.

- If we don't seize these new opportunities, our competitors surely will. Already, since 1992, in Latin America and Asia alone, out competitors have negotiated 20 trade agreements that do not include the United States.

- For more than two decades now, on a bipartisan basis, Congress has consistently supported initiatives to open markets and create jobs -- including the President's authority to break down trade barriers around the world. Our workers and businesses are the best in the world, but they can't compete in the slow lane.

- To make sure all our people share the fruits of increased prosperity and commerce, I also will continue to promote worker rights and responsible environmental policies with our trading partners.

<u>The Administration's Trade Agenda at Work for America</u>

The Administration's trade agenda is focused on seizing opportunities where our workers and companies are the most competitive in the world. For example, two of our most recent trade agreements, the Information Technology Agreement (ITA) which took effect on July 1 of this year and the global telecommunications agreement together offer markets for U.S. workers and companies as never before in a trillion dollar area of global trade. For U.S. workers these agreements were critical in leveling the international playing field in technology trade and well over three million U.S. jobs depend on high technology manufacturing and services.

- The Information Technology Agreement (ITA) will eliminate tariffs across hundreds of high technology products by the year 2000 and amounts to a global tax cut of $5 billion for U.S. technology manufacturers. The agreement includes forty-two countries which produce 94% of the world's high technology products and is significant because it opens markets for U.S. companies which lead the world in exports of technology products.

- Today, telecommunications is a $750 billion global industry -- under the Basic Telecommunications Services (BTS) Agreement telecommunications trade will double or even triple over the next ten years. Analysts estimate that the agreement will lead to the creation of approximately a million U.S. jobs in the next ten years --not only in communications and high technology companies but across the economy in areas where communication services are a major component in the development of competitive products and services. Under this agreement, our long distance industry will gain access to well over fifty markets in Europe, Asia, Latin America and Africa. For consumers, the benefits of this agreement are substantial as the FCC has already taken steps to reduce the cost of international phone calls, and we estimate that the average cost of international calls will drop by 80% --from $1 per minute on average to 20 cents per minute over the next several years.

MAKING IT POSSIBLE FOR ALL AMERICANS TO SHARE IN THE BENEFITS OF OPEN AND FAIR TRADE

We need a progressive growth strategy in which we take every action possible to ensure that all Americans can benefit from economic change. We need to break out of the old arguments that say you are either for blocking change or you are for the market, but everyone has to fend for themselves. Government needs to help workers, communities and those not in the job market take advantage of the opportunities of expanded trade.

THE PRESIDENT, WORKING WITH MEMBERS OF CONGRESS, HAS DEVELOPED A COMPREHENSIVE SET OF INITIATIVES TO HELP ENSURE THAT ALL AMERICANS SHARE IN THE BENEFITS OF OPEN TRADE. This nine-part strategy increases funds for worker and community adjustment, while doing more to tap the untapped potential of our inner cities and poor rural communities.

The plan **(1)** expands resources to workers who lose their jobs, **(2)** helps communities get back on their feet and **(3)** helps tap the untapped potential of America's poor rural and urban communities.

EXPANDS RESOURCES TO WORKERS WHO LOSE THEIR JOBS.

Improves and expands Trade Adjustment Assistance and ensures a quick response for worker dislocation.

- ✔ Reauthorize TAA and NAFTA-TAA for two years.
- ✔ Give workers in firms which shift production to another country trade adjustment assistance.
- ✔ Promote "rapid response" for all substantial layoffs and plant closures.
- ✔ Cut certification times by one-third.
- ✔ Modify waiver for training requirements for TAA and NAFTA-TAA so that they are similar.
- ✔ Implement performance measures for TAA and NAFTA-TAA programs to ensure that programs work effectively.
- ✔ Create Presidential Commission on "Workers and Economic Change"

II. Expands dislocated worker funding so that funding in 2003 would be triple what it was in the year before President Clinton took office.

- ✔ $750 million increase in dislocated worker funding over five years

III. Earmarks $250 million in existing funds for secondary workers -- while initiating an informational campaign to reach out to them more effectively.

- ✔ $250 million over five years in Secretary of Labor's dislocated worker discretionary fund earmarked for secondary workers.
- ✔ Clarify that secondary firms can be certified for TAA and NAFTA-TAA even if primary firm does not apply for certification.
- ✔ Initiate informational and outreach campaign to increase the take-up rate of secondary workers

IV. Create a Trade-Adjustment Assistance Contingency to ensure that workers who lose their jobs due to trade -- including those who lose their jobs due to future trade agreements negotiated under Fast-Track authority -- receive benefits.

- ✔ Create Trade-Adjustment Assistance contingency fund that will automatically make additional adjustment assistance available for workers who have lost their jobs due to trade.

HELPING COMMUNITIES GET BACK ON THEIR FEET.

V. Provide $250 million for community adjustment -- creates Office of Community and Economic Adjustment to coordinate the response to trade-impacted areas.

- ✔ Expand Community Adjustment by $250 million over five years -- create Office of Community and Economic Adjustment to deal with trade-impacted regions.

VI. Improve and expand the North American Development Bank (NADBank).

- ✔ Expand financing for the NADBank Community Adjustment and Investment Program (CAIP) allowing the Bank to leverage private capital markets to provide over $150 million in additional financing to trade-affected communities.
- ✔ Expand outreach and technical assistance for its programs and improve accessibility for trade-impacted communities.
- ✔ Puerto Rico eligibility -- identify communities in Puerto Rico that may be eligible for assistance through CAIP as well through NAFTA Transitional Adjustment Assistance and the Economic Development Administration (EDA).

VII. Improve environmental protection along the border by making infrastructure financing more affordable.

- ✔ Make environmental infrastructure more affordable: NADBank and Border Environmental Cooperation Commission (BECC) will take steps to address the needs of poor communities.
- ✔ Strengthen community capabilities to develop new programs to provide technical assistance to border communities for environmental infrastructure development and management.
- ✔ Accelerate project development for NADBank and BECC.

VIII. Improve Export Assistance Centers so that they do more to help small businesses.

- ✔ Increase the number of rural, and small and medium-sized businesses receiving export assistance.
- ✔ Enhance and regularize training for Export Assistance Center staff.

TAPPING THE UNTAPPED POTENTIAL OF AMERICA'S POOR RURAL AND URBAN COMMUNITIES.

IX. Expand current initiatives that have proven records of helping to create jobs and opportunity for disadvantaged Americans.

- ✔ Make flexible funding available for second-round urban empowerment zones.
- ✔ Expand the YouthBuild program which provides high school dropouts 16-24 with general academic and job skills training. The proposal would increase the program $50 million over five years above the FY 98 level.
- ✔ Create opportunity areas for Out-of-School Youth which seeks to increase youth employment by supporting $250 million in competitive grants in high-poverty urban and rural areas.
- ✔ $500 million in Welfare-to-Work Transportation funds to help move people from welfare to work.
- ✔ $225 million for Community Development Financial Institutions to expand the availability of credit in distressed urban and rural areas.
- ✔ Enhance and build on tax provisions for equity investors in specialized small business companies (SSBICs).

MAKING IT POSSIBLE FOR ALL AMERICANS TO SHARE IN THE BENEFITS FROM OPEN TRADE

November 5, 1997

PRESIDENT CLINTON'S STRATEGY TO HELP WORKERS AND COMMUNITIES SUCCEED IN A GLOBAL ECONOMY. The Clinton Administration rejects the view that in the new economy, workers should be "on their own." This plan -- developed with Members of Congress -- illustrates the Administration's vision of economic growth: <u>While we tear down foreign barriers and open foreign markets, we are going to work to bring more Americans into the winner's circle.</u> In order to help more Americans succeed in a global economy, this plan, which will be part of the President's fiscal year 1999 budget, increases funds for worker and community adjustment, while doing more to tap the untapped potential of our inner cities and poor rural communities.

Worker Adjustment:

I. Improve and expand Trade Adjustment Assistance and ensure a quick response for worker dislocation;

II. Expand dislocated worker funding by $750 million over five years -- so that funding in 2003 would be triple what it was in the year before President Clinton took office;

III. Dedicate $250 million over next five years in existing funds for secondary workers -- while initiating an information campaign to reach out to them more effectively;

IV. Create a Trade Adjustment Assistance Contingency to ensure that funds are available to help workers who lose their jobs due to trade -- including those who lose their jobs due to future trade agreements negotiated under Fast-Track authority -- receive benefits;

Community Adjustment:

V. Provide $250 million for community adjustment -- create an Office of Community and Economic Adjustment to coordinate the response to trade-impacted areas;

VI. Improve and expand the North American Development Bank (NADBank);

VII. Improve environmental protection along the border by making infrastructure financing more affordable;

VIII. Improve Export Assistance Centers so that they do more to help small businesses; and

Tapping The Untapped Potential of America's Poor Rural and Urban Communities:

IX. Expand current initiatives that have proven records of helping to create jobs and opportunity for disadvantaged Americans.

I. **IMPROVE AND EXPAND TRADE ADJUSTMENT ASSISTANCE AND ENSURE A QUICK RESPONSE FOR WORKER DISLOCATION.** To make economic adjustment easier for workers, the Administration proposes a series of actions to make the dislocated worker and trade adjustment programs work better.

- **REAUTHORIZE TAA AND NAFTA-TAA FOR TWO YEARS.** Both the House Ways and Means and the Senate Finance Committees have approved an extension of TAA and NAFTA-TAA for two years. (TAA and NAFTA-TAA expire on September 30, 1998.) The Administration supports this reauthorization. CBO estimates the costs of the NAFTA-TAA extension for two years at about $102 million. While a two-year TAA extension costs $662 million, it does not require offsets since it is already included in the baseline.

- **GIVE WORKERS IN FIRMS WHICH SHIFT PRODUCTION TO ANOTHER COUNTRY TRADE ADJUSTMENT ASSISTANCE.** Under TAA, workers may only be certified for assistance if their firm is adversely affected by imports. Under NAFTA-TAA, workers may be certified if either their firm is adversely affected or their firm shifts production to Mexico or Canada. As part of the President's FY99 budget, the Administration would propose legislation to give workers in firms which shift production to another country trade adjustment assistance. Covering shifts in production under TAA, as well as NAFTA-TAA, would cost $69 million per year or about $345 million over five years.

- **ISSUE GUIDELINES TO PROMOTE GREATER USE OF "RAPID RESPONSE" FOR WORKER DISLOCATION.** Based on the recent experience with layoffs at Fruit of the Loom in Louisiana, the Labor Department will issue guidelines to the states promulgating that "rapid response" should be used for all substantial layoffs and plant closures. Rapid response is the initial information sharing activity (for employees, as well as employers) to facilitate access to all public programs -- this process helps individuals look for new jobs, while assessing their needs for reemployment services. The activity would occur as soon as the State receives a Worker Adjustment and Retraining Notification (WARN) notice of any substantial layoff or plant closure, or when the State becomes aware of such event through other sources.

- **CUT CERTIFICATION TIMES BY ONE-THIRD.** In order to cut the TAA certification time from 60 days to 40 days, the Department of Labor will take the following four steps: (1) reduce investigator caseload to allow for more timely follow-up in obtaining relevant company and customer data; (2) develop an enhanced in-house system for tracking import trends and performing import-impact analysis; (3) reduce the amount of time from 21 to 14 days between the day the Labor Department requests and receives data from companies; and (4) reduce the response time for the customer survey from 21 to 14 days. Technological improvements as well as possible staffing increases will allow the Department to assemble, review, and analyze investigative data and information in a more timely manner. The total cost for these improvements would be about $2.5 to $3 million over five years.

- **MODIFY WAIVER FOR TRAINING REQUIREMENTS FOR TAA AND NAFTA-TAA SO THAT THEY ARE SIMILAR.** TAA requires that a participant be enrolled in training in order to qualify for income support; however, waivers of the training requirement are granted very often. In contrast, there is no waiver authority under NAFTA-TAA. As part of the President's FY99 budget request, the Administration would propose to narrow waiver authority under TAA and loosen it under NAFTA-TAA. This would serve to both reduce the abuse of the waive provision under TAA and to harmonize the two programs. The costs of this proposal are undetermined, but it is likely revenue-neutral.

- **IMPLEMENT PERFORMANCE MEASURES FOR TAA/NAFTA-TAA PROGRAMS.** The Labor Department does not receive information on how workers do after they participate in either TAA or NAFTA-TAA programs. To ensure that the programs work effectively, the Labor Department is developing and implementing performance measures, and collecting outcome-based performance data for workers who receive adjustment assistance. This will permit better tracking of TAA/NAFTA-TAA program effectiveness, and promote improved outcomes for participants. These performance measures will be implemented within current administrative cost and program budgets.

- **CREATE PRESIDENTIAL COMMISSION ON "WORKERS AND ECONOMIC CHANGE IN A NEW ECONOMY."** The Administration will create a commission on "Workers and Economic Change in a New Economy." This commission will study businesses' best practices in the areas of education and on-the-job training, and the opportunities for improving trade-related training programs; specifically examining the Federal-State and public-private partnerships in helping educate and train America's workers for the next century. The Administration will seek to include workforce development professionals, academics, state workforce or labor commissioners, union leaders, business leaders, and Members of Congress. This commission will be appointed by the President and will report back to him with its results by December 1, 1998.

II. EXPAND DISLOCATED WORKER FUNDING SO THAT FUNDING IN 2003 WOULD BE TRIPLE WHAT IT WAS IN THE YEAR BEFORE CLINTON TOOK OFFICE.

- **$750 MILLION DOLLAR INCREASE IN DISLOCATED WORKER FUNDING OVER FIVE YEARS.** In the year before President Clinton took office, the dislocated worker program was funded at $517 million. Since President Clinton took office, dislocated worker money has more than doubled, allowing some 300,000 more dislocated workers to receive training this year than five years ago. The Administration proposes to increase funding so that a total of $750 million more in dislocated worker funding is provided over the next five years. And that means that the resources for dislocated workers in 2003 will be more than triple the $517 million funding in the year before President Clinton took office.

III. EARMARK $250 MILLION IN EXISTING FUNDS FOR SECONDARY WORKERS -- WHILE INITIATING AN INFORMATION CAMPAIGN TO REACH OUT TO THEM MORE EFFECTIVELY.

- **$250 MILLION OVER FIVE YEARS IN SECRETARY'S DISCRETIONARY FUND EARMARKED FOR SECONDARY WORKERS.** In conjunction with the passage of fast-track authority, the Department of Labor will issue a Statement of Administrative Action extending the Secretary's discretionary authority to use JTPA Title III funds to serve secondary workers in firms doing business with primary firms eligible for or certified for TAA. To ensure that adequate funding in available the Secretary of Labor will fence off $250 million over the next five years to provide job training and income support for secondary workers.

- **CLARIFY THAT SECONDARY FIRMS CAN BE CERTIFIED FOR ASSISTANCE EVEN IF PRIMARY FIRM DOES NOT APPLY FOR CERTIFICATION.** Some have expressed concern that secondary firms were being denied benefits because the relevant primary firm had not obtained certification. There are cases when the primary firm does not go through the certification process, but the secondary firm is adversely impacted from trade. Therefore, the Secretary of Labor will clarify that secondary firms -- adversely affected as a result of business lost with a primary firm -- can be certified for assistance, even if the primary firm does not apply for TAA or NAFTA/TAA certification. In order to certify these firms, the Labor Department will need to do broader, two-tiered investigations. This will cost an estimated $5 million over five years.

- **INITIATE INFORMATIONAL CAMPAIGN TO INCREASE THE TAKE-UP RATE OF SECONDARY WORKERS.** Many secondary workers do not know they are eligible for training and income support. This informational campaign will work to raise their awareness of these programs. Outreach efforts can successfully reach many workers who are not, but should be, receiving job training and income support. The resulting increased case load could require 4-5 FTEs, at a cost of $2 million over five years. The Administration proposes four methods to raise the secondary worker take-up rate:

    a. The best way for the Labor Department to find secondary workers is to start with the primary firm and work outwards. By December 1997, the Labor Department's Employment Training Administration will issue guidelines to the states requesting that they seek information from primary firms about their suppliers during or immediately following the certification process. This information will form the basis of a concerted effort to identify and locate potentially eligible secondary workers.

    b. By December 1997, the Labor Department will issue a set of guidelines so that direct contact with potentially eligible secondary firms and their workers is made. The Labor Department will also disseminate fact sheets and posters to these secondary businesses, and will make information available to personnel offices. The Labor Department will also set up a bilingual web site to help contact secondary workers.

    c. The Labor Department will distribute information to State Employment Service and Unemployment Insurance offices where workers go to file unemployment benefits.

d. In order to increase the take-up rate among secondary workers, the Labor Department would run a public education campaign using public service announcements in English and Spanish in trade-impacted areas. Specifications for the bidding process will be in place by December 1997 and the competition will begin soon thereafter. In seeking bids for the project, the Department will include in the specifications a requirement that the firm have experience with the Hispanic media in the region and will ask bidding firms to submit evidence of prior successful public education campaigns.

IV. CREATE TRADE ADJUSTMENT ASSISTANCE CONTINGENCY TO ENSURE THAT ALL WORKERS WHO LOSE THEIR JOBS DUE TO TRADE -- INCLUDING THOSE WHO LOSE THEIR JOBS DUE TO TRADE AGREEMENTS NEGOTIATED UNDER FAST-TRACK AUTHORITY -- RECEIVE BENEFITS.

- **CREATE TRADE ADJUSTMENT ASSISTANCE CONTINGENCY.** While the Administration believes that trade agreements are beneficial for the country -- with more jobs being created on net than lost -- we understand the concerns of those who believe workers will be adversely affected by these agreements. Thus, to be certain that no one is left behind, we are proposing a Trade Adjustment Assistance Contingency that automatically will make additional adjustment assistance available for workers who have lost their jobs due to trade -- including those people who lose their jobs due to trade agreements negotiated under fast-track authority. Additional funds will be made available in increments if adjustment assistance demands ever exceed the estimate in our budget. While we fully expect this contingency will not trigger on, with this safety net added to the Trade Adjustment Assistance program there should be no question that resources will be there if the need ever arises.

V. PROVIDE $250 MILLION OVER FIVE YEARS FOR COMMUNITY ADJUSTMENT -- CREATE OFFICE OF COMMUNITY AND ECONOMIC ADJUSTMENT TO COORDINATE RESPONSE TO TRADE-IMPACTED AREAS.

- **EXPAND COMMUNITY ADJUSTMENT BY $250 MILLION OVER FIVE YEARS -- CREATE OFFICE OF COMMUNITY AND ECONOMIC ADJUSTMENT TO DEAL WITH TRADE-IMPACTED REGIONS.** DOD's Office of Economic Adjustment (OEA) was the Administration's first point of contact with communities experiencing a military base closure or defense plant closing. Learning from the defense conversion experience, we would create an OEA-type body -- the Office of Community and Economic Adjustment -- to coordinate the Administration's response to trade-impacted regions by working with Labor, Commerce, SBA, HUD, Treasury, and other government entities. This group would provide planning grants and expertise to help communities develop comprehensive economic adjustment strategies. They also would bring the appropriate state, local and federal groups to the table to provide adequate resources for implementing plans. The expert staff at OEA could be detailed to this body to help trade-impacted regions and workers. Moreover, to ensure there is proper funding for regions adversely impacted by trade, the Administration will expand the Economic Development Administration (EDA)'s Title IX budget. In 1997, Title IX had $27 million in funding to help areas with sudden and severe economic dislocation, such as major plant closings. The Administration will propose $50 million per year -- or $250 million over five years -- in community adjustment funding, more than doubling EDA's Title IX budget each year, while creating an Office of Community and Economic Adjustment. This will allow for comprehensive economic development assistance to regions adversely impacted by trade, or other severe economic dislocations.

VI. **IMPROVE AND EXPAND NADBANK.** The Administration proposes a three-point plan to improve and expand the North American Development Bank (NADBank):

- **EXPAND FINANCING FOR THE NADBANK CAIP.** The Administration proposes expanding paid-in capital for the North American Development Bank (NADBank) Community Adjustment and Investment Program (CAIP) by $37 million -- a full 160 percent increase over existing funds. These new funds will allow the Bank to leverage private capital markets to provide over $150 million in additional financing to trade-affected communities. The additional resources could finance new actitities, such as permitting the CAIP to provide matching grants, permitting more affordable financing for business development in trade-impacted communities, and to develop a micro-lending program to address the specialized needs of dislocated workers by encouraging small start-ups. The CAIP could also use the additional funding to expand its direct lending program by providing direct loans or innovative credit enhancements through intermediaries to assist a wide range of commercial and nonprofit borrowers who would otherwise lack access to commercial lending institutions.

- **EXPAND OUTREACH AND TECHNICAL ASSISTANCE.** The CAIP will work to increase awareness about its programs and improve accessibility for trade-impacted communities. To that end, the CAIP will work to refine the criteria of the direct lending program to better address community needs and disseminate them widely through a variety of media, including by developing a bilingual Web Site with detailed explanations of the direct lending criteria and application forms. In addition, CAIP would work with trade-impacted communities to provide technical assistance in the development of strategic plans to help identify opportunities and attract investment.

- **PUERTO RICO ELIGIBILITY.** Efforts must be made to permit communities within the Commonwealth of Puerto Rico that have been adversely impacted by trade and production shifts associated with NAFTA to access CAIP resources. To that end, the CAIP Finance Committee will develop a marketing plan identifying the appropriate authorities and community development organizations in Puerto Rico that should be provided with extensive information about CAIP eligibility requirements and programs. CAIP staff will work directly with Department of Labor (DOL) and Economic Development Administration (EDA) staff to identify communities in Puerto Rico that may be eligible for assistance through CAIP as well as EDA and workers who may be helped through NAFTA-TAA. In these eligible communities, CAIP will hold round tables with community groups, bankers, elected officials, and community leaders to market the program.

VII. **IMPROVE ENVIRONMENTAL PROTECTION ALONG THE BORDER.** The

Administration will improve environmental protection along the border by making infrastructure financing more affordable for poor communities, strengthening community environmental capabilities and accelerating project approvals.

- **MAKING ENVIRONMENTAL INFRASTRUCTURE MORE AFFORDABLE.** The North American Development Bank (NADBank) and the Border Environment Cooperation Commission (BECC) will take steps to address the needs of poor communities: NADBank is establishing co-financing arrangements with U.S. and Mexican grant programs to provide affordable financing for border environmental infrastructure. We will seek appropriations of $250 million for this program over the next three years. NADBank is working on a proposal to help smaller U.S. communities access the tax-exempt bond market by establishing reserve funds for debt servicing in cooperation with the State Revolving Funds. This would leverage $4 million per year in NADBank financing to make available an additional $16 million per year for smaller border communities. Finally, BECC and NADBank will establish a program to assist residents in poor communities to finance residential hook-ups of water and wastewater services by providing lines of credit (through a public utility or other intermediary) to fund the costs of such services.

- **STRENGTHENING COMMUNITY CAPABILITIES:** NADBank and BECC are developing new programs to provide technical assistance to border communities for environmental infrastructure development and management. In cooperation with the EPA, BECC is establishing a Project Development Assistance Program (PDAP) to help border communities develop environmental infrastructure project proposals. This Program will commit and disburse up to $10 million to communities by the end of the year. NADBank has established an Institutional Development Program (IDP) to help communities on both sides of the border achieve effective and efficient operation of their water, sewage and solid waste management services. So far, NADBank has approved $1.8 million in technical assistance for 12 projects, and we will seek to double total IDP resources to $4 million.

- **ACCELERATING PROJECT DEVELOPMENT:** NADBank and BECC have developed a work plan for accelerating project development. Their 1997-99 work plan has identified more than 30 projects and potential projects with a total cost of more than $500 million. They will also take steps to expedite project approvals, especially for smaller border communities: Small projects (typically costing $100,000 or less) will be eligible for expedited processing, provided they are sponsored by an appropriate Federal or state agency (*e.g.*, the Texas Water Development Board). Similar projects that meet BECC/NADBank requirements for project quality and review will be considered for certification as a group and financed through a NADBank line of credit with an appropriate Federal or state agency.

VIII. **IMPROVE EXPORT ASSISTANCE CENTERS SO THAT THEY DO MORE TO HELP SMALL BUSINESSES.** There are over a hundred Export Assistance Centers located across the United States helping businesses export American goods abroad. Small businesses are an essential part of America's export strategy, accounting for almost 96% of all exporters, but only 30% of the value of exports. As part of our National Export Strategy, we will:

- **INCREASE BOTH THE NUMBER OF RURAL BUSINESSES AND SHARE OF SMALL AND MEDIUM-SIZED BUSINESSES RECEIVING EXPORT ASSISTANCE.** By the end of 1999, the Export Assistance Center Network will increase by 20 percent the number of small and medium-sized firms receiving export assistance in the United States. To ensure this increase, the Export Assistance Center Network will do more to fully engage the programs of all its strategic partners to reach out to those businesses which have not ventured into foreign markets. Many small businesses in poorer rural communities have not realized their full export potential. To ensure more is done for rural small businesses, the Export Assistance Center Network will increase its focus on manufacturers and service companies located in rural areas -- with the goal of increasing by 20 percent the number of rural businesses who report exporting successes through the Export Assistance Network.

- **ENHANCE AND REGULARIZE TRAINING FOR EXPORT ASSISTANCE CENTER STAFF.** The Department of Commerce will enhance and regularize the training of all Export Assistance Center staff, improving customer service. Part of this training will be increasing the familiarity of the Export Assistance Centers field staff with all Trade Promotion Coordinating Committee (TPCC) agency programs, particularly in the trade finance area.

IX. EXPAND INITIATIVES THAT HAVE PROVEN RECORDS OF HELPING TO CREATE JOBS AND OPPORTUNITY FOR DISADVANTAGED AMERICANS. In order to create jobs and opportunity for disadvantaged Americans, the Administration proposes to:

- **MAKE FLEXIBLE FUNDING AVAILABLE FOR SECOND-ROUND URBAN EMPOWERMENT ZONES.** The Administration would request $100 million per year in flexible grant funds for second-round urban EZs. This funding could be used for a wide range of activities, including economic development and housing projects, project-based rental assistance, and job training. Providing flexible grant funding for the second-round of urban Empowerment Zones would cost $500 million over the next five years.

- **EXPAND THE YOUTHBUILD PROGRAM.** YouthBuild provides high school dropouts 16-24 with general academic and job skills training, as well as apprenticeships constructing and rehabilitating affordable housing. The FY 1998 appropriation for YouthBuild is $35 million. This proposal would provide, beginning in FY 1999, an increase of $10 million per year -- or $50 million over five years -- for YouthBuild (above the FY 98 level).

- **CREATE OPPORTUNITY AREAS FOR OUT-OF-SCHOOL YOUTH.** The Administration requested and continues to advocate strongly for $250 million in competitive grants to selected high-poverty urban and rural areas, including designated EZs and ECs, to increase out-of-school youth employment. The House Labor-HHS-Education Appropriations bill includes $100 million in funding for FY 1999; the Senate bill $250 million (also advance funded). The Administration will work to ensure that the out-of-school youth program receive $250 million per year, or $1.25 billion over five years.

- **$500 MILLION IN WELFARE-TO-WORK TRANSPORTATION FUNDS.** The Administration requested $100 million for an unspecified number of projects. The initial House bill provided $42 million for 10 projects. The Senate transit legislation reported by the Banking Committee fully funds the President's request. To help move people from welfare-to-work, the Administration will continue working to secure full funding for welfare-to-work transportation funds. The Administration will work to ensure that welfare-to-work transportation funds receive $500 million over the next five years.

- **$225 MILLION FOR CDFIs TO EXPAND THE AVAILABILITY OF CREDIT IN DISTRESSED URBAN AND RURAL AREAS.** The Community Development Financial Institution (CDFI) fund is designed to expand the availability of credit, investment capital, financial services, and other development services in distressed urban and rural communities. The Administration requested $125 million for CDFIs, but the Treasury-Postal conference report provided $80 million for FY98. The Administration will propose a $45 million increase over the conference report in our next budget -- that's $225 million over five years for CDFIs.

- **ENHANCE AND BUILD ON TAX PROVISIONS FOR EQUITY INVESTORS IN SSBICs.** The Administration is committed to ensuring the success of the initiatives contained in the President's 1993 Economic Plan to encourage investments in specialized small business companies (SSBICs). The Administration would work with Congressman Jefferson and Congressional tax-writing staffs to enhance the effectiveness of these provisions through proposed modifications. These proposed modifications would cost on the order of $50 million over five years.

An appeal to Congress:
Give President Clinton the authority to negotiate tough, fair trade agreements.

America can compete and win

Under President Clinton's leadership, the U.S. economy is now consistently ranked as the most competitive in the world. Not since the Administration of John F. Kennedy has there been a comparable period of sustained low-inflation, low-unemployment growth. Like JFK and every other Democratic President of this century, President Clinton believes trade is essential to economic growth. He has fought to give Americans the education and skills they need to succeed in the new economy. Expanding trade means expanding opportunities for American families and communities.

American trade is critical to state economic growth

As state leaders, we know lower trade barriers have been critical to expanding markets for American goods and services overseas and increasing investment here. Nearly all states have registered *double-digit export growth* over the past four years. *Export-related jobs accounted for nearly one-fourth of the new jobs created since 1992 -- jobs that pay an average of 13 - 15% more.* Increasing trade is essential to increasing growth. But if we hesitate to open new markets, this growth could falter.

No time for unilateral disarmament in trade

For three years now, the President of the United States has not had fast-track negotiating authority. Now *key negotiations are about to start* -- in agriculture, services, financial services, and information technology -- sectors where our country is the world leader -- and in Asia and Latin America, the two fastest growing regions in the world. This is no time to unilaterally disarm our President and our negotiators. *Without fast track,* the United States cannot negotiate new trade agreements that are in our interest, and fair, reciprocal trading rules. Failure to renew negotiating authority will only encourage more competitors to leave us behind by cutting America out of new industry-wide and regional accords. Already *22 agreements* have been signed without the United States.

We urge Congress to give President Bill Clinton the ability to protect America's interests in the world trading system through renewed fast-track trade negotiating authority -- which every President since Gerald Ford has received. We call on all Democrats to support fast-track authority for this Democratic President. We must not lose tomorrow's jobs because we failed to lead today.

Democrats for Economic Leadership

Compete, don't retreat. Let America lead.

Sponsored by the Democratic Leadership Council

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Governors oppose federal preemption of states' rights to determine tax policies that best meet the needs of their states.

could potentially consume several days. Sources report that the bill may not even be considered this session.

Fast-Track Authority

This fall, the president is expected to push Congress to give him fast-track authority to negotiate new trade agreements. The nation's governors have consistently supported fast-track trade negotiation authority for the president. Governors have made their position clear in several letters to Congress, urging members to act quickly on a fast-track proposal.

Fast-track trade negotiation authority for the president expired in 1993. Trade agreements negotiated under this authority go before Congress for a straight up or down vote. Fast-track authority is considered by many, including U.S. trading partners, to be an essential tool for the negotiation of international trade agreements. Negotiations on the extension of the North American Free Trade Agreement (NAFTA) to Chile and other nations and on the establishment of the Free Trade Area of the Americas will likely be stalled until fast-track is renewed.

Internet Tax

Governors oppose federal preemption of states' rights to determine tax policies that best meet the needs of their states. Governors support Internet tax policies that are consistent, nondiscriminatory, and easy to administer, and foster the continued growth of this valuable new resource. In the name of protecting the Internet, the Internet Tax Freedom Act, under consideration in both the House and the Senate, preempts existing state and local taxes, such as sales, use, telecommunications, information services, and business license taxes, all in the name of protecting the Internet. Governors believe a better solution would be a joint industry-government effort to develop tax proposals that best serve government, industry, and the nation's citizens. However, the federal legislation being considered would indefinitely preempt a broad range of state and local taxing authority.

Currently, there are projections that sales over the Internet will reach $200 billion per year in the next several years and $1 trillion per year in the next 10 years. Much of this business represents a shift from more traditional business structures, such as downtown stores, shopping malls, and mail order catalogues. If states are to continue to rely on the sales tax, changes will need to be made to adapt to this new reality, and tax collection procedures must become much easier to administer. Althogh the immediate revenue loss from the proposed legislation is significant, the implications for states' sales tax bases in the future are huge.

Electricity Deregulation

Nearly every state has or is moving to introduce retail competition in their electric utility industry in order to lower prices, improve performance, and enhance reliability.

Such plans require a delicate balance between all stakeholders and must meet the unique needs of each state. The nation's governors believe federal legislation should enhance the ability of states to implement retail competition successfully, but not mandate states to do so.

To address the host of bills introduced in both the House and Senate this session to restructure the electric industry, NGA passed electric industry deregulation policy at its recent annual meeting. The policy opposes mandates on states to implement retail competition in the electric industry and preemption of state actions that have already implemented retail competition. It also:

- stresses that the federal role in electric restructuring should be limited to the regulation of wholesale electricity sales among utilities;
- calls for prospective repeal of the Public Utilities Regulatory Policies Act, which forces utilities to buy power from facilities using renewable energy sources at an artificially higher price; and
- supports conditional repeal of the Public Utility Holding Company Act.

Tobacco Settlement

When Congress returns from its recess, it will hold a series of hearings on the national tobacco settlement proposal. The president is expected to announce his recommended changes to the agreement the week of Sept. 7.

If approved by Congress and the president, the deal struck between tobacco companies and state attorneys general will cost the tobacco industry $368 billion over 25 years and severely curtail the industry's advertising and marketing practices. It also fines tobacco companies up to $2 billion a year if the rate of teen smoking does not drop. In return, states would drop lawsuits that seek to make the industry repay Medicaid costs for treating smokers. The industry also would win protection from future lawsuits by smokers. Later this month, NGA will conduct a one-day briefing on the proposed tobacco settlement for governors' staff.

Other Issues

Other Congressional issues of concern to states include clean air, workforce development, Indian gaming, unfunded mandates, regulatory reform, campaign finance reform, product liability, and national education standards and testing. ■

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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:

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

- <u>Side Agreements</u>. 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.

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The White House At Work

Tuesday, September 16, 1997

PRESIDENT CLINTON SUBMITS LEGISLATION TO RENEW TRADITIONAL TRADE AUTHORITY AND EXTEND AMERICA'S PROSPERITY INTO THE NEXT CENTURY

"Today, I take the next step in our strategy to extend America's prosperity into the next century. I have submitted legislation to the Congress that will renew the traditional authority, granted to presidents of both parties since 1974, to negotiate new trade agreements that open foreign markets to goods and services made by American workers."

-- President Clinton, Statement on fast track, 9/16/97

President Clinton submitted legislation to Congress today 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.

- **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.

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- **We Must Continue To Break 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 President Clinton's 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. That is why this President Clinton is the first president ever to make labor and the environment part of America's trade agenda. And that is why this legislation includes a specific negotiating instruction to improve labor rights and environmental protection abroad -- the first-ever reference to the environment in fast track legislation. Granting the President this fast track authority will level the playing field for America's workers and affirm our commitment to protecting the environment.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release September 16, 1997

FACT SHEET

The Export Expansion and Reciprocal Trade Agreements Act of 1997

Today, President Clinton transmitted to the Congress the "Export Expansion and Reciprocal Trade Agreements Act of 1997." This proposal is designed to renew "fast-track" procedures for trade agreements requiring congressional approval and implementation as well as to renew the President's authority to proclaim tariff reductions in return for tariff reduction commitments by U.S. trading partners.

Background

The proposal reactivates a partnership between the President and the Congress that dates back over 6 decades. Recognizing that the high protective U.S. tariff walls it established in 1930 had only served to deepen the Depression, the Congress 4 years later enacted the first reciprocal trade agreements act. In that act, the Congress gave the President authority to negotiate mutual tariff reductions with our trading partners. The Congress renewed that authority repeatedly over the years, and successive Presidents used the authority to dramatically reduce tariff barriers around the world.

"Fast track," first put in place under the Ford Administration, is a further expression of the partnership between the President and the Congress in bringing down barriers to U.S. exports. Under fast track the Congress and the President work together, ensuring that the United States can effectively negotiate away foreign tariff barriers to U.S. products as well as non-tariff barriers -- such as quotas, protectionist product standards, and subsidies -- which foreign governments have increasingly substituted for tariffs to exclude U.S. products. Fast track lapsed along with most of the President's tariff reduction authority 3 years ago.

The President's Proposal

The President's proposed legislation serves to reunite the Congress and the President in trade negotiations. The President's proposal ensures that the Congress is fully integrated into the formulation of U.S. goals, strategies, and decision-making for each trade negotiation subject to fast-track procedures. Because the Congress and the President are united under the proposal, it tells U.S. trading partners that the United States speaks at the bargaining table with one voice and that the Congress will not seek to reopen trade agreements after they are negotiated.

The proposal also renews the President's longstanding tariff-cutting authority. The proposal adds a provision that will allow the President to implement new tariff harmonization or elimination agreements on a sectoral or regional basis, consistent with World Trade Organization rules.

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The proposal calls for the President's tariff reduction authority and the new fast-track procedures to remain in effect until October 1, 2001. The President may request an extension of his tariff-cutting authority and "fast-track" procedures through September 30, 2005, subject to disapproval by either House of the Congress.

A summary of the key provisions of the proposal follows.

Negotiating Objectives

The proposal sets out "overall" and "principal" trade negotiating objectives for the President. The objectives call on U.S. negotiators to seek, for example:

- To reduce trade barriers and trade distortions that limit market opportunities for U.S. exports, including those aspects of foreign government policies and practices directly related to trade.
- To reduce foreign government barriers that discriminate or impose unreasonable regulatory barriers on U.S. service providers.
- To reduce artificial or trade-distorting barriers to U.S. foreign investment.
- To obtain adequate and effective protection for U.S. intellectual property rights and increased access to foreign markets for U.S. businesses that rely on intellectual property.
- To make the proceedings of international trade bodies more open to public view.
- To secure fairer and more open trading conditions for U.S. agricultural products.
- To promote through the World Trade Organization internationally recognized worker rights and sustainable development.

Trade Agreements Covered by the President's Proposal

The President may negotiate and bring back to the Congress for fast-track congressional approval and implementation trade agreements addressing tariff barriers, nontariff barriers, or both.

- Thus, fast track could be used to carry out agreements concluded under the trade negotiating agenda set out in the congressionally approved agreements administered by the World Trade Organization -- for example, to further reduce tariff and nontariff barriers to agricultural trade.
- The President could use his renewed "proclamation authority" to carry out a sectoral agreement, similar to the recent "Information Technology Agreement", which is reducing tariffs that foreign governments impose on billions of dollars of U.S. computer, electronic, and semiconductor products sold around the world.
- Finally, fast track could be used for bilateral or regional free-trade arrangements.

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Making the Congress a Partner in Trade Negotiations

In order for an implementing bill to qualify for fast-track procedures, the President must comply with numerous notice and consultation provisions designed to ensure that the Congress is a full partner with the President in critical trade negotiations. These provisions enable the Congress to set priorities, provide advice, and exercise oversight at all stages of the negotiations and after the agreement is concluded. That ensures that congressional views will be fully reflected both in the final agreement and in the manner in which the agreement is carried out. Moreover, if the Congress concludes that the President has not adequately consulted the Congress regarding a proposed agreement, the proposal creates an expedited procedure for the Congress to refuse to apply fast-track procedures.

- The President must provide written notice to the Congress before initiating negotiations and must spell out in writing his principal objectives for the negotiations.

- The President must consult with the Congress as negotiations progress and again before an agreement is concluded. To enhance these consultations, the proposal calls on U.S. negotiators to keep official congressional advisors fully informed regarding the negotiations.

- Before signing an agreement, the President must inform the Congress of any other agreements he has concluded or intends to conclude with the country or countries concerned. He must also state his plans for implementing the trade agreement and whether the agreement will require additional legislation beyond that subject to fast-track procedures.

- The proposal requires the President to describe at the time he submits implementing legislation to the Congress how he intends to use existing regulatory and administrative authority to carry out the agreement. He must also explain in writing how the agreement meets congressionally mandated negotiating objectives and serves U.S. economic interests.

- Under well-established practice, the President collaborates with the Congress in drafting the implementing legislation and the legislation is subject to informal public hearings and "mark-ups" by all congressional committees of jurisdiction before its introduction.

Enhancing the Role of the Public and the Private Sector

The proposal adds to existing law by ensuring that the public is fully informed of the negotiations and that the President receives advice from both the private sector and the public concerning the negotiations.

- The President must solicit views from the public, and the United States International Trade Commission, regarding any proposal to change U.S. tariffs. In addition, under the proposal, the President must notify the public of any agreement in advance of signing it.

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(OVER)

-- The proposal adds to the existing requirement that the President must seek the views of congressionally authorized private sector advisory committees during the course of the negotiations. These groups include advisory committees on goods, services, agriculture, intellectual property, labor, U.S. foreign investment, intergovernmental affairs, and the environment. The proposal ensures that these committees will also examine and provide their views to the Congress and the President on any proposed agreement -- before it is signed.

Fast-Track Procedures

Provided the President observes each of the proposal's notice, consultation, and other procedures in connection with the negotiation of a trade agreement, the agreement and its implementing legislation are subject to fast-track consideration in the Congress. Fast-track rules call for the Congress to vote on qualifying trade agreements and implementing legislation without amendment within 60 "legislative days" -- typically a period of several months or more.

Under the President's proposal, new statutory provisions or other changes in U.S. law required to carry out a trade agreement may be included in fast-track implementing legislation only if the changes are both: (1) necessary or appropriate to implement the agreement; and (2) related to trade. These requirements prevent fast-track bills from being used to enact non-trade provisions.

Tariff-Cutting Authority

Under the renewed "proclamation authority," the President would be authorized to carry out agreements that reduce by up to 50 percent U.S. tariffs that currently exceed 5 percent *ad valorem*. The President would be able to eliminate duties of 5 percent or less. The proposal adds a provision that will allow the President to implement new tariff harmonization or elimination agreements on a sectoral or regional basis, consistent with World Trade Organization rules.

# # #

EXPORT SALES OF U.S. METROPOLITAN AREAS, 1993-96

1996 Highlights

- **Export sales by 253 selected U.S. Metropolitan Statistical Areas (MSAs) totaled $494.5 billion in 1996, up nearly $27 billion from 1995 sales of $467.7 billion.** Sales by the metro areas covered in this report accounted for 79 percent of U.S. merchandise exports in 1996.

- **Exports continue to benefit cities throughout the nation.** Nearly 66 percent--about two-thirds--of the metropolitan areas for which data are available recorded export growth during 1996.

- **A total of 86 metro areas posted 1996 export sales of $1 billion or more.** This "billion-dollar club" was responsible for about 71 percent of total U.S. merchandise exports.

- **Another 33 metropolitan areas recorded 1996 exports ranging from just over $500 million to just under $1 billion.**

- **An additional 104 metro areas generated exports between $100 million and $500 million.**

- **San Jose was the nation's top exporting metropolis in 1996, selling a total of $29.3 billion in merchandise to foreign markets.** San Jose was followed by New York (exports of $28.0 billion) and Detroit ($27.5 billion). Other top exporters included Los Angeles-Long Beach ($24.4 billion), Chicago ($22.0 billion), Seattle-Bellevue-Everett ($21.4 billion), Houston ($16.5 billion), Minneapolis-St. Paul ($12.4 billion), Miami ($10.7 billion), and Portland-Vancouver ($9.2 billion).

- **Five major metro areas expanded 1996 export sales by $1 billion or more.** Another 10 metro areas boosted exports in 1996 by more than $500 million. An additional 54 posted increases greater than $100 million.

- **The Seattle-Bellevue-Everett area recorded a 1996 export gain of $3.6 billion--the biggest dollar increase of any U.S. metro area for which statistics are available.** Seattle was followed by San Jose, which registered export growth of $2.5 billion. Other metro areas with large increases were Minneapolis-St. Paul (up $1.3 billion), Phoenix-Mesa (up $1.1 billion), El Paso (up $1.1 billion), Chicago (up $947 million), Oakland (up $937 million), San Diego (up $858 million), New York (up $839 million), and Boston (up $813 million).

- **Similar to the pattern in 1994 and 1995, the metro areas that posted the largest percentage gains in exports during 1996 were primarily small and mid-sized cities.** Examples include Albuquerque, New Mexico; Champaign-Urbana, Illinois; Melbourne-Titusville-Palm Bay, Florida; St. Joseph, Missouri; and Wheeling, West Virginia-Ohio.

- **In 1996, a total of 38 metro areas boosted exports by one-fourth or more.** Within this group, 24 metro areas expanded exports by one-third or more.

1993-96 Trends

- From 1993 to 1996, exports from metro areas for which data are available rose by $122.1 billion. This represents a gain of 33 percent--about the same percentage increase as total U.S. merchandise exports.

- Of the 253 metro areas for which 1996 export figures are available, 90 percent recorded export growth over the 1993-96 period.

- Thirty-three metro areas recorded 1993-96 export increases of more than $1 billion.

  - By far the largest dollar gains were posted by San Jose (up $13.2 billion) and Detroit (up $10.8 billion).

  - Following San Jose and Detroit were Chicago (up $7.6 billion), Los Angeles-Long Beach (up $4.4 billion), Houston (up $4.3 billion), Portland-Vancouver (up $3.5 billion), Phoenix-Mesa (up $3.4 billion), Minneapolis-St. Paul (up $3.4 billion), Oakland (up $3.1 billion), and Orange County, California (up $2.7 billion).

- Twenty-two metro areas registered 1993-96 export growth ranging from just over $500 million to just under $1 billion. Leaders in this category included Raleigh-Durham-Chapel Hill, North Carolina; Grand Rapids-Muskegon-Holland, Michigan; Pittsburgh, Pennsylvania; Riverside-San Bernardino, California; Cincinnati, Ohio-Kentucky-Indiana; Nassau-Suffolk, New York; Lexington, Kentucky; Sacramento, California; Washington, D.C.-Maryland-Virginia-West Virginia; and Akron, Ohio.

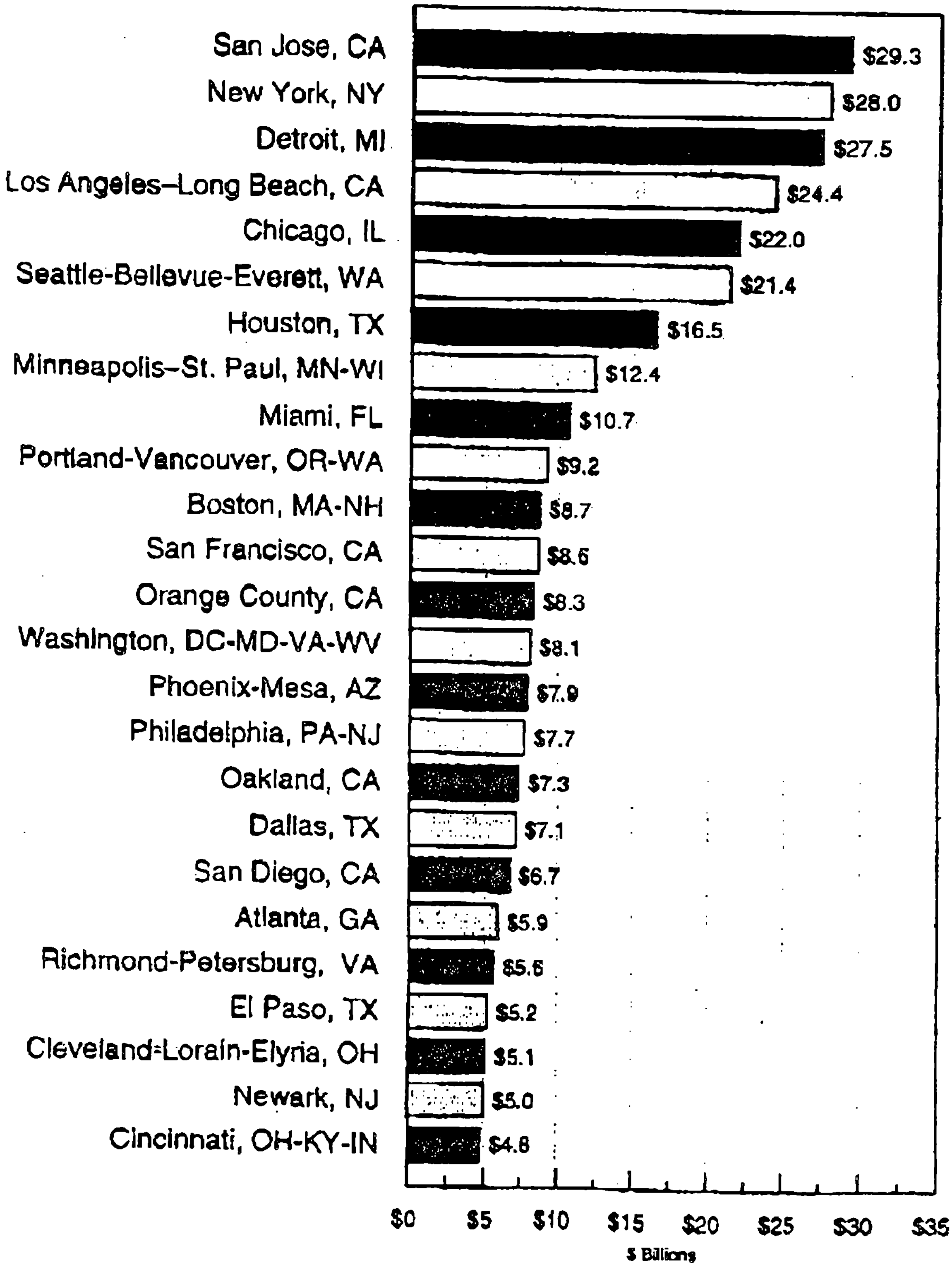
- Sixty-nine metropolitan areas saw exports rise between $100 million and $500 million over the 1993-96 period. Top performers in this group included Hartford, Connecticut; San Antonio, Texas; Albuquerque, New Mexico; Davenport-Moline-Rock Island, Iowa-Illinois; Wichita, Kansas; Salt Lake City-Ogden, Utah; Harrisburg-Lebanon-Carlisle, Pennsylvania; Albany-Schenectady-Troy, New York; Saginaw-Bay City-Midland, Michigan; and Toledo, Ohio.

- Over the 1993-96 period, a total of 91 metropolitan areas increased their exports by 50 percent or more. Of these, 22 more than doubled their exports.

Top 25 Metro Area Exporters, 1996

Ranked by 1996 Dollar Value

($ Billions)

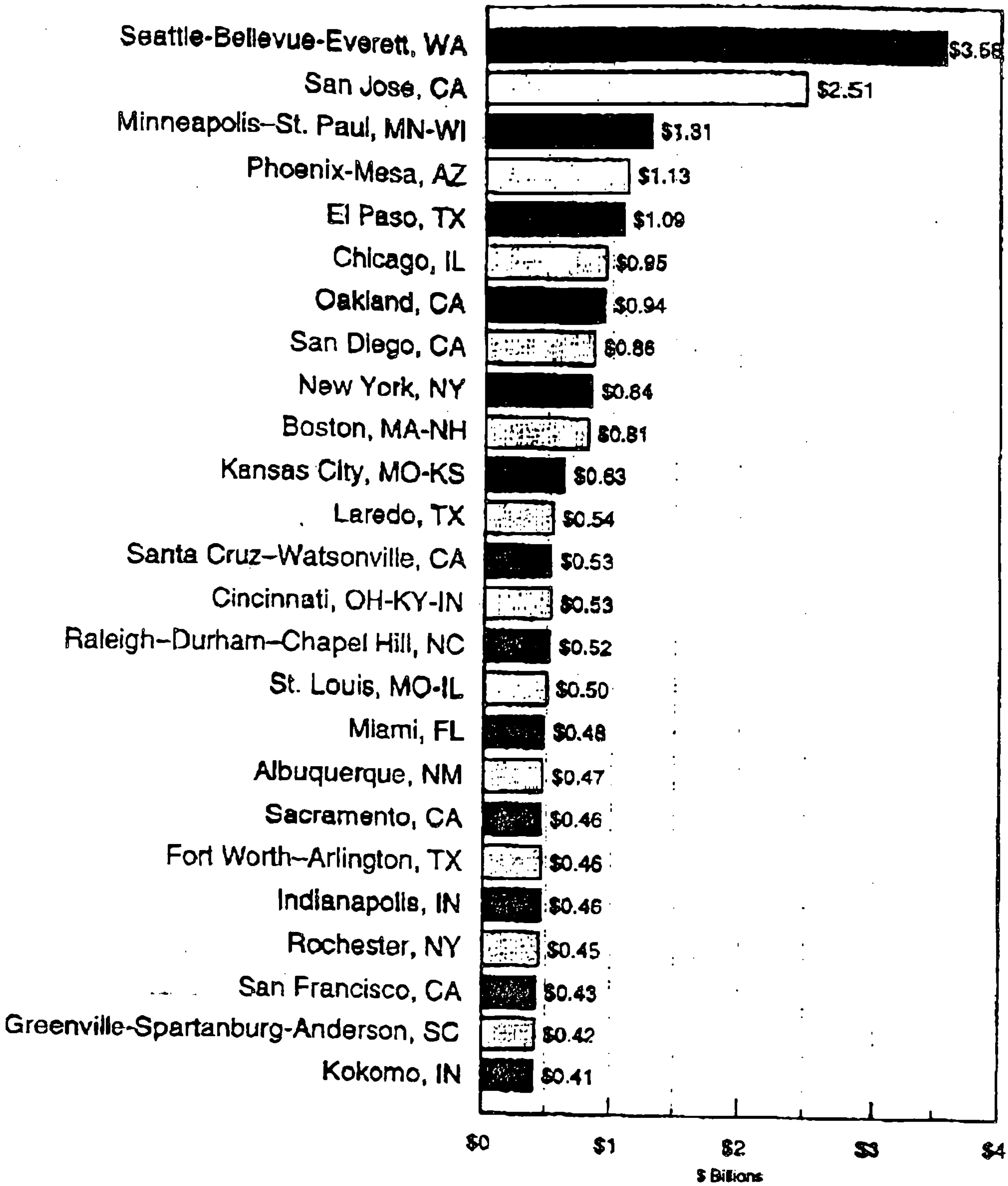


Source: Exporter Location Series, U.S. Census Bureau. Prepared by International Trade Administration, U.S. Department of Commerce.

Greatest Dollar Gains for Metro Areas, 1995–96

Ranked by Growth in Merchandise Export Value

($ Billions)



Source: Exporter Location Series, U.S. Census Bureau. Prepared by International Trade Administration, U.S. Department of Commerce.

The White House At Work
Tuesday, September 16, 1997

PRESIDENT CLINTON SUBMITS LEGISLATION TO RENEW TRADITIONAL TRADE AUTHORITY AND EXTEND AMERICA'S PROSPERITY INTO THE NEXT CENTURY

"Today, I take the next step in our strategy to extend America's prosperity into the next century. I have submitted legislation to the Congress that will renew the traditional authority, granted to presidents of both parties since 1974, to negotiate new trade agreements that open foreign markets to goods and services made by American workers."

-- President Clinton, Statement on fast track, 9/16/97

President Clinton submitted legislation to Congress today 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.

- **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 Must Continue To Break 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 President Clinton's 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. That is why this President Clinton is the first president ever to make labor and the environment part of America's trade agenda. And that is why this legislation includes a specific negotiating instruction to improve labor rights and environmental protection abroad -- the first-ever reference to the environment in fast track legislation. Granting the President this fast track authority will level the playing field for America's workers and affirm our commitment to protecting the environment.

UNITED STATES DEPARTMENT OF
COMMERCE
NEWS
WASHINGTON, D.C. 20230

OFFICE
OF THE
SECRETARY

For Immediate Release
Tuesday, September 30, 1997

Contact: Maria Cardona
(202) 482-4883
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(202) 482-3809

1996 METROPOLITAN EXPORT NUMBERS REVEAL IMPORTANCE OF TRADE TO CITIES, STATES

Secretary Daley Stresses Importance of Fast Track to Future U.S. Export Growth

Washington, D.C.--Ninety percent of the 253 metropolitan areas in the United States reported an export sales growth from 1993 to 1996, showing that exports have become increasingly important to the economic well-being of U.S. cities, Commerce Secretary William M. Daley said today in releasing a new Commerce Department report.

Daley said the report also underscored the need for Congress to restore fast track negotiating authority which will enable President Clinton to open more markets, reduce trade barriers abroad, and increase U.S. exports. Increased U.S. exports will ensure the continued economic growth of the cities as well as the nation as a whole.

"With 96 percent of the world's consumers living outside of the United States, one cannot overstate the importance of exports to our economy and job growth in our nation's cities," said Daley. "The new data clearly shows that the benefits of recent U.S. export growth have been shared broadly by cities across the nation. If we want this success to continue, we must act aggressively to open world markets and reduce barriers to our products. This is where fast track can make an enormous difference in opening more sectors and providing greater opportunities for our small and medium-sized businesses and for American working men and women."

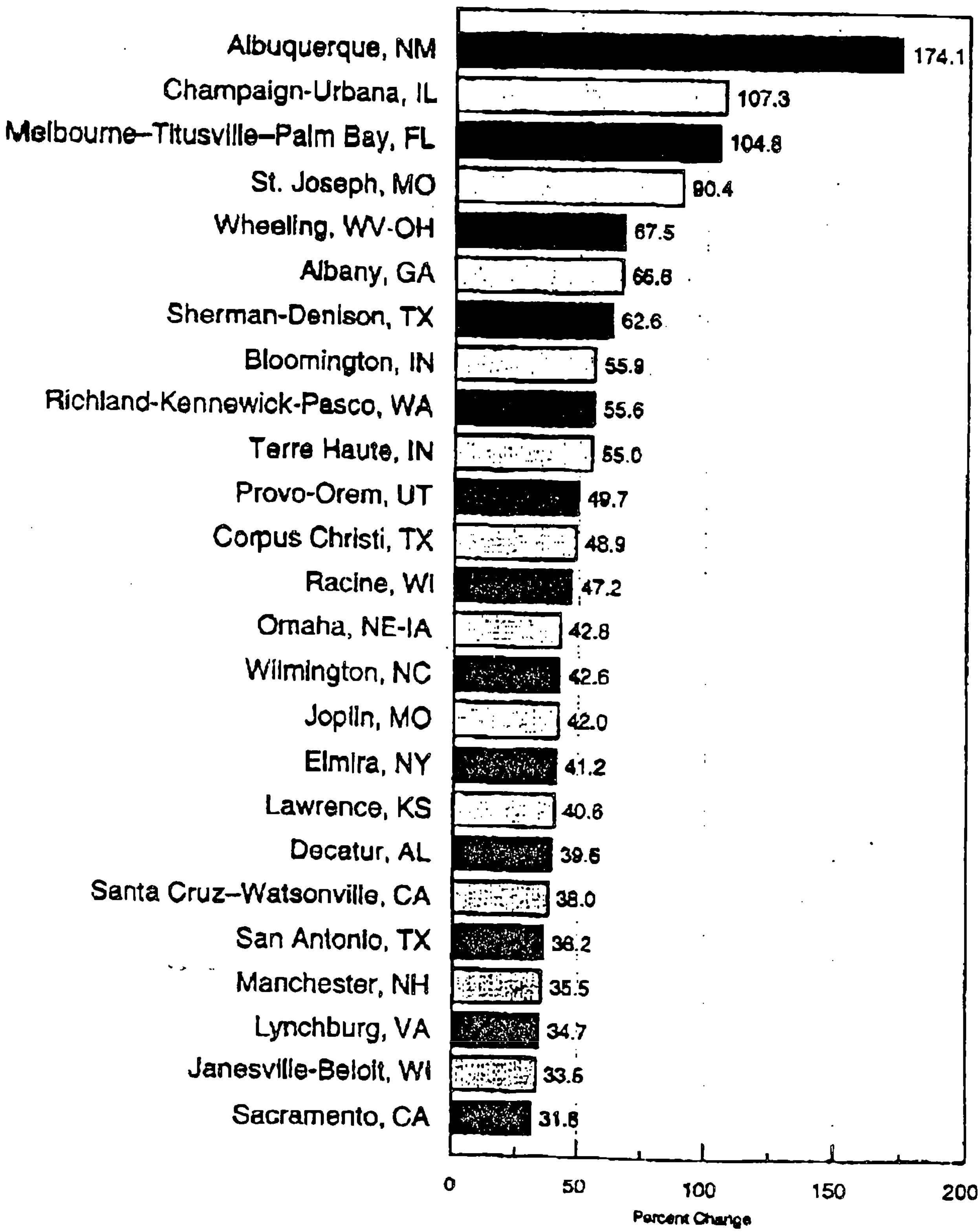
Daley stated that fast track authority gives the President the power to negotiate trade agreements with our trading partners around the world that will benefit the U.S. economy and will underscore U.S. leadership in today's global arena. "Fast track will give President Clinton, working with Congress as a full partner in setting objectives and establishing trade priorities, the authority and the credibility to negotiate tough trade deals for the benefit of the American people. If we want to continue to grow our economy and continue to see this kind of boom in our cities' export growth, President Clinton must have fast track authority as he engages our global trading partners."

The 1996 data show that merchandise exports from these cities totaled $494.5 billion in 1996, up nearly $27 billion from 1995 and accounting for 79 percent of U.S. merchandise exports in 1996. Nearly two-thirds of the metropolitan areas for which data are available reported export growth during 1996.

-more-

Fastest-Growing Metro Area Exporters, 1995–96

Ranked by Percentage Growth in Merchandise Exports



Source: Exporter Location Series, U.S. Census Bureau. Prepared by International Trade Administration, U.S Department of Commerce.

Greatest Dollar Gains for Metro Areas, 1993–96

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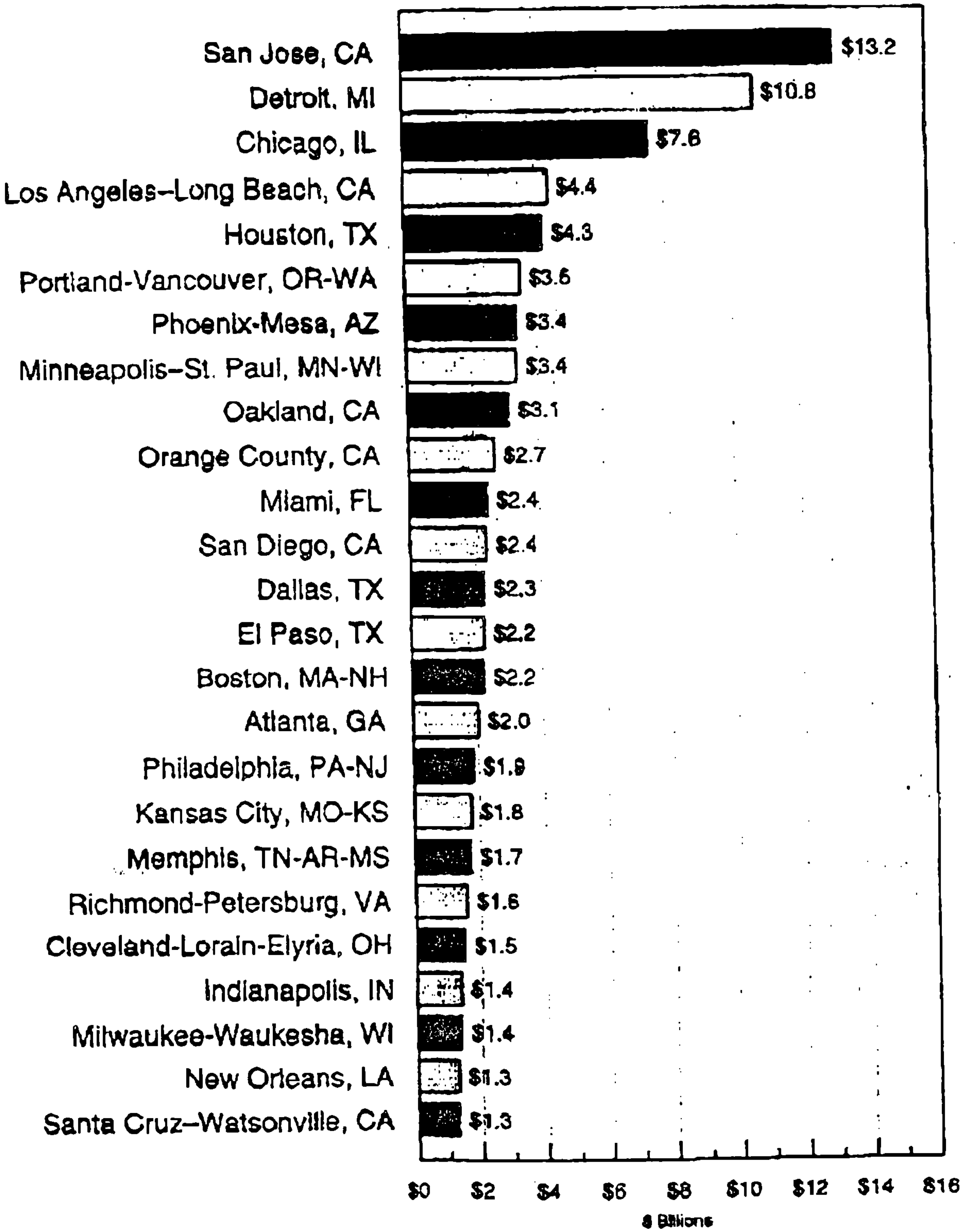

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Fastest-Growing Metro Area Exporters, 1993–96

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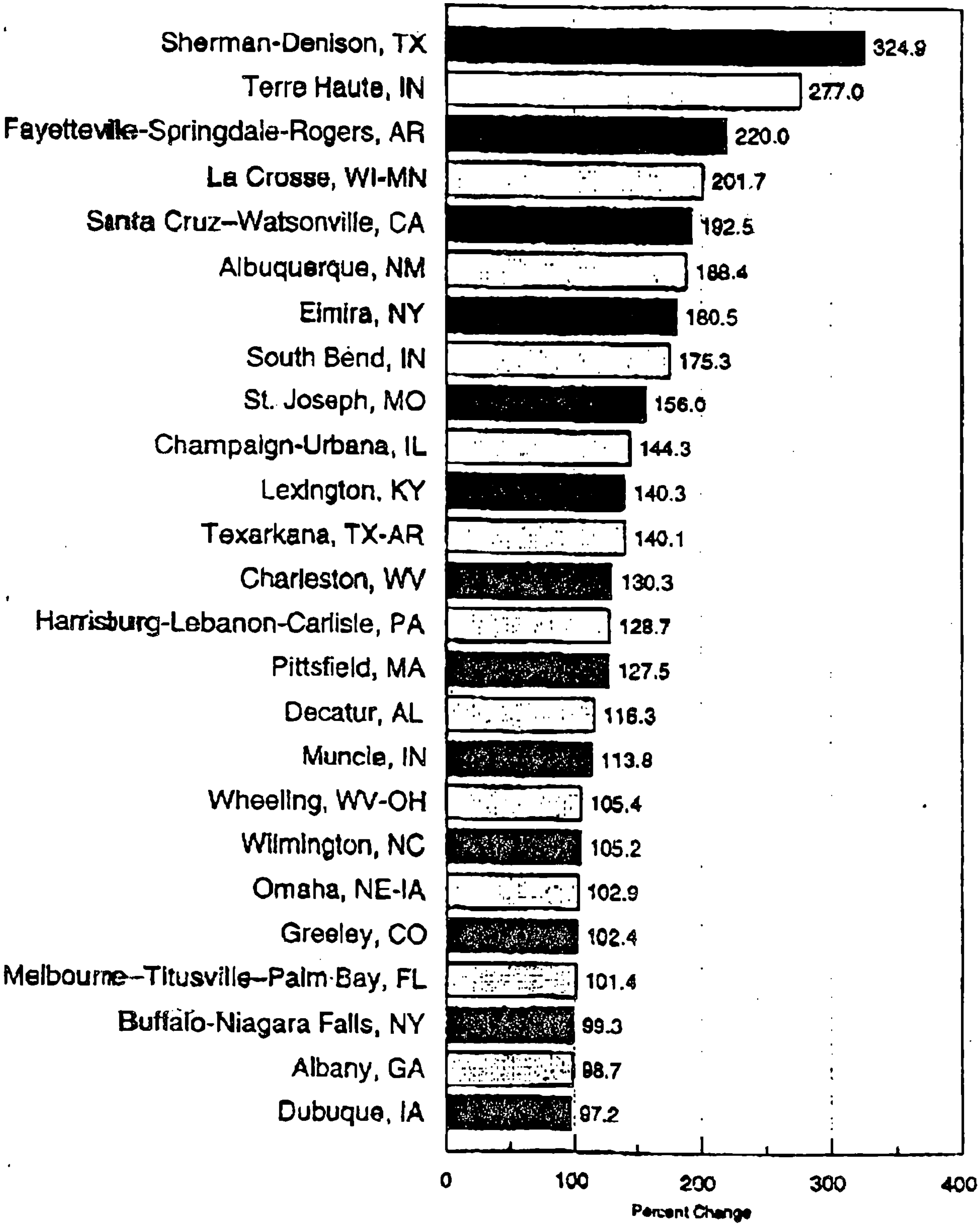

Source: Exporter Location Series, U.S. Census Bureau. Prepared by International Trade Administration, U.S.Department of Commerce.

EXPORT SALES OF U.S. METROPOLITAN AREAS, 1993-96

1996 Highlights

- **Export sales by 253 selected U.S. Metropolitan Statistical Areas (MSAs) totaled $494.5 billion in 1996, up nearly $27 billion from 1995 sales of $467.7 billion.** Sales by the metro areas covered in this report accounted for 79 percent of U.S. merchandise exports in 1996.

- **Exports continue to benefit cities throughout the nation.** Nearly 66 percent--about two-thirds--of the metropolitan areas for which data are available recorded export growth during 1996.

- **A total of 86 metro areas posted 1996 export sales of $1 billion or more.** This "billion-dollar club" was responsible for about 71 percent of total U.S. merchandise exports.

- Another 33 metropolitan areas recorded 1996 exports ranging from just over $500 million to just under $1 billion.

- An additional 104 metro areas generated exports between $100 million and $500 million.

- **San Jose was the nation's top exporting metropolis in 1996, selling a total of $29.3 billion in merchandise to foreign markets.** San Jose was followed by New York (exports of $28.0 billion) and Detroit ($27.5 billion). Other top exporters included Los Angeles-Long Beach ($24.4 billion), Chicago ($22.0 billion), Seattle-Bellevue-Everett ($21.4 billion), Houston ($16.5 billion), Minneapolis-St. Paul ($12.4 billion), Miami ($10.7 billion), and Portland-Vancouver ($9.2 billion).

- **Five major metro areas expanded 1996 export sales by $1 billion or more.** Another 10 metro areas boosted exports in 1996 by more than $500 million. An additional 54 posted increases greater than $100 million.

- **The Seattle-Bellevue-Everett area recorded a 1996 export gain of $3.6 billion--the biggest dollar increase of any U.S. metro area for which statistics are available.** Seattle was followed by San Jose, which registered export growth of $2.5 billion. Other metro areas with large increases were Minneapolis-St. Paul (up $1.3 billion), Phoenix-Mesa (up $1.1 billion), El Paso (up $1.1 billion), Chicago (up $947 million), Oakland (up $937 million), San Diego (up $858 million), New York (up $839 million), and Boston (up $813 million).

- **Similar to the pattern in 1994 and 1995, the metro areas that posted the largest percentage gains in exports during 1996 were primarily small and mid-sized cities.** Examples include Albuquerque, New Mexico; Champaign-Urbana, Illinois; Melbourne-Titusville-Palm Bay, Florida; St. Joseph, Missouri; and Wheeling, West Virginia-Ohio.

- **In 1996, a total of 38 metro areas boosted exports by one-fourth or more.** Within this group, 24 metro areas expanded exports by one-third or more.

1993-96 Trends

- From 1993 to 1996, exports from metro areas for which data are available rose by $122.1 billion. This represents a gain of 33 percent--about the same percentage increase as total U.S. merchandise exports.

- Of the 253 metro areas for which 1996 export figures are available, 90 percent recorded export growth over the 1993-96 period.

- Thirty-three metro areas recorded 1993-96 export increases of more than $1 billion.

  - By far the largest dollar gains were posted by San Jose (up $13.2 billion) and Detroit (up $10.8 billion).

  - Following San Jose and Detroit were Chicago (up $7.6 billion), Los Angeles-Long Beach (up $4.4 billion), Houston (up $4.3 billion), Portland-Vancouver (up $3.5 billion), Phoenix-Mesa (up $3.4 billion), Minneapolis-St. Paul (up $3.4 billion), Oakland (up $3.1 billion), and Orange County, California (up $2.7 billion).

- Twenty-two metro areas registered 1993-96 export growth ranging from just over $500 million to just under $1 billion. Leaders in this category included Raleigh-Durham-Chapel Hill, North Carolina; Grand Rapids-Muskegon-Holland, Michigan; Pittsburgh, Pennsylvania; Riverside-San Bernardino, California; Cincinnati, Ohio-Kentucky-Indiana; Nassau-Suffolk, New York; Lexington, Kentucky; Sacramento, California; Washington, D.C.-Maryland-Virginia-West Virginia; and Akron, Ohio.

- Sixty-nine metropolitan areas saw exports rise between $100 million and $500 million over the 1993-96 period. Top performers in this group included Hartford, Connecticut; San Antonio, Texas; Albuquerque, New Mexico; Davenport-Moline-Rock Island, Iowa-Illinois; Wichita, Kansas; Salt Lake City-Ogden, Utah; Harrisburg-Lebanon-Carlisle, Pennsylvania; Albany-Schenectady-Troy, New York; Saginaw-Bay City-Midland, Michigan; and Toledo, Ohio.

- Over the 1993-96 period, a total of 91 metropolitan areas increased their exports by 50 percent or more. Of these, 22 more than doubled their exports.

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FROM: US conference of mayors

San Francisco June 20-24, 1997

Policy Resolutions

Adopted at the [illegible] Annual

US CONFERENCE OF MAYORS

San Francisco

commits serious human rights abuses, including arbitrary detention and torture of pro-democracy activists and denial of free speech and assembly; and

WHEREAS, an estimated 7,000 opponents of the military regime are in jail including the winner of the 1993 Presidential election, Moshood Abiola, who has been imprisoned for three years; and pro-democracy activists have called for international action at great risk to their lives; and

WHEREAS, the 1995 execution of nine environmental activists from the Ogoni region, including renowned writer Ken Saro-Wiwa, was condemned by world leaders including Presidents Bill Clinton and Nelson Mandela, and many U.S. mayors; and another 19 environmental activists now face the danger of execution on the same charges; and

WHEREAS, the United States can have significant impact on the Nigerian government because the U.S. annually purchases nearly half of the oil exports on which the regime depends for economic survival; and

WHEREAS, The U.S. Conference of Mayors has a proud history of support for democracy in Africa and around the world and The Africa Fund has launched a campaign to help the Nigerian people win human rights and democratic rule; and

WHEREAS, the cities of Amherst, Cambridge, New Orleans, New York, Oakland and St. Louis have passed resolutions and ordinances in support of freedom in Nigeria,

NOW, THEREFORE BE IT RESOLVED that The U.S. Conference of Mayors welcomes the actions by U.S. cities in support of democracy in Nigeria, and calls for the release of political prisoners and the swift restoration of human rights and democracy; and

BE IT FURTHER RESOLVED that The U.S. Conference of Mayors urges the Administration and Congress to take all practical steps, including economic measures, to achieve the early restoration of democracy and human rights in Nigeria.

FAST TRACK TRADE EXPANSION AUTHORITY

WHEREAS, The U.S. Conference of Mayors is deeply concerned with job creation, economic growth, and expanding economic prosperity throughout all of America; and

WHEREAS, the U.S. is the biggest player in international trade, accounting for 12 percent of all world goods exports and 16 percent of all world services exports; and

WHEREAS, U.S. exports accounts for about 11 percent of our Gross Domestic Product and the U.S. exported $835.4 billion in goods and services 1996 with 1.4 million new trade-related jobs created over the last four years; and

WHEREAS, growth in U.S. exports has been responsible for about one-third of our economic growth over the last 10 years; and

WHEREAS, between 1986 and 1994, jobs supported by exports rose 63 percent -- more than four times faster than overall private industry job growth; and

WHEREAS, many of these jobs depend upon continued access to foreign markets and increased openness of those markets; and

WHEREAS, fast-track gives the President the negotiating authority necessary to conclude increasingly complex trade agreements to guarantee access for U.S. products in foreign markets; and

WHEREAS, without fast-track authority the ability of the U.S. to expand and open markets around the world will be seriously constrained and U.S. businesses will lose market opportunities and jobs to foreign competitors; and

WHEREAS, every United States President since 1974 has received fast-track trade negotiation authority from Congress,

NOW, THEREFORE, BE IT RESOLVED that The U.S. Conference of Mayors resolve that the U.S. Congress should enact the appropriate legislation to grant the President fast-track negotiating authority.

NATO ENLARGEMENT

WHEREAS, NATO, recognized as the most successful defensive alliance in history, has developed in the post-Cold War era a new strategic concept based on cooperation, dialogue, transparency, confidence-building, crisis prevention and the integrative efforts of the Partnership for Peace with the nations of Central and Eastern Europe; and

WHEREAS, NATO policy seeks to promote stability and security in Europe through enlargement of membership to selected, new democracies in Central Europe as part of its effort to unite Europe and provide a stronger basis for prosperity for both North America and Europe; and

WHEREAS, NATO enlargement is the stated aim of U.S. strategy and foreign policy, as a component of purposeful and responsible engagement in global affairs; and

KEEPING AMERICA AND ITS WORKERS THE MOST COMPETITIVE IN THE WORLD

America Needs Fast Track to Continue to Create Higher-Paying Jobs for More Americans. Without it, America's role as the largest exporter in the world will be put in jeopardy. And with new markets opening around the world, it is more important than ever to give the President traditional trade authority to break down trade barriers that put American products made by American workers at a disadvantage. We will continue to ensure that America's workers will benefit from expanded trade by fighting for increased training and education opportunities.

I. AMERICAN WORKERS STILL FACE A DISADVANTAGE BECAUSE TOO MANY FOREIGN COUNTRIES PLACE RESTRICTIONS ON AMERICAN GOODS. WE NEED FAST TRACK TO LEVEL THE PLAYING FIELD FOR AMERICAN WORKERS.

What We Inherited. In 1993, President Clinton came into office at a time when the U.S. continued its commitment to free and fair trade, but other countries maintained high tariffs and other obstacles to fair trade to the disadvantage of America's workers.

President Clinton Moved to Address this Disadvantage by Completing the Uruguay Round Agreements, Negotiated Under Fast Track Authority. We have repeatedly leveled the playing field by negotiating tough, fair agreements -- securing more concessions from our trading partners than we had to give up. For example, Australia has cut its tariffs five times more than we have had to, Korea six times more than the U.S. and Peru has cut its tariffs ten times more than the U.S. since the Uruguay Round of GATT. Because of the ongoing benefits from the Uruguay Round, it is estimated that trade will continue to grow by an average of 9% per year until 2000.

American Workers Still Face a Disadvantage. Even with the recent progress in GATT, American exports still face higher tariff rates than our own. For instance, U.S. agricultural exports average 38%, while our own rates average 11%. U.S. electric machinery exports average 5%, while our rates average under 2%. Without Fast track authority, these conditions will only persist when more and more countries negotiate their own preferential trade deals to the detriment of America's workers. American workers deserve better.

Open and Fair Trade is in the Best Interest of American Workers and their Families. As the American people prepare for the challenges of the 21st century, we face a critical choice: We can meet the challenges of the future, write the trade rules and continue America's remarkable economic growth -- or we can turn our back on the world and fail to compete for new markets, new contracts, new business and new jobs. All over America, jobs have been created in small, medium and large companies that would not be here today if we did not have the ability to negotiate fair trade agreements.

- Over the last four years, American manufacturing exports rose 42%, high technology exports jumped 46%, service exports climbed 33% and farm exports rose 41%.
- From 1990-1996, U.S. auto exports to the biggest emerging markets (excluding Mexico) rose $500 million and are estimated to reach $6.1 billion by 2010. U.S. parts exports to these emerging markets are expected to more than triple from the current $3 billion to $10 billion in 2010.
- The U.S. dominates 75% of the global software market. More than one-half million workers are employed in the industry -- double the level a decade ago. This industry is expected to grow 9% *per year* worldwide over the next decade.

- The U.S. once again dominates the world's semiconductor industry – after trailing Japan for years. More than one-quarter million American are employed in the semiconductor industry – up 13% over the last three years. The global semiconductor market nearly tripled in size between 1990 and 1995 -- and sales are expected to reach $200 billion by the year 2000 – a fourfold increase over a decade.
- Exports of goods and services have risen from about 4% of GDP in the early 1960's to over 13% today. Over 15% of the total American workforce is employed in the manufacturing sector. U.S. exports have grown 3 times faster than Japan's, 5 times faster than Germany's since the mid 1980's.

II. TO ENSURE THAT ALL AMERICAN WORKERS BENEFIT FROM EXPANDED TRADE, THE CLINTON ADMINISTRATION HAS FOUGHT FOR INCREASED TRAINING AND EDUCATION OPPORTUNITIES.

We need a growth strategy in which we take every action possible to ensure that all Americans can benefit from economic change. We need to break out of the old arguments that say you are either for blocking change or you are for the market, but everyone has to fend for themselves. Government needs to help workers, communities and those not in the job market realize the benefits of expanded trade.

- **The Administration is developing a comprehensive plan to help communities and workers who have been affected by trade.** President Clinton is building on his strong record of helping workers and families secure more opportunities to improve their educations and obtain higher paying jobs. The President will announce his plan early next week.

<u>A Record of Strong Action to Help Families and Workers</u>

- **Fought To Ensure Low-Income Families Benefitted from Child Tax Credit.** Because of the President's efforts, 13 million children from families with incomes below $30,000 will receive the tax credit -- up to 7.5 million more than under the House plans. Families making under $30,000 -- such as young teachers, police officers, farmers, nurses and others who work hard and play by the rules – will now receive the child credit.
- **20% Tuition Tax Credit.** The balanced budget deals provides for a 20% tuition tax credit applied to the first $5,000 of qualified education expenses and to the first $10,000 thereafter for college juniors, seniors, graduate students, and working Americans pursuing lifelong learning.
- **$1,500 Hope Scholarship Tax Credit.** The balanced budget deal also includes a $1,500 Hope Scholarship to make the first two years of college universally available. For a student attending the average four-year college, the Tuition Tax and HOPE Scholarship tax credits will provide tax savings of up to $5,000.
- **Doubled Dislocated Worker Funding.** The funding for dislocated workers has been doubled, from $651 million in FY93 to $1,286 million in FY97. This year, the dislocated worker program will assist 580,000 workers, up about 300,000 since President Clinton took office.
- **Largest Pell Grant Increase in Two Decades.** The Balanced Budget agreement boosts the maximum 1998 Pell grant from $2,700 to $3,000, and expands the program to more poor independent students – that's the largest increase in two decades.

III. IF THE PRESIDENT DOES NOT HAVE THE SAME AUTHORITY THAT EVERY PRESIDENT HAS HAD SINCE 1974, OUR COMPETITORS, NOT AMERICAN WORKERS, WILL REALIZE THE BENEFITS OF THE NEW ECONOMY.

Today, we have the opportunity to permanently create the types of jobs that pay more and provide our workers with more security – if we continue to increase our exports and open more markets. But if the President does not have the authority to negotiate tough and fair trade agreements with Congress' consent, our competitors will get the best jobs for their workers, while the U.S. will be relegated to the sidelines.

- **Without fast track, the U.S. will lack credibility to push for a fast start on global negotiations scheduled to start at the end of 1999. The United States stands the most to gain in these negotiations because of its comparative advantage in agriculture, commercial services and government procurement.**

  ☞ **Agriculture.** Agricultural exports support nearly a million U.S. jobs. Agriculture remains one of the most protected and subsidized sectors in the world economy. American exports still continue to face trade barriers through high tariffs and preferential trade deals that exclude the U.S.

  ☞ **Commercial Services.** Service exports of U.S. firms supported nearly 4 million jobs in 1996. Unless negotiated away, barriers will inhibit increased U.S. service exports. In Korea, a number of service sectors remain restrictive for foreign investment including telecommunications and insurance. Brazil has restrictive investment laws, lack of transparency in administrative procedures and limits on foreign capital participation. Distribution in the domestic market is restricted in Indonesia.

  ☞ **Government Procurement.** Some sectors relating to government procurement include civil aircraft, energy equipment, environmental technologies and services and medical equipment which employ over 2 million American workers. The vast majority of low and middle-income countries have not signed the WTO Government Procurement Code and the U.S. cannot negotiate government procurement obligations in plurilateral negotiations.

WHY AMERICA WON'T GET ITS FAIR SHARE OF JOBS WITHOUT FAST TRACK

America needs fast track to continue to create higher-paying jobs for more Americans. Without it, America's role as the largest exporter in the world will be put in jeopardy. And with more markets opening around the world, it is now more important than ever to give the President traditional trade authority to break down trade barriers for American goods and services.

The U.S. needs to maintain its leadership role in opening markets through tough, fair trade agreements.

- **Since 1992, 49 states have experienced an increase in overall goods exports and 45 states have experienced an increase in jobs supported by trade.**
- **46 states have higher exports to Mexico and 47 states have higher exports to Japan.**

In the upcoming WTO negotiations, President Clinton needs fast track to have the flexibility to negotiate agreements in **agriculture, commercial services and government procurement.** In each of these areas, the U.S. is the most competitive nation in the world and stands to benefit the most from writing the rules of trade.

AGRICULTURE

The U.S. is the world's largest agricultural exporting country -- shipping a record $60 billion in exports abroad. In 1996, total world agricultural exports totaled $600 billion. U.S. exports accounted for only 10% of that -- $60 billion.

- **U.S. agricultural exports support nearly a million jobs and this number is rising.** Since 1990, the value of U.S. agricultural exports has increased by $20 billion, or nearly 50%. Each week last year, on average, American producers and processors shipped out more than $1.1 billion in farm and food products to foreign markets.

- **Last year, our agricultural exports were twice the level of our agricultural imports -- a claim no other industry sector can make.** Dollar for dollar, we export more corn than coal, more wheat than steel, more meat than aluminum and more fruits and vegetables than CD's, records, and tapes. U.S. exports are growing more than three times as fast as domestic demand for foods.

- **U.S. agriculture will pay a price if fast track is not granted.**
  - ☞ More than 30 bilateral and regional trade agreements are already operating here in the Western Hemisphere, and the U.S. is party to only one -- NAFTA. While these preferential trade agreements multiply, the U.S. share of the region's total agricultural imports is declining.
  - ☞ Chile has already signed trade agreements with Bolivia, Colombia, Ecuador, Mexico, Venezuela, MERCOSUR and most recently Canada. The U.S. has already lost an estimated $500 million in exports to other countries that have duty preferences already in place.
  - ☞ Chilean fresh fruit pays a 2% duty when entering Venezuela (due to the Chile-Venezuela FTA) whereas American producers pay a 15% tariff. The U.S. Embassy estimates that the U.S. market share would grow from its current 39% to 67% if U.S. producers had equivalent access to the Venezuelan market.

Without fast track, the U.S. will lack credibility to push for a fast start on WTO agricultural negotiations scheduled to start at the end of 1999. Agriculture remains one of the most protected and subsidized sectors in the world economy. American exports still continue to face trade barriers through high tariffs and preferential trade deals that exclude the U.S. **Already, since 1992, in Latin America and Asia alone, our competitors have negotiated 20 trade agreements that do not include the United States.**

> The best way we can continue to increase our agricultural exports and create more higher-paying jobs is through broad negotiations where the U.S. has the ability to seek additional commitments from other countries to reduce their barriers to American agriculture.

COMMERCIAL SERVICES

Exports of services by U.S. firms supported an estimated 3.9 million U.S. jobs in 1996. U.S. service exports have more than doubled over the last ten years, increasing $135 billion since 1987 and $84 billion since 1990 to $250 billion in 1996. In 1995, U.S. service exports accounted for 16% of global service exports; our closest competitors that year were France (8%) and Germany, Italy, Japan and the U.K. (between 5% and 6%).

- **U.S. exports to emerging markets have grown at impressive rates:** nearly 30% to China, Taiwan and Korea; and over 20% to Hong Kong and Argentina. The U.S. also exported over $1 billion in 1995 to the emerging markets of Argentina, Brazil, China, Hong Kong, the Philippines, India, Indonesia, Korea, Malaysia, Singapore and Thailand.

- **Service exports are estimated to reach $300 billion by 2005 and $350 billion by 2010.** With the expanding electronic commerce market, the growth trend in the service sector may easily surpass these estimates. For example, look at the health care services industry. In 1994, exports reached $812 million. The industry is estimated to grow to $1.03 billion by 1998 and continue its growth to $1.4 billion by 2002.

- **Unless negotiated away, barriers will inhibit increased U.S. service exports.** In Korea, a number of service sectors remain restrictive for foreign investment, including audio-visual services, insurance, telecommunications and advertising. Brazil has restrictive investment laws, lack of transparency in administrative procedures and limits on foreign capital participation. Distribution in the domestic market is restricted in Indonesia.

- **Fast track will strengthen U.S. efforts to reduce trade barriers and expand these international markets which are key to maintaining U.S. competitiveness and innovation.**

GOVERNMENT PROCUREMENT

- **In 1996, government procurement totaled $200 billion in U.S. exports in 1996 in a total world market of $600 billion.** Sectors relating to government procurement include civil aircraft, which supports over 450,000 high-wage jobs, energy equipment supporting 350,000 workers, environmental technologies and services supporting 1.3 million workers and medical equipment employing over 260,000 workers.

Civil Aircraft

One out of every two civil aircraft manufactured in the U.S. is exported. Asia has become the fastest growing foreign market for U.S. civil aircraft, accounting for about 45% of U.S. civil aircraft exports in 1996. Korea is in the midst of a major civil aviation expansion -- a ten year procurement program plans the purchase of some 230 aircraft worth about $20 billion. With ASEAN, there is a large and growing demand for airport and ground support equipment. The Philippines has initiated a $3 billion refleet and modernization program. Almost all of Thailand's demand must be met by imports.

- **High tariffs and government subsidization are major barriers.** Low and middle income country tariffs range from 3 to 40% while the U.S. has no tariffs.

- **Competition isn't waiting for U.S. leadership.** Canada is competitive in Latin America, especially in the business and regional jet aircraft sectors. Canada already has a Free Trade Agreement with Chile which will provide a three percentage point tariff advantage over U.S. suppliers by 1997. This tariff deferential, which will increase to 11 percentage points when the FTA is fully implemented, provides the Canadian industry a significant advantage in certain segments of the market.

Energy Equipment

- **Since 1990, U.S. exports of energy equipment have doubled reaching $15.5 billion in 1996 with a trade surplus of $6.5 billion.** U.S. exports to the big emerging markets, China and FTAA countries more than doubled since 1990. Exports account for an estimated 34% of the U.S. industry's product shipments. By 2005, energy equipment exports are expected to exceed domestic shipments.

- **The demand for energy in low and middle income countries is expected to grow at more than twice the rate of industrialized countries.** Thailand is expected to invest $22 billion in new power plants; Indonesia is spending $40 billion developing a natural gas field; China and India represent even larger potential markets as each country attempts to meet increasing demand.

- **Competition doesn't wait for U.S. leadership.** MERCOSUR countries are in the process of privatizing the electricity sector and expect increased demand for generation and distribution equipment. Imports supply approximately one-fifth of the equipment demand, and the U.S. supplies one-third of that. Yet, with tariffs ranging up to 24%, U.S. companies will be at a significant disadvantage if other countries are given preferential access.

  With U.S., German and Japanese companies providing almost equal shares of energy equipment in world markets, any preferential access to low and middle income countries by our competitors will hurt U.S. workers and companies.

- **Fast track will strengthen U.S. efforts to reduce trade barriers and expand these international markets which are key to maintaining U.S. competitiveness and innovation.**

Environmental Technologies and Services

- **U.S. ET exports increased 26% from $11.5 billion in 1994 to $14.5 billion in 1995 -- making the U.S. the world's largest supplier.** Growth in exports was responsible for 40% of the $7.5 billion in 1995 environmental technology industry growth. The global market is projected to grow from about $440 billion in 1995 to approximately $600 billion by the year 2010. While the U.S. enjoys over $14 billion in environmental exports only 8% of the U.S. environmental industry's revenue comes from exports. Major competitors, such as Germany and Japan, export in excess of 20%.

- **Opportunities abound for U.S. environmental technology.** The market in Indonesia exceeds $1.3 billion of which $300 million is from the U.S.). Thailand's market exceeds $1 billion (U.S. exports account for two-fifths of that) and could double over the next five years. Malaysia's market is around $700 million and is expected to grow at 15-20% per year through 2000.

- **Competition doesn't wait for U.S. leadership.** $10 billion in new investment is expected through the year 2000 in Brazil. U.S. exports last year amounted to about $100 million. Tariffs range up to 18%, although MERCOSUR partners receive duty free treatment and other Latin American countries receive a 60% duty reduction.

Medical Equipment

- **Total medical device exports reached $11 billion in 1996 -- a 14% rise from 1995.** Exports as a share of industry shipments were 20% in 1990 and are expected to be 30% by 2005. Since 1990, U.S. medical devices exports to China, ASEAN and the other big emerging markets (excluding Mexico) doubled, reaching $2 billion in 1996. Thailand's medical device market exceeds $600 million, and Indonesia's market has been growing by over 10% annually. Malaysia has budgeted $1.4 billion this year to upgrade health care quality, and Singapore has over $500 million earmarked for redevelopment projects.

- **The industry faces tough barriers in low and middle income countries** which include approval procedures for imported devices; government health care reimbursement policies which discriminate against U.S. products; and non-transparent government procurement policies. MERCOSUR countries are developing import and standard regulations which will negatively impact U.S. medical device manufactures.

Fast track will strengthen U.S. efforts to reduce trade barriers and expand these international markets which are key to maintaining U.S. competitiveness and innovation.

- The vast majority of low and middle-income countries have not signed the WTO Government Procurement Code and the United States cannot negotiate government procurement obligations in plurilateral negotiations.

- Current WTO negotiations on establishing elements of a transparency agreement offer the opportunity to secure more transparency in foreign government bids, to the benefit of U.S. firms and workers.

ONE AMERICA IN THE 21ST CENTURY
The President's Initiative on Race

The New Executive Office Building
Washington, DC 20503
202/395-1010

One America on the Move
November 6, 1997

The President's Initiative on Race is an effort to move the country closer to a stronger, more just, and unified America, one that offers opportunity and fairness for all Americans. It is a chance for every citizen in our country to be a part of a great national conversation about America's racial diversity and about the strength it brings our nation. One America on the Move is one of the ways in which we will inform the American public about the Initiative's progress. As the President's Initiative on Race continues to make great strides, we will provide you with a regular update on our accomplishments and activities.

NEW PARTNERSHIPS

- Nearly a quarter of America's colleges and universities have agreed to partner with the President's Initiative on Race to encourage every college and university to conduct special programs focusing on race and other dimensions of diversity in American society. On hand for the October 17 announcement by the American Council on Education (ACE) and the Association of American Colleges and Universities (AACU), were three advisory board members: Dr. John Hope Franklin, chairman of the Advisory Board; Governor William Winter; and Reverend Suzan Johnson Cook. The combined membership of ACE and AACU represents over 2,100 colleges and universities across the nation.

- Advisory Board member Robert Thomas is actively recruiting corporate leaders from across the country to support the goals of the Initiative. Corporate and business leaders have agreed to sponsor regional meetings around the country focusing on best practices, relationships between white and minority-owned companies, and the positive dynamics of diversity within the business community and workplace.

NEW ACTIONS

- On November 5, the First Lady held a ceremony marking the East Garden exhibit of sculptures that were created by Native American artists. The leaders of all the artists' individual tribes were invited and other tribal leaders attended as well. Earlier on that same day, the First Lady toured a Native American woman's weaving exhibit at the Museum for Women and the Arts in D.C. (November is Native American History month.)

- On October 27, in Chicago, the First Lady spoke with students from the program, *Facing History and Ourselves*. The discussion focused on the impact of her hearing Martin Luther King, Jr. speak there in 1962. *Facing History and Ourselves* is a national educational organization devoted to teaching about the dangers of indifference and the value of civility through history. By providing teachers introductory workshops and extensive follow up programs throughout the year, *Facing History and Ourselves* offers strategies to teachers for discussing sensitive issues. The President's Initiative on Race highlights *Facing History and Ourselves* as a Promising Practice on its Website this week.

- North Carolina Governor Jim Hunt hosted a two-day Conference on Racial Reconciliation in Charlotte, Oct. 27-28. Nearly 500 people from various communities, including law enforcement, business, city and county leaders attended the event. Speeches were delivered by U.S. Attorney General Janet Reno and U.S. Congressional Representatives Eva Clayton and Mel Watt (both from North Carolina). PIR Advisory Board members Dr. John Hope Franklin and Gov. William Winter also participated in the conference.

- On October 16, the U.S. Department of Health and Human Services issued a report indicating that vaccinations for minority children in the United States have reached record high levels and have met or exceeded most of the 1996 national immunization goals.

- The Small Business Administration has announced a marketing campaign to increase the participation of Latino Americans in SBA lending, procurement, counseling and welfare-to-work programs. On October 2, Administrator Aida Alvarez, announced this effort at a meeting of the U.S. Hispanic Chamber of Commerce in Houston. The campaign includes using large Hispanic businesses and civic groups, as well as materials in Spanish, to reach small Hispanic business owners or potential business owners.

- Beginning in the first week of November, the Initiative's Website will have seven new features: About the Initiative, The Advisory Board, Initiative Related Events, Promising Practices, On-line Resources, The Face of the Nation, and What You Can Do. The address is: **www.whitehouse.gov/Initiatives**.

UPCOMING EVENTS

- The White House will host a conference on ending hate crimes in America on Monday, November 10, 1997. Members of the President's Advisory Board will participate.
- The next Advisory Board meeting is scheduled to be held at the University of Maryland, College Park, on November 19, 1997.
- The first Presidential meeting on race is scheduled to be held on December 3, 1997.

(final: PIR,11/05/97)

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Divider Title: **SPEECHES**

STATEMENT OF EXECUTIVE INITIATIVES

The renewal of traditional trade negotiating authority will enable the United States to continue to assume the leadership role in breaking down trade barriers and opening markets -- creating new opportunities for our workers and our companies. By fostering a close partnership between the President and the Congress, this authority also ensures that the United States speaks with a united, bipartisan voice in pursuing our international trade agenda.

Even as we use this authority to negotiate strong new trade agreements, we need to ensure that our trade agenda complements and reinforces other important policy objectives -- as it always has done. These goals include helping promote greater attention by other countries to the protection of the environment and worker rights. Because of American leadership, we already have witnessed significant progress in both areas. Maintaining and extending this progress depends on our continued economic leadership role, which in turn is dependent on the renewal of our traditional trade negotiating authority. Failing to do so not only will deny us the ability to attack foreign trade barriers and create new jobs at home, but also will ensure that we are not positioned to help advance environmental protection and promotion of worker rights in other countries.

Greater international attention to labor and environmental issues is integral to our efforts to see that all workers have the opportunity to compete and win in the global marketplace. It also helps serve as an important reminder that the ultimate rationale for freer, expanded trade is to create additional wealth and, by so doing, to improve the living conditions of workers both in the United States and abroad. U.S. leadership in this regard also affords a clear example to the rest of the world that protecting the environment and worker rights helps contribute to increased economic growth and prosperity.

The initiatives described below complement the provisions on labor and the environment in the "fast track" legislation now under consideration in the Senate and House of Representatives. They demonstrate that we should work to promote stronger protection of the environment and worker rights in a variety of ways in a variety of fora; indeed, they reveal that trade negotiations may not always afford the best venue for achieving these important objectives.

These initiatives are fully consistent with our goal of expanding international trade. By remaining active here, the United States can help ensure that protection of the environment and promotion of worker rights are in step with trade liberalization. Our leadership position grants us both an opportunity and a challenge: to ensure that trade expansion and improved protection of the environment and worker rights are mutually supportive, and together contribute to economic growth, higher standards of living, and a higher quality of life both in the United States and abroad.

I. Environmental Issues

A. World Trade Organization (WTO): Transparency and Openness

This Administration has long been committed to improving the transparency of WTO activities and the openness of WTO proceedings, and we will be continuing our active pursuit of these goals in the coming year. First, to demonstrate the significance we attach to this issue, the Administration's fast track bill included a principal negotiating objective of achieving the observance of open and equitable procedures by U.S. trading partners and WTO members. Second, we will present our transparency objectives with respect to WTO activities and proceedings at a meeting of the WTO General Council (the WTO's governing body) before the end of the year. Third, we will adopt increased transparency, openness and public participation as priority objectives for the mandated review of the WTO dispute settlement rules and procedures that must be completed by WTO Members by the end of 1998.

The specific objectives that we will pursue in support of greater openness and transparency in dispute settlement include:

- Advocating consideration by WTO panels and the Appellate Body of *amicus curiae* submissions from non-governmental interested parties in dispute settlement proceedings that involve environmental and conservation issues.

- Seeking to open WTO dispute settlement panel and Appellate Body proceedings to observance by the public.

- Providing for more timely public access to dispute settlement documents, including through electronic means, to enhance the ability of non-governmental representatives to provide their input and expertise.

In addition, we will work to ensure that similar transparency and openness provisions are included in future trade agreements -- whether multilateral, regional, or bilateral -- that contain dispute settlement provisions.

B. WTO: Eminent Persons Group

We strongly support efforts to improve the understanding of how environmental considerations relate to WTO rules and principles. We believe that establishment of an "eminent persons group" can advance that process significantly and help establish the groundwork for further initiatives in this area. To that end:

- We will propose that the WTO Director General convene a group of eminent persons, to include independent experts in the fields of trade, the environment, and development, to examine issues and formulate options for the WTO to consider.

- We will propose that the group examine the interaction of national and international environmental policies with WTO rules and principles. Among the issues it should address are: the relationship of GATT Articles III and XX to environmental measures that affect trade; the relationship between trade measures in international environmental agreements and WTO rules; and the relationship between trade disciplines and ecolabeling.

C. International Financial Institutions (IFIs)

We intend to build upon and expand our efforts to promote incorporation by the IFIs of the full range of environmental issues into their operations and promote a greater flow of resources to environmental projects. In an effort to achieve these goals, the following specific steps will be taken:

- Secretary Rubin will propose that the Inter-American Development Bank (IDB) create an independent advisory committee comprised of senior IDB officials, representatives of non-governmental organizations, and others to examine environmental issues arising from prospective operations and to make specific recommendations to the IDB.

- We will press for significant increases in direct lending for environment and natural resources management projects (in the IDB such funding rose to $815 million in 1996 due in large part to our advocacy) and for a higher share of lending to be dedicated to these projects.

- We will continue to scrutinize closely the effectiveness of public information disclosure for environmentally sensitive projects to ensure compliance with the existing law, focusing on the required advance consultation with affected and interested persons.

- We will examine closely the practices of the independent inspection panels established to examine alleged non-compliance with established policies and propose improvements to this process and its expansion to the IFIs that currently do not make use of independent inspection panels.

- We will pursue vigorously international support for our proposal to create a $250 million fund that would provide below market rate loans to finance environmental initiatives.

- We will continue to urge the IMF, as appropriate, in its program design and annual consultations with members to consider the link between the environment and economic policy choices.

Please note also the environmental dimensions of the review of future free trade agreement partners, described below at II(A).

II. Labor Issues

In the labor area, the Administration supports a range of initiatives designed to strengthen the respect for core labor standards. We already have taken a number of important steps to broaden international respect for freedom of association; the right to organize and bargain collectively; prohibitions on forced labor and exploitative child labor; and discrimination in employment. The list of measures that follows illustrates our commitment to address worker rights issues aggressively in a variety of ways.

A. Review of Future Free Trade Agreement (FTA) Partners

The Administration is committed to ensuring that Congress and the American public have an opportunity to thoroughly evaluate future free trade agreements. One important element of this plan is our commitment to make certain that Members of Congress and the public are informed of the broader relevant conditions in prospective FTA partner countries, including each country's labor laws and practices, environmental laws and practices, legal system, macroeconomic policies and conditions, trade laws and practices, and other relevant conditions. To advance this effort:

- We will submit to the Congress, and make available to the American public, a review evaluating these conditions in each prospective FTA partner country when an agreement is brought back for congressional approval. This review will be prepared with the participation of relevant Executive Branch agencies, including the Department of Labor, the Environmental Protection Agency , the Department of Justice, the Department of Treasury, the Office of the United States Trade Representative, and the Department of Commerce.

- Among the matters this review will address are: (1) the FTA partner country's relevant labor and environmental laws, including the enforcement of those laws; (2) the integrity and effectiveness of the country's legal system; (3) the country's macroeconomic policies and practices, including the operation of its exchange rate system; and (4) a description of the country's institutional structures and general policies and practices for addressing each of these areas.

B. Labor Department Annual Report on Labor Conditions under the North American Agreement on Labor Cooperation

We believe that a greater understanding of the labor conditions in our NAFTA partners will allow us to build on the work already being done under the North American Agreement on Labor Cooperation (NAALC) and, at the same time, strengthen the NAALC's own effectiveness in addressing relevant labor issues. To aid in this objective:

- The Department of Labor will produce an annual report reviewing for each NAFTA partner the labor laws, practices, and conditions covered by the NAALC, as well as the relevant proceedings, actions and cases under the NAALC, and the steps being taken by our NAFTA partners to conform to the findings in any such cases.

C. International Financial Institutions (IFIs)

The Administration will undertake a series of measures designed to enhance the U.S. leadership role in pressing for incorporation of issues related to core labor standards into the planning and programs of the IFIs. The following measures will help enhance attention to these issues within the U.S. Government, secure a greater international focus on worker rights issues, and heighten the priority given to worker rights issues by the IFIs:

Ensuring International Focus on Worker Rights Issues

- The Administration believes the United States should continue to heighten attention to this issue. To that end, Secretary Rubin highlighted the need to place greater emphasis on labor standards in his speech at the World Bank/IMF Annual Meeting in September. He will continue to do so in appropriate fora.

- We will propose a summit meeting of the presidents of the IFIs and the Director General of the ILO to reinforce the commitment of the institutions to working closely together.

Enhanced Focus Within the Administration

- In consultation with Secretary of Labor Herman, Secretary of the Treasury Rubin will propose formation of an interagency team -- including the Departments of Labor, State, and Commerce -- to explore issues related to core labor standards more broadly and examine ways to incorporate these issues more systematically into the work of the IFIs. As part of this, the State Department will undertake a variety of diplomatic efforts to promote observance of core labor standards.

Heightening the Priority given by the IFIs to Worker Rights Issues

- We will call for the World Bank to establish an office that is dedicated to analysis of labor issues and has direct input into the Bank's program and lending activities, and will encourage regular direct contacts between ILO staff and this office. We will seek over time to pattern this effort on the institutional reforms undertaken by the Bank in recent years to strengthen its capacity to incorporate environmental considerations in lending and policy advisory activities.

- We will continue to promote vigorously our proposal to develop a screening mechanism -- now under discussion with the multilateral development banks -- to ensure that worker rights issues are taken systematically into account in the institutions' operational planning and programming. We also will explore the best means for ensuring that IFI budgets contain resources sufficient to conduct screening operations and similar analytical functions.

- We will actively promote the Administration's proposed joint World Bank-IMF conference on issues related to core labor standards in an effort to pursue explicit commitments to make tangible progress in the IFIs on these issues. The conference could bring together senior IFI and ILO officials, as well as academics and representatives of non-governmental organizations.

- We will urge the multilateral development banks to increase both technical assistance and direct lending to promote greater adherence to core labor standards.

- We will urge the IMF to further emphasize the importance of labor issues in its annual reviews of member countries and by examining the link between promotion of core labor standards and long-term macroeconomic performance (for possible inclusion in its new governance policies).

- We will follow up vigorously on the paper completed, at our urging, by the World Bank on child labor issues, including its specific proposals for more active Bank engagement on these issues.

- We will continue to implement the statutory requirement directing the Secretary of the Treasury to urge the IFIs to adopt policies encouraging borrowing countries to protect worker rights and requiring an annual report to Congress on how the IFIs are performing.

D. Export Processing Zones

The U.S. Government has been concerned over the past several years with programs through which certain countries apply lower labor standards and permit less adequate worker protections in special tariff-free export processing zones (EPZs). We are committed to developing a clearer understanding of such programs and, in so doing, exploring the best means for addressing the concerns that already have been identified and any others that may be highlighted through additional study of EPZs. To accomplish this:

- The Department of Labor will update its 1990 study finding that some countries applied different rules in such zones with the intent of restricting certain important labor standards, including the freedom of association and the right to bargain collectively.

- We will continue to encourage work within the ILO to analyze the extent to which differential standards exist in such zones, and will urge the ILO to work with member states to address these practices. We also will review whether to recommend increased coordination on this issue between the ILO and the WTO.

E. Child Labor

The Administration has focused particular attention on addressing concerns about the exploitation of child labor. Since 1993, we have responded to congressional concerns by preparing three major reports on child labor practices, and have used these reports to aid the private sector in developing voluntary codes of conduct, labeling efforts, and production changes in overseas facilities. Innovative approaches in this area also include technical assistance to help developing countries eliminate exploitative child labor; pressing successfully for a greater ILO focus on exploitative child labor; using U.S. laws to suspend trade benefits in response to persistent exploitative child labor practices; and holding two workshops in 1997 with our NAFTA partners to discuss child labor concerns in North America. To build on these efforts:

- The Labor Department will soon release a fourth report on actions being taken internationally to combat child labor and other exploitative working conditions. The Department also expects to begin a fifth report evaluating strategies that have been undertaken in other countries to reduce exploitative child labor.

- The Administration supported the recent enactment of a change in the Tariff Act of 1930 to clarify that products of forced or bonded child labor can be excluded from entry into the United States. The Department of the Treasury is establishing a task force to assure that the Administration can effectively respond to any allegations raised under the new law.

THE WHITE HOUSE

WASHINGTON

November 3, 1997

Dear Mr. Leader:

As I know we both agree, the future of America's farmers and America's farming communities is integrally related to our ability to compete in global markets. In 1996, U.S. agricultural exports climbed to $60 billion, an historic high for such exports. In fact, American agriculture is more than twice as reliant on foreign trade as the U.S. economy as a whole, with exports currently accounting for an estimated 30 percent of agriculture's cash receipts.

But as you have correctly pointed out, more can be done to increase the ability of American farmers to sell their products overseas. You have been a leader in promoting the ability of U.S. farmers to export their products and I am glad to continue our joint efforts to achieve this goal. In that regard, I am glad to convey my support for the attached list of initiatives that can further strengthen the ability of America's farmers to compete in today's global economy.

Sincerely,

Bill

The Honorable Thomas A. Daschle
Minority Leader
United States Senate
Washington, D.C. 20510

ADMINISTRATION SUPPORT FOR U.S. AGRICULTURE

The Administration is well aware that no other sector in the U.S. economy has benefited as much from trade as agriculture, and that no other sector's future is so closely tied to exports and free and fair access to foreign markets. Agricultural exports were a record $60 billion in FY 1996, and with a trade surplus of $27 billion, agriculture is now the largest positive contributor to the U.S. balance of trade.

We share the concerns of Senator Daschle and other leaders in the agricultural community about the very real restrictions in foreign countries facing exporters of U.S. agricultural products. The Administration will continue to be aggressive in the international arena, building on our past trade policy successes, and opening up new opportunities for U.S. agriculture.

Support for Agricultural Exports

The export of agricultural products is an important component of U.S. agriculture's success in foreign markets. These exports contribute directly to farm income and to the health of the overall economy, and value-added farm sales overseas are an important factor in improving the United States merchandise trade balance. Unfortunately, U.S. farmers and ranchers cannot realize their full export potential because some foreign countries deny fair and equitable market access to U.S. agricultural products.

> **In order to identify unfair market restrictions on U.S. value-added agricultural exports, and to focus our resources on removing these barriers, the Administration supports S. 219, the Value-added Agricultural Products Market Access Act of 1997.**

The Administration agrees that it would be beneficial for the U.S. Trade Representative to identify, on an annual basis, countries that deny market access for value-added U.S. agricultural products, or that apply standards for the import of value-added agricultural products from the United States, that are not related to protecting human, animal, or plant life or health, and are not based on scientific principles.

The Need for More Timely Data on Trade in Livestock and Livestock Products

America's livestock sector contributes greatly to our agricultural trade surplus. The export value of red meats, for example, have risen steadily during this Administration, and is at a record level. U.S. agriculture now boasts a $2.4 billion surplus in red meat trade.

Significant cross-border trade in live animals and meat has accompanied the rise in exports. Timely and reliable trade data are critical to our producers, especially those who live in border areas and experience first-hand trade with our geographical neighbors. Imports can have an important impact on the conditions of competition facing U.S. livestock producers. The Department of Agriculture's Task Force on Concentration in the Livestock Industry called for more timely reporting of price and quantity data for livestock and livestock product trade. More timely data can help improve competition in the market place.

For this reason, I direct the following administrative action that will improve the availability of livestock import data:

The Secretary of Agriculture, in close cooperation with the U.S. Customs Service and the agricultural community, will identify and make available to the public timely and appropriate quantity and value data on U.S. imports of live cattle and beef.

Improved Availability of Basic Data on Canada's Cattle Sector

Increased cross border trade between the United States and Canada in cattle and beef has raised the interest of U.S. livestock producers about economic conditions in Canada's cattle sector. Up-to-date information on cattle inventory, cattle slaughter, and cattle and beef trade will answer U.S. producer needs for information about a significant competitor in the U.S. market. To obtain this information on Canada's cattle sector:

The Secretary of Agriculture will engage in consultations with his counterpart in Canada for the reciprocal exchange, on a monthly basis, of data on cattle inventory; cattle slaughter; and cattle and beef trade between the United States and Canada. This data shall be made available to the public upon receipt.

Voluntary Labeling of Meat of U.S. Origin

The rise in cross-border trade between the United States and Canada in cattle and beef has raised interest in developing a voluntary labeling system for meat of U.S. origin. The Administration stands ready to assist the livestock industry in its ongoing efforts to examine and develop voluntary labeling of meat of U.S. origin. To this end:

The Secretary of Agriculture will, in cooperation with the U.S. livestock industry, develop guidelines for the voluntary labeling of meat and meat food products produced in the United States from livestock raised in the United States to indicate the U.S. origin of the meat and meat food products, and will provide technical assistance to the U.S. industry to facilitate the use of such labeling.

FAST TRACK
By Gene Sperling, Chairman, National Economic Council

Five years ago, America was losing ground. Today, America is the world's strongest economy, leading the world from auto production to semiconductors. In New York alone, there have been 287,000 new jobs since the beginning of 1993, while goods exports from New York are up one-third to $55 billion. As a result, 32,000 more higher paying jobs in New York are dependent on trade today than when President Clinton first took office. The America people deserve the credit for our remarkable economy. But President Clinton's three-part economic strategy -- reducing the deficit, investing in our people, and tearing down trade barriers -- played an important role in allowing the American people to realize their full potential and for our economy to once again be the envy of the world.

Whenever American workers have been given a fair chance to compete, we have won. That is why President Clinton moved aggressively to tear down trade barriers and open overseas markets to more U.S. goods and services. Through tough, fair trade agreements, we have repeatedly leveled the playing field -- securing more concessions from our trading partners than we had to give up. For example, Australia has had to cut its tariffs five times more than we have had to and Peru has cut its tariffs ten times more than the United States.

But with 96% of the world's consumers living outside America's borders, we need to look abroad -- to emerging markets -- where American products are still at a disadvantage. While U.S. tariff rates average 2.8%, the Philippines' rates average 19%, Peru's 14% and Brazil's nearly 12%. In fact, Latin American countries imposed over $6 billion and the major Asian countries imposed over $12 billion in taxes on U.S. exports in 1996. Since U.S. tariffs are already low, American workers will benefit when barriers to American exports are cut far more than our barriers to their products.

But as America debates how to seize the opportunities of the future, other countries are aggressively moving forward. Since 1992, in Latin America and Asia alone, our competitors have negotiated 20 trade agreements that help them, but exclude the United States. We need to have a fair shot at these markets of the future. Asia has several of the fastest growing economies in the world -- with expected real growth of 6-7% *annually* for the next 15 years. We cannot miss our chance to win in these markets too.

In upcoming global negotiations, President Clinton needs to have the flexibility to negotiate agreements in agriculture (a global market of $600 billion) commercial services (a $1.2 billion market), and government procurement (a market estimated to be worth $1 trillion in Asia alone in the next decade). In each of these areas, the U.S. stands to benefit the most.

Every President since Ford has had "fast track" authority, because, without it, we lose the credibility to negotiate tough, fair trade deals. Without fast track, our partners know that our hands are tied because Congress may reopen any agreement. As a result, they will not give us their bottom line best offers.

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

No country is better positioned to compete and win in the 21st century. The last five years have shown that we have every reason to have confidence in our economy, our companies, and our workers. Fast track is a test of that confidence.

FAST TRACK ARTICLE FOR COLUMBIA BUSINESS SCHOOL JOURNAL

By Erskine B. Bowles
White House Chief of Staff

The President's balanced budget plan continues to fill two critical elements of his economic strategy: reducing the deficit and investing in our people. But the third element -- opening up American goods to more foreign markets -- is just as important to our growth strategy. The President's open market policy, which has included NAFTA, the Uruguay Round of the GATT and 200 other trade agreements, has been a critical component to our economic success.

Consider this: Over the past four years, nearly one-third of our economic growth has come from overseas trade. Eleven million total American jobs are supported by exports -- including one in five manufacturing jobs. This global competition has, in turn, spurred increased innovation and production helping to make the United States the most competitive economy in the world. In the last four years, American manufacturing exports have increased by 42%, high technology exports jumped 46%, service exports climbed 26% and farm exports rose 43%.

Opening foreign markets works for the United States because most countries have higher tariffs than us. As more markets become more accessible to U.S. goods through trade agreements, the U.S. is uniquely positioned to compete and win in the world's emerging markets.

As we move forward to the 21st century, President Clinton is determined to not let us fall behind. Other countries are breaking down trade barriers and acting to create competitive trading relationships to the disadvantage of U.S. companies and workers. Since 1992, in Latin America and Asia alone, our competitors have negotiated 20 free trade agreements that exclude the United States.

The United States has to have a fair shot at these new markets of the future. 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 to open these dynamic markets to American goods and services.

The Latin American market including Mexico is the fastest growing area for U.S. 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. That's why the President is committed to moving forward toward a Free Trade Area of the Americas by 2005.

It is clearer now than ever before that it is in the national interest of the American people to stay engaged in the global economy.

To maintain America's ability to compete in the rapidly emerging markets of the global economy, Congress must give the President the "fast track" authority that every President has had for more than two decades to pursue tough, new trade agreements. Without fast track, we lose the credibility to negotiate tough trade deals because our partners know any agreement may be reopened provision-by-provision by the Congress. Without fast track, America's hands will be tied in its ability to negotiate these critical agreements drastically slowing down our job creating potential.

Fast track is an indispensable tool to maintaining America's leadership in the global economy -- to help keep it the world's largest exporter, the largest producer of semiconductors and the largest producer of automobiles.

Under President Clinton, we have opened more foreign markets through more trade agreements than any other administration in history. This is a record to build on, not to rest on. The President would use fast track to negotiate agreements where the U.S. is most competitive. From medical equipment and services, environmental technology, telecommunications to computers, the President will tear down barriers to American exports.

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.

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.

Suzanne Dale 09/24/97 11:50:00 AM

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Subject: 1997-9-24 remarksat AFL-CIO convention

THE WHITE HOUSE

Office of the Press Secretary
(Pittsburgh, Pennsylvania)

For Immediate Release
September 24, 1997

REMARKS BY THE PRESIDENT
TO AFL-CIO BIENNIAL CONVENTION

David Lawrence Convention Center
Pittsburgh, Pennsylvania

10:25 A.M. EDT

THE PRESIDENT: Thank you very much. I am delighted to be here. Thank you for the warm welcome. Thank you for the fast introduction. (Laughter.)

The last time I spoke at your convention it was two days before you elected John and Rich and Linda. And I must say, from the outside, it seems to me that they have done a remarkable job, and I know that you must be very, very proud of them. (Applause.)

I am delighted to be here with Secretary Herman, and Deputy Secretary Kitty Higgins, and Secretary Slater, a number of other members of the administration. I should mention one other -- the successor at the White House to Alexis Herman, former Assistant Secretary of Labor for Wage and Hours Maria Echevesta. We're all glad to be here. (Applause.)

I also want to say right at the outset that I am very glad that you voted to support campaign finance reform. Now there will be a vote on the Senate floor, and that will be a time of testing. But I have made clear where I stand. All 45 of our Democratic senators have made clear where they stand. You have now made clear where you stand. We will soon see where the Senate stands, and then where the House stands. This is a good time to make our campaign finance laws better, and I thank you for your crucial role in it. (Applause.)

On a very personal word, I might say, I came in a few moments ago and I was able to hear Sandy Feldman and hear your tribute to our friend, Al Shanker. And I cannot tell you how much I appreciate that. Under his leadership, and Sandy's,

the AFT has been a constant supporter of educational opportunity and educational excellence -- a clear signal that working professionals can be organized for the objectives, the legitimate objectives of the union movement. And one of those objectives would be excellence on the job. And there is no more important

place to have excellence on the job than in educating our children. So I'm very, very grateful for the AFT and for Sandy Feldman. (Applause.)

With your new leadership team and the new energy I feel of the presidents who are here on this great stage and all of you in the audience, your members back home, it is clear that American labor once again has a clear voice and you are making it heard. You made it heard loud and proud in the boardrooms of Unite Parcel Service. You made it heard in the halls of the Capitol, standing up to a barrage of anti-worker legislation. (Applause.)

You're making it heard in the strawberry and mushroom fields of California, in the fiery tones of Arturo Rodriguez, with noble echoes of Cesar Chavez. (Applause.) You're making it heard in nursing homes in Minnesota, giving new strength to women workers. And you're making it heard right here in Pittsburgh through the steelworkers biggest organizing campaign in more than 60 years. This must be a proud time for the men and women of the AFL-CIO. (Applause.)

Our nation can clearly see and hear that American labor is back. Thanks in no small part to your leadership in the workplace and your involvement in the political process, America is back, too.

Six years ago, when I announced my candidacy for President, I said that America had a vital mission for the 21st century -- to keep the American Dream alive for every person responsible enough to work for it, to keep America the world's strongest force for peace and freedom and prosperity, and to bring our people together across all the lines that divide us into one America. America's oldest, most incandescent ideals --opportunity for all, responsibility from all, a community of all.
That is what has to illuminate our path as we stride forward to address the challenges of a new era.

I pledged then to take America in a new direction -- toward the future, not the past; toward unity, not division; with America leading, not following; putting people and values, not power politics, first; reforming government not to do everything or do nothing, but to give all our people the tools they need to make the most of their own lives; and beginning by building an economy that works for all, not the few.

We started with a new economic policy for the new economy, putting in place a bold new strategy to shrink the deficit and balance the budget, invest in our people and lower unfair trade barriers to our goods and services. The philosophy was solid and simple: remove the impediments that have restrained the American people and give them the tools and training to help them race ahead. By reducing the nation's massive deficits, we could free our people of the dead weight that slowed their every step from the early 1980s. By investing in their education and health, we would enable them to run fast and strong over the long run. By reducing trade barriers, we would knock down the unfairly high hurdles that we have had to leap over for far too long, and build bridges to new democracies with growing economies to ensure our leadership for peace and freedom well into the next century.

The strategy has succeeded: nearly 13 million new jobs; America leading the world in auto production once again; unemployment below five percent; over a million new construction jobs, a half a million transportation jobs, a half a million new jobs for machine operators, auto jobs having the fastest increase since Lyndon Johnson's administration; the biggest drop in welfare rolls in history, with welfare reform that is tough on work, but pro-child and pro-family; dramatic drops in crime year after year, putting 100,000 more community police officers on the street and the Brady Bill preventing 250,000 sales of handguns to people with criminal or mental health histories that indicates they should not have them. We know we have more to do, but together we have made progressive government work again.

Let's look at three crucial elements of our economic strategy -- reducing the deficit, investing in our people, expanding exports. First, deficit reduction. Back in 1993, when I introduced our first deficit reduction plan, we both knew it was important to get our fiscal house in order. And we did it the right way -- we did it while increasing investments in our people. And we did it without a single Republican vote, cutting the huge deficit of $290 billion 87 percent before the balanced budget law passed. (Applause.)

After a new majority took control of Congress in 1994, they tried to cut the deficit in the wrong way. They sent me a budget that made unjustifiably deep cuts in Medicare, that increased taxes on working Americans, that allowed corporations to raid their workers' pensions, that cut enforcement of worker safety laws, that slashed funding for education and training by $30 billion. With your support, I vetoed that budget and the veto was upheld. (Applause.)

Later, when they pushed a balanced budget with a harmful independent contractor provision, a misguided privatization scheme for Medicaid, and a shameful plan to deny workfare participants the minimum wage, you and I stood firm together. We stood firm together. And I thank you for your support for that opposition. (Applause.)

I believe this balanced budget that I signed honors our workers and our values and our future. And I will explain by going to the second element of our economic strategy -- investing in our people. In the new economy the most precious resources America has are the skills and securities of working Americans. Here, too, we are succeeding. After decades of working harder and longer for lower wages, millions of working Americans finally

are getting a raise. And it's about time.

Since I took office the yearly income of the typical family is up $1,600. Wages are rising again. In 1995 and 1996, over half the new jobs created in this economy paid above the average wage. With your strong support, we also increased the minimum wage and dramatically increased the earned income tax credit -- it is now worth about $1,000 a year to the typical family of four with an income of less than $30,000. And this summer, I signed into law a $500-per-child tax credit that will mean $1,000 in take-home pay for a typical family with two children. And I didn't sign the bill until we made it work for rookie police officers, teachers and others of modest means the Republican majority would have left out of their budget and tax cut plans.

From 1945 until the mid-1970s, all of us grew together in America. Each group of our economy, from the lowest 20 percent to the highest, increased their incomes, but, actually, in percentage terms, those in the bottom 40 percent grew slightly faster than those in the upper 40 percent. And that was as it should have been. We were sharing our prosperity and growing together.

Then, unfortunately, we began to grow apart, partly because of developments in the global economy, historic developments that could not be reversed and offer us great opportunity of seize them -- partly, I believe, because of wrongheaded policies in the United States government throughout the 1980s.

Fortunately, now it looks like our hard work and your hard work is paying off and America is starting to grow together again. I believe the general sense that this should be so is one of the reasons for the renewed success and receptivity of the efforts that you are making all over America.

But we cannot rest. We cannot rest until every single American has a fair chance to reap the rewards of the American economy. That is why, above all, investing in people means giving every American the best education in the world.

Our balanced budget includes the largest increase in aid to education since 1965, when President Johnson was in office, and the biggest increase to help people to go on to college since the G.I. Bill was passed 50 years ago. (Applause.) The budget has $1 billion more for Head Start; more money to help our schools achieve excellence; the America Reads program to mobilize a million volunteers, organized by our national service program, AmeriCorps, which has already given 70,000 young people a chance to work and serve in their communities and earn the money for college.

It contains money to help connect every classroom and library in this country to the Internet by the year 2000. It also contains a new HOPE Scholarship to guarantee access to all

Americans to at least two years of college; other tuition tax credits for all college and skills training; an IRA you can withdraw from, tax-free, to pay for your own education or your children's education; the biggest increase in Pell Grants in two decades; a million, total, work-study slots now; and doubling aid for dislocated workers.

When you put all this together, we can really say for the first time in the history of this country, we have opened the doors of college education to every American who is willing to work for it money will not be an obstacle again. (Applause.)

There is still a lot to do. First of all, we have to pass every year for the next five years the funds necessary to make good on the budget agreement. Secondly, we have got to increase the quality of education in our public schools. I have sought to provide more options to parents in public school through public school choice and allowing teachers to organize new charter schools within public school districts. But I also know we need national standards. Every other major economy in the world educates its children according to national academic standards. And I have called for national standards and voluntary national exams to begin with 4th grade reading and 8th grade math to see how our children are doing. Voluntary exams developed not by politicians, but by a non-political board; not by the Department of Education, but financially supported by the Department of Education.

There are those who say no to this, no the standards, no to the idea that we ought to have accountability. Some of them, frankly, don't believe all our children can learn. Some of them see some dark plot to take over local schools. All I see is reading is the same in Minnesota as it is in Maine, and mathematics is the same in Washington as it is in Florida. And our children had better know it if they expect to compete in the world of the 21st century. (Applause.)

There are also those in the Congress who say no to every effort we make to expand educational opportunity -- those who failed to close the Department of Education, but would still like to cut it down; those who still would reduce our commitment to scholarships and grants and shut down completely innovative initiatives, like America Reads, even though we know -- we know -- that 40 percent of our 3rd graders still cannot read independently on their own. We know that and we cannot afford to back up; we need to bear down.

So I need to ask your help again on education in the tough days ahead. With your help we can open up opportunity, build up education and shake up the status quo crowd that fights every effort we make to lift up our children.

We are making progress in this country in education. The teachers of this country are doing a better job. The principals are doing a better job. Parents are steadily getting more involved. We are learning how to come to grips with all the

social problems that our kids bring to school. This year, on international exams, a representative sample of our children by race, by region, by income -- for the first time the 4th graders scored above the global average in mathematics and science. So I know all children can learn, and I know we've got people who can do the job. We just have to support them and bear down and do more of the kinds of things that we know will work.

Al Shanker, for his whole adult life, advocated national standards and meaningful measures and then all the efforts necessary to give every kid in this country a chance to learn. And I am not going to back away from this if it takes me every last minute of the next three years and however many months and days I've got left. And you ought to be there, too, because there's nothing more important for the future of this country than giving our kids a decent education. (Applause.)

Investing in our people also means protecting the rights of workers, to demand their rights. Over the past four years we've defeated callous attempts to repeal prevailing wage laws, to bring back company unions, to weaken occupational safety laws. We cracked down on sweatshops and fought to protect your pension funds and make pensions more portable. I have vetoed every piece of anti-labor legislation that has crossed my desk, and I will continue to do so. (Applause.) Thank you.

A lot of the people pushing these bills have missed the main point: the key to success in tomorrow's economy is people, and you cannot move into the 21st century by restoring the labor policies of the 19th century. I will oppose it, you will oppose and we will prevail. (Applause.)

In that context, let me just say one more word about the UPS strike. I and, indeed, my entire administration believe deeply in the collective bargaining process. In the UPS strike collective bargaining worked. UPS and the Teamsters reached an historic settlement that recognizes that companies have to invest in their workers in order to be competitive in the 21st century. I did the right thing to let the process work. The parties got together, they worked through it and we got a good result. (Applause.) Thank you.

Investing in people also means expanding access to health care, quality health care. The Family and Medical Leave law that you worked so hard for, the very first bill I signed as President, ensures that millions of people don't have to choose between being good parents and good workers. I still hear from citizens as I travel across the country and just stop at airports, or in crowds in communities and shake hands -- people still come up to me and say, that law changed my life, saved my family, has meant more to me than anything the government has done in my life. It is a good thing and I thank you for your support of it. (Applause.)

The Kennedy-Kassebaum law helps millions to keep their health care if they take a new job or if someone in their family gets sick. The new balanced budget spends $24 billion to expand health care to 5 million of the most vulnerable Americans -- 5 million children, almost all in working families, without health insurance. That is the largest investment in health care since the creation of Medicaid in 1965. Never -- never -- would this have happened unless you had helped me wage the fight we waged and lost to give health insurance to every American family that doesn't have it. And sometimes you have to lose a battle. I'm glad we fought for it. I'm proud that you helped me. And those kids are going to get insurance because of the issues we raised in 1994. (Applause.)

Finally, I ask for your support to help me pass sweeping legislation to keep tobacco, our number one health problem, out of the hands of our children. The health of our children is my bottom line and I believe it should be the bottom line of the tobacco industry as well.

The final component of our three-part economic strategy, one that is just as essential for the future growth and the future wage growth of our economy, is our continuing work to open new markets and give American workers a fair break. I know we don't see eye to eye on fast track, but I think I owe it to you to tell you exactly why I feel so passionately about it. And I think I've earned the right to be heard on it. (Applause.)

Fast track authority is a tool that has been given by Democratic Congresses to Republican Presidents and Presidents, indeed, of both parties for more than 20 years now. It simply says that if the President or his representative, his trade representative, negotiates a trade agreement, then the Congress has to vote on it if it rises to the level of comprehensive agreement, but must vote it up or down, so that the other country does not believe it is having to negotiate with 535 people in addition to the person with whom they negotiated.

We cannot create enough good jobs and increase wages if we don't expand trade. There's a simple reason why. Indeed, about a third of the economic growth that has produced 13 million new jobs over the past four and a half years has come from selling more American products overseas. Here's why: We have four percent of the world's population and we enjoy 22 percent of the world's wealth. If we want to keep the 22 percent of the wealth we have as four percent of the world's people, we have to sell something to the other 96 percent.

And this did not happen by accident. There were over 220 trade agreements signed in the first four years of this administration. In the over 20 agreements signed with Japan, in those areas our exports went up by over 80 percent.

The information technology agreement that we just signed, worldwide, covering 90 percent of information technology services in the world, under residual fast track authority that covered that area amounts to a $5-billion tax or tariff cut on American products -- high value-added products, many of which are made by union workers.

Now, in the next 15 years, the developing countries in Latin America and Asia will grow three times as fast as the United States, Europe and Japan. As I told the United Nations a couple of days ago, early in the next century, about 20 nations comprising half of the world's people will move from the ranks of low-income nations to middle-income nations. They are going to grow in a world economy. We are going to participate in that growth to a greater or lesser extent. The more fair trade deals we have to allow us entry into their markets where we've been at a significant disadvantage for too long, the more we will participate.

You know that our own markets are among the most open in the world. We were able to get 220 trade agreements in the first four years because we made people know that if they wanted access to our open markets, they were going to have to open theirs. We have to insist upon this treatment. If we don't act and we don't lead, nobody else will level the playing field for us.

Indeed, our competitors in the other wealthy countries, in Europe and Japan, would just as soon we not make these trade agreements. They can make them because they read the same predictions we do -- they know that their economies are only going to grow a third as fast as the ones in Latin America and Asia as well, and they are looking for some way in to protect their workers and their longtime economic security.

We can compete if given a fair chance. Last year, I had a chance to visit the Jeep Cherokee plant in Toledo -- a UAW plant producing tens of thousands of right-wheel-drive jeeps for export to Japan and other markets we thought hard to open up for them. They have 700 new jobs at that plant, and I think it's the oldest auto plant in the United States of America still operating. The global economy is working for them. I am determined to see that it works for everyone.

Should we ask other people to adhere to global standards on the environment? Of course, we should. I think you could make a strong case that no administration has done more to preserve and protect the environment against onslaughts than ours has. Should we acknowledge that global trade can pull the rug out from some of our people? Of course, it could. At every period of economic change in our country's history, that has happened to people. The difference is that we have to be committed to give more aid, to do more for people who are suffering, who are displaced. Because nobody should be left behind in the global economy. Nobody. That's why we double funding for displaced workers. That's why I know we have to do more. We don't have to leave people behind. Everybody should have the right to keep a good job and to go into tomorrow.

But we can only do that with a growing population if we continue to grow the economy. So the trick is to get the right economic growth package, to create the right mix of new jobs, to try to make sure always more than half of your new jobs are paying above average wage and not leave people behind. It's not easy to do, but this administration is committed to doing it. And I think we have demonstrated that commitment time and again.

We also have to recognize that the global economy is on a fast track. It is changing amazingly. For example, every month -- every month -- millions and millions of new contacts are made on the Internet. Every single month. It's exploding like nothing ever has, creating all kinds of networks of commerce and bringing people close together in new and unusual ways. We have to figure out how to make this work for us. If it doesn't work for us, it will work against us.

I believe leaving our trade relations on hold with the fastest growing economies in the world will not create a single job in America, and it certainly won't raise environmental standards or labor standards in other countries. This year -- this year alone, so far, two-thirds of the increase in America's trade has come from Canada to the southern tip of South America, our neighbors. Two-thirds. We could do better. This year, leaders from Europe have gone to South America to tell them that the United States no longer cares about their markets, or the cooperation and leadership that goes along with working with them. They say that their future should be with Europe, and they should organize to give Europe considerations and breaks in opening their markets, and leave us out.

Now, think about it. Think about Chile, or Brazil or Argentina. Their markets are more closed to us than ours are to them. We still are selling more just because they're growing so much. But we know they'll grow a lot more over the next 10 to 20 years. They now need things that we sell and things that your people produce better than any other group of people in the world.

This is not about NAFTA or factories moving there to sell back to here. I think all of us agree it is highly unlikely anyone will move a factory to Chile to sell back to here. This is about how we can best seize our opportunities in the economy that is emerging, and how 4 percent of the world's people can continue to maintain 20 to 22 percent of the world's wealth, and continue to grow the economy so incomes can rise and new jobs can be created.

Now, I know this is a difficult debate and I know we disagree about it. But the debate over fair trade and fast track should itself be fair. It should also be open and honest. I have personally sat alone in the White House and listened to talk shows where your representatives were on the shows, because I wanted to hear the arguments and hear the concerns and know the things that you want. And you know we have had exhaustive numbers of meetings between the administration and leaders of the labor movement. We ought to have an open, fair and honest debate. We are trying to move as much as we can on a lot of the concerns that you have raised.

But I also want to say that I think we share too many values and priorities to let this disagreement damage our partnership. You just think of all of the things that I reeled off that we've done together and all of the things we've stood against in the last five years. I have worked to make this economy work for middle-class Americans. I care about making sure everybody has a chance and making sure nobody is left behind. But I can't build a better future without the tools to do the job, and America can't lead if it's bringing up the rear.

At the moment of our greatest economic success in an entire generation, we shouldn't be reluctant about the future; we ought to seize it and shape it. And I think I also have to say to you that there are a lot of good members of Congress who agree with me about our trade policy who also stood for the minimum wage. They agree with me about our trade policy, but they fought to provide health care for 5 million more kids. They support open trade, but they also fought to protect Medicare and Medicaid and education and the environment, and to open the doors of college to all Americans.

And when the majority in Congress wanted to do so, they stood against them and fought with you against the Contract on America. They fought with you against attempts to repeal the prevailing wage laws, to weaken unions and workplace health and safety laws. They did so in the face of intense pressure. They have fought for you and for all working people, and they deserve our support. If they were to lose their positions because they stood up for what they believe was right for America's future, who would replace them, and how much harder would it be to get the necessary votes in Congress to back the President when he stands by you against the majority?

America is far better off when the friends of working people stand together without letting one issue trump all the others. Friends and allies don't participate in the politics of abandonment; they band together -- disagreeing when they must -- but banding together.

I pledge to do that, and I hope you will, too. We've got a lot to do -- in education, in making sure Medicare and Social Security are there for the next generation of parents, in bridging the divide of race and all of the differences that are now taking place in this country. That's an area where you've always been out front, and I want to close with that. Because you can help -- perhaps more than almost any other group in America -- to bridge the divides and to preserve the bonds of community.

When I leave you, I'm going home to Arkansas, and tomorrow I will try to focus our nation on a haunting but hopeful moment in our country's struggle to make America the nation live up to America the idea -- a day, 40 years ago, when nine brave African American boys and girls, shielded from a hateful crowd by United States Army paratroopers, walked through the doors of

Little Rock Central High School for the first time. I will honor the courage and vision of those whose eyes were fixed on the prize of equal educational opportunity without regard to race.

There are still a lot of doors we have to open. There are still some doors we have to open wider. And now, unfortunately, there are some doors we've got to work hard from being shut again. There is also a new reality we're all going to have to come to grips with that very few Americans have thought about. It will change the workplace. It will change communities. It will change the way we do our business as citizens. That reality is that we are not simply a black-white nation, we are not simply a black-Hispanic-Native-American-white nation. Instead, we are a nation now of nearly all the peoples of the world, with greater diversity in how we work and live together, and greater integration in how we work and live together than virtually any other democracy on Earth. And within the ranks of Caucasians and blacks and Latinos and Asians, there is increasing ethnic and cultural diversity.

As we become the most diverse democracy on Earth --and make no mistake about it, we are becoming that -- today, only Hawaii has no majority race. Within a decade, probably within four or five years, California, our largest state with 13 percent of our population, will have no majority race. And sometime before the next century is half done, America will have no majority race. Are we going to embrace this? Are we going to say that we celebrate our diversity, but we're united by something more important? Or are we going to let it get away from us and drift off into little enclaves and weaken our country and our future and our children's future? You're in a unique position to help. (Applause.)

Labor has a tradition here, established by visionaries like A. Philip Randolph and Walter Reuther. Labor has helped generations of African Americans and new immigrants to gain dignity and respect. Your members reached across racial and ethnic lines to fight for a common future and personal dignity. Few institutions in America can claim anything like the record of

the labor movement in fighting for equal opportunity. (Applause.)

It was for that reason and for her own merit that I appointed your Executive Vice President, Linda Chavez Thompson, a member of my Race Advisory Commission. (Applause.) She has seen discrimination firsthand. She knows discrimination is not a thing of the past, but she is determined to see that it has no place in our future. I am grateful for her help, and I ask you for yours.

A century ago the working men and women of labor imagined an America where older people had health security, where African Americans enjoyed equal protection under the law, where working people had the right to organize and fight for a better life. Because they imagined it and because they worked for it, it's the America we're living in today.

Now it is up to us to imagine the America of the 21st century. And on every issue I discussed today, that is all I ask you to do. Imagine it, based on what we now know. Imagine an America in which every child has a world-class education; in which every family can fairly balance the demands of work and child-rearing; in which we lift living standards here and around the world; in which we learn to grow our economy and preserve the common environment which is our home; in which our oldest values of opportunity, responsibility and community guide us into a new time of greatest opportunity.

As American working men and women have shown time and time again, if we imagine it and we work at it, we will build it -- an America for our children, always eager for tomorrow. You have brought new energy to the labor movement. You have brought new energy to America. Let us work to build that into a future we can be proud of.

Thank you, and God bless you. (Applause.)

END 11:04 A.M. EDT

Message Sent To:______________________________

Suzanne Dale 10/27/97 02:44:13 PM

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SUNTUM_M @ A1
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Subject: 1997-10-27 remarks to DLC

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release October 27, 1997

REMARKS BY THE PRESIDENT
TO THE DEMOCRATIC LEADERSHIP COUNCIL

Omni Shoreham
Washington, D.C.

1:40 P.M. EST

THE PRESIDENT: Thank you very much. If you listen closely, you will hear in my annual voice loss mode -- (laughter.) I think I can get through this talk. We celebrate Hillary's 50th birthday over the weekend. A lot of our friends came in --

(applause) -- and the weather changed. And about once a year when this happens, this happens. (Laughter.) I'll do my best.

Let me thank Al From and Senator Lieberman. My good friend Sandy Robertson, thank you for what you said. To all the members of the Senate and the House who are here and who have been so good to the DLC over the years; to all my predecessors as chairmen of the DLC, including several members of the Congress and former Congressman McCurdy.

It's hard for me to believe that it's been seven years since Al From in his sort of gentle, demure way -- (laughter) -- persuaded me to become chairman of the DLC. It's hard to believe it's been six years since I announced my candidacy for President, nearly five years since we began to work together to prepare America for the 21st century. But it has been.

And for nearly five years we have worked together on a simple but profound vision to say that the American Dream should be alive for everybody who is responsible enough to work for it, that our country must continue to lead the world for peace and freedom and prosperity, that we have to find a way to bring our people together across all the lines that divide us into one America.

The success of the last five years owes much to the ideas and the work of the DLC and its grass-roots leaders, going back to the mid-1980s, when a small handful of us organized it. Even then the DLC was working to go beyond the stale debate and the false choices of Washington, D.C., with modern policies, good ideas, mainstream values. Today, from time to time, I still lament the fact that we have not rid the rhetoric of our Nation's Capital of a lot of the old debate and a lot of the old false choices. But believe you me, out there in the real world where Americans live, we're a long way from where we were just five years ago and you should be very proud of it. (Applause.)

First, we had to define what the role of government should be in preparing our country for the future. We had to reject the idea of those who say we should do nothing with government and reject those who say we should try to do everything. Instead, we gave the American people a government that is very much smaller, more focused, but more committed to giving people the tools and the conditions they need to make the most of their own lives.

Then we had to go area by area to abandon those old false choices, the sterile debate about whether you would take the

liberal or the conservative position, that only succeeded in dividing America and holding us back.

On the economy, we replaced trickle-down economics and its huge deficits with invest-and-grow economics, a strategy aimed at both reducing the deficit and investing in our people. On crime, we replaced all the tough talk with tough action, with a strategy that had both punishment and prevention, along with more police officers on the street.

On welfare, we went beyond those who were complacent on the one side and those who condemned all people on welfare on the other, with a strategy that is tough on work, but good for children and welfare families. On education, we went beyond the old debate of abandoning public education altogether, or simply throwing more money at the status quo with a strategy of standards, reform and investment.

On the environment, we rejected the idea that protecting the health of our families has to hurt the economy. Instead, we embraced a strategy designed to preserve and enhance the environment and our public health while growing the economy.

We also restored the primacy of family and community to our work with initiatives like family and medical leave, the dramatic expansion of the earned income tax credit, the empowerment zones for distressed areas in our inner cities, AmeriCorps, the national service proposal, which the DLC did so much to begin . And along the way, we soundly defeated the Republican Party's 1995 Contract with America. (Applause.)

Our philosophy of opportunity, responsibility and community -- guideposts embraced by the DLC before 1993 -- are now America's guidepost to the 21st century. Our vision has, in large measure, become America's vision. And because of that, America is stronger than it has been in a long time -- our economy, the healthiest in the world; our social fabric mending; our international leadership unchallenged; with 13 million new jobs, low inflation, low unemployment, home ownership at an all-time high; crime down for five years in a row, record millions of people moving from welfare to work. We are preparing America for the 21st century.

Once again, we face the future with confidence, confidence that must give us strength for the work ahead. For today I want to talk to you about that -- what we still have to do to prepare our people for this new era. Today, it seems to me the central challenge for the DLC, for all Democrats, indeed, for all Americans, is how to seize the benefits of a new economy in a way that benefits all our people, that keeps us all moving forward together.

The cutting-edge industries of the future -- computers, biotech, aerospace -- in those America leads the world. We also lead the world again for the first time since the '70s in automobile production and sales. In sectors old and new, information and technology and global commerce are leading the transformation. The new wealth of nations is to be found in skills, knowledge, and imagination. But this must also be backed up by strong trade policies, strong economic policies, a commitment to the environment, and to giving all our people the chance to succeed.

Here again, this must not be an either-or choice. We must embrace both the global economy and the idea that there should be a social compact of mutual interdependence and responsibility.

Now, in the Industrial Age, the progressive movement and the New Deal forged a social compact in which the success of the economy was premised on the security of working people. The 20th century social compact served us very well. It built our middle class. It embodied the American Dream. But it is not adequate to deal with the rapid change and energy of the information economy.

Therefore, it is up to us -- to all of us -- the generation of the computer evolution, to craft a new social compact for a new economy, a new understanding of the responsibilities of government and business and every one of us of what we owe to each other. It is up to make sure that our people have the strength, the skills, the security, the flexibility. We need to reap the rewards of the 21st century.

Now, when I took office in 1993, the new economy was within reach, but our policies were keeping it from us, building up big deficits, high unemployment, stagnant wages. We took a new and different approach -- first, to reduce the deficit, to free our people of the dead weight that had been on us since the 1980s. In 1993, with your strong support, we did just that.

Normally, I don't dwell on the past, but I think it's worth pointing out one more time; the deficit reduction plan of 1993 was supported only by Democrats and acted in the face of the most withering partisan criticism and real political risk that cost some members their positions in Congress. Well, it's time for the naysayers to admit they were wrong. It worked, and America is better for it. (Applause.)

On the day I took office, the deficit was $290 billion. I am pleased to tell you that today the budget deficit this past year was $22.6 billion. (Applause.) That is a reduction of $267 billion -- more than 90 percent, even before the balanced budget law saves one red cent. The Democratic Party gave that to America, and I am proud of them for doing it. (Applause.)

Our deficit today is the smallest share of our economy since 1970, the first time in 50 years the deficit has gone down five years in a row, the first time in decades our economy has grown while the deficit went down, not up. Now the balanced budget law will complete the process, give us the first balanced budget in a generation. And I hope the DLC will always be proud of its role in replacing trickle-down economics with invest-and-grow economics.

The second strategy of -- the second element of our strategy has been to expand exports. You all know the arithmetic --we are 4 percent of the world's population, 20 percent of its income, 96 percent of the world's consumers live somewhere else, the developing countries are growing three times as fast as the developed countries. We are the world's number one exporter. If we want to keep our income, with our population base, we have to sell even more to the other 96 percent, especially those who are growing the most rapidly.

Export-related jobs pay more. Fully a third of our economic growth in the past five years came from trade. This has happened in no small measure because we have negotiated tough trade agreements -- over 200 of them -- to open new markets to American products. Our markets in general have been open to the world for decades. The core of our national economic strategy has been to open the world's markets to us. Our workers, when given a fair chance, can out-compete anyone. When I've had the authority to make broad agreements, I have used it in America's interest.

That's why it's critically important that the President be given this fast track authority again, to negotiate trade agreements and submit them to Congress -- the same authority every President of either party has had since Gerald Ford, the ability to create open and fair trade for business and working people, and to advance our prosperity.

Let me just give you one example. The information technology agreement we reached with 37 other nations just a year ago will eliminate tariffs and unshackle trade of $500 billion in computers, semiconductors and telecommunications. This $5-billion cut in tariffs on American products can lead to hundreds of thousands of high-wage jobs for our people. And we can do more of this if I have the power to do it.

I want to open trade in areas where American firms are leading -- computer software, medical equipment, environmental technology. I want to open foreign markets to our agricultural products that aren't open to them now. I want to open the markets of Chile and other Latin nations to our goods and services, and other nations that are growing three times the rate of the American, the European and the Japanese economies. If we don't seize these opportunities, our competitors will.

Last year, for the first time in recent history, Latin American nations had more trade with Europe than the United States. Now that Canada has negotiated a trade agreement with Chile, every major economy in the hemisphere has duty-free access to Chile's market but one -- ours. Now, that's a bad deal for our businesses and our workers. It's an "America last" strategy. For the life of me, I can't figure out why anybody in the wide world believes it will create jobs for us to stay out of markets that other people are in, when we can win the competitive wars. (Applause.)

The fast track legislation I support is responsible. It recognizes that America is not alone in needing to see that the new economy is accompanied with a new social contract. It will give us leverage to make progress with our trading partners on child labor, labor standards, generally, the environment. The most detailed and concrete authority for these issues ever to be included in this kind of legislation is in bills reported out by the committees.

Now, there are some who want more, who would prescribe what has to be in a trade agreement even before I negotiate it. They want to delay fast track authority because they don't think, apparently, I have enough of it. But walking away from this opportunity will not create a single job. It will not save jobs. It will not keep a single child in another country out of a sweat shop. It will not clean up a single toxic site in another nation. Turning away will not expand our economy, enhance our competitiveness, empower our workers. It will simply give away markets and jobs and global leadership that Americans should have.

Now, again, I say, like so many other things, this is not an either-or proposition. I want to thank you for fighting for fast track. I want to ask you to keep fighting for it. I still believe we're going to win it. But we have to fight every day till the last vote is taken. But I also want to challenge all of you here to recognize that those of us who support open trade and want to reap its benefits have a responsibility to figure out what no advanced society has yet fully done, which is how can you embrace all the changes of the technological information age, all the changes of the global economy, and still preserve some measure of social contract so that everybody who's responsible has a chance to get a good education, to find a decent job, to build a strong family, to be part of a thriving community.

What is the new social compact? Well, we know at a minimum it's investing in the skills of all our people. We know that the core of any agreement in society in this economy must say that we have to equip everyone to reap the rewards of change. The risk and rewards of this economy don't fall evenly. Those who are better educated who are flexible, who have skills and confidence to move on from one job to another and seize new opportunities, they are rewarded.

Therefore, we must make education our most important tool in erecting this new social compact. We cannot rest until we know that every one of our 8-year-olds can read, every 12-year-old can log on to the Internet, every 18-year-old can go to college, every adult can learn for a lifetime. And as I said at the beginning, we have to say in education, we must be, to succeed, for standards, reform and investment.

We've worked hard to open the doors of college to all who want to go -- the biggest increased investment in higher education in 50 years. We're moving forward to renew our public schools with school choice and thousands of charter schools which the DLC has been so strongly advocating, to connect every classroom to the Internet by 2000, to raise standards so that every child can master the basics.

And again, I say, if Congress walks away from this standards fight, I can't for the life of me see how we're going to help one single solitary poor child by saying, it's okay with us if you stay in a school and you get out and we don't know whether you know math or whether you can master the language or not. That is a terrible mistake, and you ought to hang in there with me on the standards fight and make sure we win it. (Applause.)

Today, good news -- I expect to sign into law full funding for the America Reads challenge, which will significantly increase support, Senator Wofford, for Americorps, a legacy of the DLC, so that our young citizen service can harness the energy of a whole army of volunteer tutors, now including over 800 colleges and universities in America who are going out into schools to teach young children to read.

We are trying to create opportunity and security for working people in other ways -- giving them more pension portability and security, making it easier for people to carry their health insurance around, investing more in the health insurance of children of working families who don't have it now, the big increase in the earned income tax credit. All these things will help people to build coherent work, family, and community life in the midst of change.

Our new balanced budget provides for more investment in empowerment zones, new community development financial institutions to help those areas that haven't been hurt by trade, but haven't been helped by it either -- all in the name of trying to make it possible for us to have a coherent life for responsible citizens in America, to empower people so that they can make their way.

Now, I think we have a special obligation to people who have not felt any benefits from this economic program. And I think we have a special obligation for those who are going to be displaced. I have never denied that with every economic change there would be displacement. But there has always been displacement. When we had electricity, the people who made candles didn't have so many jobs. Does that mean they weren't good people, that their lives had less meaning, that they had no dignity? Of course not. But it also meant we didn't abandon electricity.

So what is the proper answer? The proper answer is to recognize fully and frankly that we have not done as well as we should to deal with people who are displaced by the modern economy. We need to be humble about this. Nobody has solved this problem. You look at every advanced economy -- they're trying to struggle with this. Nobody has a magic bullet, but we know we have to do better. And the DLC ought to be on the front line of saying, you bet we're for fast track, but, no, we don't want to leave those people who lose their jobs behind. And, yes, we understand there are neighborhoods in this country where there still hasn't been any economic prosperity, and you bet we're concerned about them, too. That ought to be our contribution to this debate -- more trade and more opportunity to make it in the new economy for everybody. (Applause.)

We're working with some members of Congress to develop new initiatives to bring more Americans into the winner's circle, which we will announce next week. We also have to increase our investment in workers who do lose their jobs, whether it's because of a trade agreement technology or for any reason. We have to increase our investment in communities that suffer from dislocation.

We have learned a lot from our experience with military base closures. And based on that, we're going to step up our involvement when a factory closes because of trade or technology. And we have to do more to tap the potential of our inner cities and our poor rural communities. They are the great, nearest untapped market for American enterprise, the most important source of new economic growth. A nd we have to lift people up there so they can become a part of the growing middle class.

All of these things we have to do -- balance the budget, expand exports, invest in our people. This will create a vital new economy. It is a strategy that has been developed and hammered into place out of the ideas that the DLC was advocating a long time ago. Now, we can't turn back, and our party can't turn back. We need an economy for the 21st century, a Democratic Party for the 21st century to lead the way.

Every generation of Americans, at every critical juncture of our history, has fulfilled its responsibility to the progress of our great American experiment. And each step along the way has required us not only to advocate our independence, but to acknowledge our interdependence.

The first American social compact was forged by the Pilgrims braving stormy seas to flee religious persecution and begin anew. As he came to join this colony, John Winthrop told his shipmates gathered in the hole of their ship that in America we must be knit together in this work as one man -- rejoice together, mourn together, labor and suffer together, always having before our eyes our community in the work, our community as members of one body.

At the dawn of the new century, we ought to remember Mr. Winthrop as we write a new social compact. We must be the authors of our time. We can master this new economy, but we have to do it as one America.

Thank you. God bless you. (Applause.)

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Divider Title: **PRESS**

censure of the second law. Passed last year, that law says illegal immigrants arrested after Sept. 27 can be deported and barred from returning for three years or 10 years, depending on how long they have lived

paperwork or stay and risk being deported and barred from returning for years.

"There's no foolproof advice," Butterfield says. "You can't decide for a client."

tions used to be processed. It also raised revenue for the INS, which collected nearly $200 million in fines this year. In 1995 and 1996, a total of about 345,000 people applied and paid fines.

Export growth strong in most cities, report says

By Paul Wiseman
USA TODAY

WASHINGTON — San Jose, Calif., is the nation's export capital, and most U.S. cities are reporting strong export growth, according to a U.S. Commerce Department report out today.

The study ranks 253 metropolitan areas by growth in merchandise exports. Exports in services aren't included. The cities account for 79% of U.S. merchandise exports. The study shows:

▶ Exports rose in two-thirds of the cities last year from 1995 and in 90% of the cities from 1993 to 1996.

▶ Overall merchandise exports from those cities rose nearly 6% to $495 billion last year from 1995 and 33% from 1993.

▶ No. 1 San Jose last year exported $29.3 billion in merchandise, much of it computer equipment from the nearby Silicon Valley. "It's hard to be a company, even a small company, in the Silicon Valley right now and not have your eye on global markets," says Kim Walesh, director of Collaborative Economics, a research firm in Palo Alto, Calif. New York, home to many export firms, was No. 2 with $28 billion in merchandise exports. Auto industry center Detroit was third with $27.5 billion.

Commerce officials warn not to read too much into the numbers. The study assigns exports to the city where they were sold, often the site of a company's headquarters or a sales office. So goods counted as exports from San Jose might have been made elsewhere in the USA.

Still, Commerce Secretary William Daley says the figures show the benefits of trade. He plans to use them today to call for Congress to give President Clinton "fast-track" authority to negotiate trade treaties.

Under fast-track, the president can make a trade deal and submit it to Congress for a quick vote with no amendments. There is resistance in Congress. Liberal Democrats want any agreement to include tough provisions requiring trading partners to protect workers and the environment.

One critic, House Minority Whip David Bonior, D-Mich., calls the export figures out today misleading. "Multinationals are shipping components to Mexico so they can be assembled by low-wage workers and then shipped right back," he says. "We call them 'tourist exports.' They're not there long enough to need a visa."

Critics also knock the Commerce report for not including imports. They cite a recent report from the left-leaning Economic Policy Institute that shows imports from the North American Free Trade Agreement with Mexico and Canada have caused net job losses in all 50 states and cost the USA 395,000 jobs overall.

Many Republicans oppose Clinton's fast-track plan, too, saying the vague references it does make to labor rights and the environment go too far; they want it limited to trade.

The Senate Finance Committee starts work on fast-track Wednesday; the House Ways and Means Committee starts Oct. 8.

Top 10 cities for exports

The Commerce Department today releases figures on the value of exports from U.S. cities. The top 10 export cities and the change in the value of exports since 1993:

	Value of exports in 1996 (in billions)	Change from 1993
1. San Jose, Calif.	$29.3	+81.4%
2. New York	$28.0	–0.8%
3. Detroit	$27.5	+64.1%
4. Los Angeles	$24.4	+22.1%
5. Chicago	$22.0	+52.5%
6. Seattle	$21.4	–10.2%
7. Houston	$16.5	+34.7%
8. Minneapolis	$12.4	+37.5%
9. Miami	$10.7	+29.2%
10. Portland, Ore.	$9.2	+62.0%

Source: Commerce Department

Park service alert

her colleagues there about our system.

To help prepare for the trip, Young has enlisted the help of Asako Sasajima, a University of Delaware graduate student who has been coaching her in the language and in the complex social customs of Japan.

"We meet on Sundays at the university library," Young said.

that had always been in the back of her mind. Her mother, Charlene Simmons, is a retired guidance counselor.

Young earned a master's degree in counseling from West Chester State University and, after graduation, went to work at Hodgson Vocational Technical High School in Newark. This is her first year at Howard.

person from Delaware who is going to Japan as part of this program, she said she doesn't feel she's traveling alone.

"The school and the district have been so supportive that I really feel as though we're all going together," Young said.

For example, some Howard students have prepared videotaped programs that Young will

"It's pretty exciting," said Kocheena Roberts, 16, of New Castle. The junior helped videotape some of the segments that are being sent to Japan. "I feel that we'll all benefit from the fact that Mrs. Young is going to Japan."

Mark Pedante, 15, agreed.

See JAPAN — B2

Carper touts 'fast track' trade bill

Measure would allow Clinton to negotiate deals

By CARL WEISER
Gannett News Service

WASHINGTON — Gov. Carper told fellow Democrats Monday that Congress must quickly pass a controversial bill that would give the Clinton administration the power to negotiate new international trade agreements — a measure that is vital to Delaware's economy, he said.

The Wilmington metropolitan area ranked 26th out of 253 such areas in the country last year in export sales, according to the Department of Commerce.

Since 1993, export sales have jumped 33 percent.

"We sell a lot of stuff to people in other countries," Carper said in a speech to the Democratic Leadership Council, a coalition of moderate Democrats formerly led by President Clinton. "The bottom line for us is, we make good money."

But, he said, that growth could be derailed because so-called "fast track" trade legislation is stuck in Congress, stymied by labor unions and liberal Democrats.

As they did with the North American Free Trade Agreement, unions worry more international trade agreements could end up shipping American jobs overseas.

Carper said the gloomy predictions about NAFTA never materialized. Delaware's manufacturing jobs didn't flee overseas. Chrysler spent $250 million to retool its Newark plant; General Motors spent $800 million on its Boxwood plant.

Delaware union officials, including state AFL-CIO president Edward F. "Pete" Peterson, could not be reached for comment.

Delaware's delegation generally favors free-trade agreements. All three members voted for NAFTA and the General Agreement on Tariffs and Trade. Both international trade agreements knocked down trade barriers between the United States and other countries. Both were opposed by labor unions.

Delaware's Republican lawmakers, Rep. Michael N. Castle and Sen. William V. Roth Jr., support "fast track."

In Delaware, one-seventh of the economy is export-related, Carper said. Whether that's Chilean grapes coming in at the Port of Wilmington or chemicals, chickens, or car parts being exported, international trade has proved to be a bonanza for Delaware, he said.

" 'Fast track' is very important to our port," said John Pastor of the Delaware Economic Development Office. Bananas from Central America, Volkswagens from Germany — those produce good, high-paying union jobs at the port, he said. If the United States doesn't negotiate more trade agreements, countries such as Chile will turn to countries that do negotiate such treaties, Pastor said.

CC: BECKY @ NGA

B1 Delaware News Journal

Brent Scowcroft

Say Yes to Fast Track

Washington is preoccupied with an intense debate over whether Congress should grant the president fast-track authority to negotiate trade agreements with other countries. Fast-track authority commits Congress to vote on proposed trade agreements without permitting amendments. Congress has provided every president since Gerald Ford such authority, recognizing that other countries are unlikely to negotiate without the assurance that agreements will not be changed during the ratification process.

Largely because of differences within his own party, the president has delayed until now seeking to renew the authority that expired with the approval of the Uruguay Round agreement in 1994. The trade and economic arguments for and against fast track are being debated vigorously. But let us not kid ourselves. The debate is essentially between those in favor of expanding trade opportunities for America and those desirous of protecting America from international competition.

For me, and for most Americans, the economic choice is clear and easy, as it was for our Founding Fathers. If the arguments of the protectionists were valid, Bangladesh and the Congo would be economic powerhouses, for they have low wages and few environmental or labor standards. Furthermore, if the protectionists were correct, we ourselves might not have drawn up a constitution, a primary impetus for which was to ban the tariff barriers that were springing up between the states under the Articles of Confederation. And we would be looking back to the golden age of the Smoot-Hawley tariff, which was instrumental in turning the 1929 stock market crash into the worst depression in history.

Important foreign policy considerations in the fast-track debate need to be acknowledged. In my time in public service, there has never been a sharp line between America's security, foreign policy and economic interests. One or the other may have been more visible at any particular time, but all interacted and complemented each other. If America does not lead on international trade, it will be harder to lead on security and political issues.

America has a privileged place among nations. It is a place we have earned through the power and appeal of our vision for a safer, better, more prosperous world. We have been willing to commit precious resources, on the battlefield and at the negotiating table, to achieve this vision. And, perhaps unique in history, we have led through the clarity of vision rather than acquisition of foreign domains. This gives us unique credibility and opportunity. We should not take this lightly, nor assume we can maintain it without investment and leadership.

We cannot say we will lead on NATO and regional security but not on trade. We cannot say we will lead on democracy and human rights but not on trade. And we cannot say we will lead on the environment but not on trade. These and other issues are all interrelated, often in complex, invisible ways. Fast-track authority is essential to being able to lead on trade. We must recognize that there will be a price if we decide to seek à la carte leadership. I am convinced it is a price we neither will want, nor can afford, to pay.

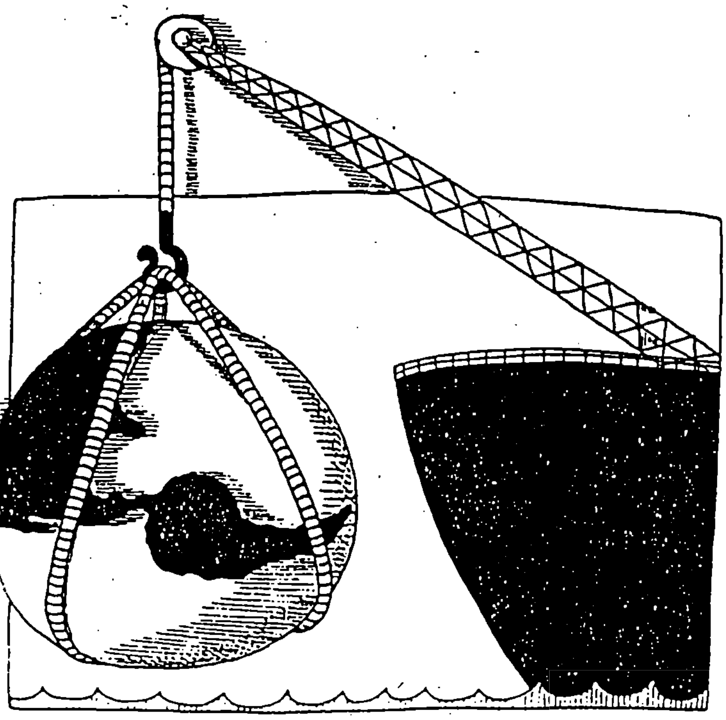
If America does not lead on international trade, either others will try to replace us, or there will be a vacuum. Neither is attractive for American workers or American policymakers. It would be naive to expect others to keep our interests paramount. Indeed, in this hemisphere, other countries already seek to supplant us. The European Union wishes to conclude a free-trade agreement with the leading economies of Latin America by 1999. European leaders tell attentive audiences in Latin America that their future is with Europe, not America. Fast-track authority is necessary to fulfill economic and foreign policy commitments made to Latin America leaders by both Presidents Bush and Clinton. Without fast-track authority, the United States will be crippled in its ability to pursue its critical agenda with our Latin neighbors.

As members of Congress debate the president's request, they need to be aware that what they say and do is watched closely overseas. Americans may tune out congressional proceedings; the opposite is true for opinion leaders watching from abroad. They listen to what is said, and they know how to count votes. Thanks to modern communications, which bring CNN to the remotest corner of the globe, a member of Congress can no longer make a constituency speech. The member is speaking, directly or indirectly, to the world. And the world is listening.

When the House and the Senate vote on fast track, our friends and allies—and our adversaries—will be watching closely. A positive vote, embracing a strong majority of Democrats and Republicans in both houses, will send an unmistakable signal about American resolve to continue to lead on international economic issues. It will also be seen as a vote of confidence in the ability of the American worker to compete globally. A weak vote or, worse, a rejection, will be read for what it is: a lack of confidence in the American worker and an unwillingness to lead on trade. This is not a vote for or against a particular president and his trade policy. It is fundamentally a vote on our capacity to continue to shape a rapidly changing global environment, not just in the economic domain but also in broader areas of politics, security, the environment, narcotics, terrorism and weapons of mass destruction.

If we fail to set the terms of debate on international trade, we cannot expect to lead on the full range of our other national interests. The financial markets may well judge Congress harshly if it rejects fast track. America's real penalty, however, will be a muted voice on everything else that matters.

The writer, a former White House national security adviser, runs an international consultancy advising, among others, Pennzoil Co.



The Washington Post

Sunday, October 19, 1997

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Divider Title: **CONGRESS**

Congress of the United States
Washington, DC 20515

**REMARKS BY SENATE DEMOCRATIC LEADER TOM DASCHLE
ANNOUNCING HIS SUPPORT FOR "FAST TRACK" TRADE AUTHORITY
MONDAY, NOVEMBER 3, 1997**

Today is an historic day in American trade policy. Never before has an American President submitted, with his request for fast track negotiating authority, a formal statement of his broader foreign economic policy agenda.

Never before has a President spelled out in such detail what his administration will do to ensure that trade expansion raises living standards for the greatest number of Americans.

This "statement of executive initiatives" addresses concerns that I, and other Democratic Senators, have raised -- particularly concerns about worker rights and environmental protection.

On the basis of these initiatives, as well as separate assurances I've received on agricultural trade, I am announcing today that I will support the President's request for fast track trade negotiating authority.

I want to congratulate the Administration for the tremendous amount of work they have put into this unprecedented document.

The days when negotiating trade agreements meant simply coordinating tariffs and quotas are gone. Today, we're stitching together the fabric of entire economies. This broader scope of negotiations demands a broader strategy for negotiations. That's what this document sets out.

The statement contains a concrete strategy to improve workers' rights, and protect the environment, in developing countries at the same time we negotiate trade agreements with them.

Raising these standards to our level and avoiding a race to the bottom will be an explicit objective of this Administration, particularly when we're negotiating free trade agreements.

First, the Administration has pledged to take specific steps to shine a brighter public spotlight on the labor rights and environmental conditions and practices in these countries. I believe that sunshine can be a powerful disinfectant in this regard.

The Administration will conduct a benchmark assessment of our future FTA partners in the areas of labor, the environment, the legal system, and exchange rate policy. And the Labor Department will issue annual reports on the labor rights conditions in our existing FTA partners.

Congress and the American people will be able to judge for themselves whether our trading partners are living up to their end of the bargain on workers' rights and the environment.

Second, the Administration has pledged to try to reform world trade and financial institutions to take better account of labor and environmental concerns.

The Treasury Department will press the World Bank to create a labor rights department in order to increase the emphasis on worker rights in developing nations.

On the environment, the U.S. will push to open up the World Trade Organization's "dispute settlement" process to input from environmental groups.

And we will seek to have the WTO convene an Eminent Persons Group on the environment to consider whether some of the GATT's rules need to be changed to better accomodate national environmental policies.

Also, we will undertake a set of border clean-up initiatives to protect the health and safety of Americans living near our nation's borders, and to protect our natural environment along the borders. These will be announced later this week, and Senate Democrats consider them very important.

In closing, this statement proves -- in black and white -- that this administration understands trade agreements must raise living standards. Expanded trade is the future. America cannot turn its back on that future. Neither can we turn our back on our history, and our deep commitment to workers rights and environmental protection.

Once again, I want to congratulate the Administration on taking this historic step.

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United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, DC 20510-6025

August 7, 1994

The President
The White House
Washington, D.C.

Dear Mr. President:

The agreement which has been negotiated among the nations of the world to extend and revise the General Agreement on Trade and Tariffs, has been the subject of consideration by the Finance Committee in the Senate. The full Senate, however, has not had an adequate opportunity to review and study the terms of this accord in the serious and wide-ranging way that it merits. From my initial examination of this very lengthy accord, and as a result of discussions with a number of other Senators, and various outside groups, I believe that there are a variety of budget, institutional, economic, political and even constitutional matters which need extensive examination, hearings and debate.

Unfortunately, the "fast track" procedures which establish the ground rules for Senate consideration are such that would not permit the examination this monumental accord deserves during the short time remaining in the present busy session. As you are aware, Senators need to pay careful attention to the details of your health care proposal, and debate on that measure should not be diverted by other, new, weighty matters.

Given the truncated time-frames which the fast track procedure avails the Senate for examining the GATT, I respectfully request that you do not submit the agreement for Congressional action until the next session of the Congress. Given the fact that implementing legislation need not be passed until July 1995, submitting the accord for our consideration in February or March would allow the Senate to give the kind of in-depth attention and full debate to it that it merits, and to allow your Administration a better opportunity to fully express its views on the issues associated with this very important trade measure.

Thank you for your attention to this matter.

Sincerely,

Robert C. Byrd

Robert C. Byrd

SUBJECT: FAST TRACK

DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

Dear _____: (insert name of each member of the California Congressional Delegation and Senate and House Leadership)

To promote California's continued leadership in a global economy, we, members of the California Legislature, urge your support for presidential fast-track negotiating authority. As the leading export state in the nation, California is dependent on a strong and vital international economy and trading system. However, ensuring our global competitiveness is extremely difficult and made even more arduous when the President is constrained in the trade negotiation process. Granting fast-track authority allows for an orderly negotiating process with our trading partners. It is a process which has worked in California's favor, and it is one that will continue to pay dividends for California businesses and workers including those employed in the increasingly important high tech and service sectors. Without fast-track, we risk being closed out of new markets and foreign trade opportunities which will be usurped by others nations having greater flexibility in negotiating trade agreements.

These agreements are extremely significant for California. With "fast-track" authority the president will be able to negotiate expansion of NAFTA to include Chile, creation of a Free Trade Area of the Americas (FTAA), more favorable agricultural trade policies that will, among other provisions, reduce foreign subsides, (add line regarding service sector) and in general, ensure global trade liberalization that is in our best interest.

Every president in the last twenty years has been granted this authority. It would be imprudent at this time to deny fast-track negotiating authority and jeopardize the significant gains that California has made to expand foreign markets. It is important to note that California's economic recovery was, in great measure, due to international trade expansion. We must not allow that recovery to falter. Currently 20-25 percent of California's gross state product is supported by international trade. Over the last three years alone, California has experienced an unprecedented $34 billion increase in exports. In a state where one-out-of-seven jobs is dependent upon international commerce -- and 1.5 million jobs tied directly to exports -- we must ensure that fast-track negotiating authority is enacted as quickly as possible.

Sincerely,
(letter to be signed by the Chair and Vice-Chair of the International trade Committee and as many members of the California Legislature as we can get. It will be forwarded to the California Congressional delegation and Congressional leadership.)

WILLIAM O. LIPINSKI
3D DISTRICT, ILLINOIS

COMMITTEE ON
TRANSPORTATION AND INFRASTRUCTURE
RANKING DEMOCRATIC MEMBER,
SUBCOMMITTEE ON AVIATION
SUBCOMMITTEE ON RAILROADS

DEMOCRATIC STEERING COMMITTEE

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

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September 24, 1997

The Honorable William J. Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

We are writing to you concerning the extension of fast track trade negotiating authority and the expansion of the North American Free Trade Agreement (NAFTA). As Democrats, we strongly believe that fast track legislation must include enforceable labor and environmental provisions in future trade pacts. Furthermore, agricultural and rural interests must be protected as well. We are extremely concerned that your proposed fast track legislation does not adequately address these vital issues.

As you may know, Illinois' agriculture industry is strongly dependent upon access to foreign markets. Unless the Administration is prepared to defend the interests of America's farmers on the same level as other exporting industries such as manufacturing, high-tech and textiles, Illinois' economy will be devastated. The inclusion of labor provisions in future trade accords are also vital to the agricultural labor market. Without such protections, Illinois is in danger of losing its seasonal positions which employ thousands in the industry. We urge you to ensure that our trade negotiators are prepared and willing to address agricultural and rural interests.

We are extremely concerned about the negative impact that the North American Free Trade Agreement has had on the working families. It has been three years since NAFTA went into effect, and the evidence is clear that NAFTA has failed for the working families of the U.S. and Mexico. It shows that the labor and environmental side agreements in NAFTA are ineffective. In the U.S., employers use NAFTA as the primary tool to fight unions and keep wages down. Companies effectively intimidate workers and stymie union organizing efforts by threatening to move jobs to Mexico. And in Mexico, workers are not even allowed to organize, which results in substandard wages and atrocious working conditions. Real manufacturing wages for Mexican workers have dropped 25 percent since NAFTA went into effect. Moreover, the health of working families are threatened by increased industrial and toxic emissions and waste along the U.S.-Mexico border.

NAFTA failed because it failed to protect workers' rights and the environment. With talks currently underway regarding the use of fast track negotiating authority to expand NAFTA to Chile and possibly other Latin American nations, it is all the more

The Honorable William J. Clinton
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crucial to include labor and environmental protections in fast track legislation to ensure future trade agreements do not fall down the same path. If not, NAFTA expansion will only make a bad situation worse.

We strongly urge you to stand with working families and rework your fast track proposal to include enforceable labor and environmental provisions.

Thank you for your time and attention given to this important matter. We look forward to hearing from you.

Sincerely,

Lane Evans

Rod R. Blagojevich

Bobby L. Rush

Danny K. Davis

Luis V. Gutierrez

NEWS

FROM THE COMMITTEE ON WAYS AND MEANS

FOR IMMEDIATE RELEASE
October 6, 1997

CONTACT: Ari Fleischer or Scott Brenner
(202) 225-8933

Statement of Chairman Bill Archer

Good afternoon.

Today, we sow the seeds for future economic prosperity. Trade has been, and will always be the force that provides the fuel for our economic engine. Trade benefits all, business and workers. And if we are to continue on the strong economic road, we need to expand our trading opportunities because every successful trade agreement places another brick in the foundation of a growing economy.

Over the past few weeks, many questions have arisen over the benefits of trade. To reply, I would say to simply look at the facts.

The United States is the world's largest exporting country, with exports nearing the $1 trillion mark in 1996. This economic boon has translated into approximately eleven and a half million U.S. jobs which pay, on average, 15 percent more than non-trade-related jobs.

We have been able to achieve these strong numbers because we have been aggressive in expanding overseas markets to our businesses and workers. To sustain our growth and prosperity we must continue to tap into the growing economies around the world, especially those in Asia and Latin America. We must remember that 19 out of every 20 customers live beyond our borders.

Unfortunately, we are at a standstill. World dynamics are shifting and we are being left behind. Where once we were considered the world leaders in trade, we are now playing catch-up to agreements we didn't write. American workers <u>aren't</u> being hired because our trade partners are entering into contracts with other nations. Most recently, a U.S. telecommunications equipment supplier lost out on a golden opportunity to a Canadian competitor in part because of an 11 percent tariff preference favoring Canadian companies.

The legislation I unveil today is a healthy mix of proposals pursued by both the Congress and the White House over the last several years. This measure gives the President the authority he needs to move ahead in negotiating trade agreements without undermining Congress' Constitutional role in this area. Specifically, my bill gives the Administration the flexibility to negotiate and brink back to Congress under fast track all matters that are directly related to trade and assures that implementing bills may <u>not</u> contain matters not directly related to trade. It preserves the Administration's authority to negotiate "side agreements" under the President's executive authority, requiring that the normal legislative procedures be used to implement such agreements. It maintains flexibility to assure that Congress may implement the agreement fairly, but it does not permit the inclusion of extraneous matters. Finally, the bill extends Trade Adjustment Assistance programs and assures that worker adjustment assistance is an integral part of the implementation of future trade agreements.

While today represents a major step toward granting the President fast-track authority, we still have a long ways to go. It has been clear from the beginning, Republicans cannot pass this legislation alone. Mr. President, it is essential that you become involved in this effort. You have taken bold action before and moved your party in new directions. It is time to do that again. Your staff, especially Ambassador Barshefsky, has worked tirelessly to push this issue but they cannot do it alone. We need your help.

Now I would like to introduce a friend of mine who I believe represents millions of factory workers across America. Del Thurston is a machine worker for a textile manufacturer in Massachusetts. Del would like to let you know how important it is to him and to the millions of workers like him that we pass fast track and continue to expand our trading opportunities.

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KEY EXAMPLES OF FLEXIBILITY IN WAYS AND MEANS FAST TRACK MARK

1. At Administration's request, removed specific statutory prohibition on the use of trade sanctions to enforce general policy goals not directly related to trade or to compel the enforcement of overall labor or environmental standards.

2. At Administration's request, removed the specific statutory prohibition on any change to U.S. labor or environmental laws.

3. At Administration's request, agreed to expand principal negotiating objectives to include foreign government policies and practices concerning labor, environment, and other matters that are directly related to trade and that decrease market opportunities for United States exports or otherwise distort U.S. trade.

4. At Administration's request, agreed to provide, as part of fast track, authority to provide adjustment assistance to workers and firms adversely affected by trade agreements.

5. Agreed to legislative history recognizing that USTR may promote the principle that the denial of core labor rights or derogation from health, safety, or environmental standards should not be a means for a country to gain competitive advantage in international trade, taking into account differences in the level of development among countries; agreed to legislative history that the ILO is the appropriate forum for dealing with core labor rights.

6. Agreed to new agriculture negotiating objective to remove trade barriers for exports and import-sensitive products.

7. At Administration's request, agreed to provide fast track until October 1, 2001, with extension until October 1, 2005 available unless Congress passes disapproval resolution.

8. At Administration's request, agreed to expansion of tariff proclamation authority to give President authority to negotiate reciprocal duty elimination on a sectoral basis.

9. At the Administration's request, agreed to make limited exception for pre-negotiation consultation requirements for negotiations on Chile, WTO Information Technology Agreement II, WTO rules of origin, and WTO financial services because those negotiations have already begun; remaining consultation mechanisms still apply.

10 At Administration's request, agreed to language giving guidance to negotiators to take into account U.S. domestic objectives, including protection of health and safety, essential security, environmental, consumer, and employment interests.

1 At Administration's request, agreed to language noting the need for the United States to retain the ability to enforce vigorously its trade laws.

WAYS AND MEANS FAST TRACK BILL: SUMMARY OF KEY PROVISIONS

- Gives the Administration the flexibility to negotiate and bring back to Congress under fast track all matters that are directly related to trade

    -- Contains authority to reduce or eliminate barriers and policies and practices directly related to trade; reduce services trade barriers; reduce foreign direct investment trade barriers; promote trade-related intellectual property; obtain broader transparency; achieve fairer and more open trade in agriculture; and address those aspects of foreign policies and practices regarding labor, environment, and other matters that are directly related to trade and that decrease market opportunities for United States exports and distort United States trade

- At the same time, assures that implementing bills may not contain matters not directly related to trade, by specifying that each provision of the bill must be linked to one of the primary negotiating objectives laid out in the bill

- Preserves the Administration's authority to negotiate "side agreements" (or matters that are not directly related to trade) under the President's executive authority, requiring that the normal legislative procedures be used to implement such agreements

- Assures that only those provisions that are necessary to implementing the agreement are eligible for fast track procedures; the bill maintains flexibility to assure that Congress may implement the agreement fairly but does not permit the inclusion of extraneous matters

- Extends Trade Adjustment Assistance programs and assures that worker adjustment assistance is an integral part of the implementation of future trade agreements

- Provides that U.S. negotiators are to take into account U.S. domestic objectives, including protection of health and safety, essential security, environmental, consumer and employment opportunity interests, as well as the need for the United States to retain the ability to enforce vigorously its trade laws

- Grants authority to the President to proclaim certain reductions in tariffs, as well as to proclaim certain eliminations in certain tariffs if U.S. trading partners also agree to eliminate tariffs in the same sectors

- Applies to trade agreements entered into by October 1, 2001, with an extension to October 1, 2005 available unless Congress passes a resolution disapproving the extension

- Improves consultations between the Administration and Congress concerning trade negotiations and development of an implementing bill

For Immediate Release Contact: Scott Brenner 202-225-8933

Statement of Del Thurston

Mr. Thurston is a machine worker at a textile plant in Massachussetts.

My name is Del Thurston and I work at Quaker Fabric in Fall River, Massachusetts. I have been an employee at Quaker Fabric for 25 years. In the course of my time at Quaker, I have seen the company change and grow — and Quaker now has 1800 employees. As a worker for the company, my hopes for the future are that I will have steady employment, that my work environment will be clean and safe, and that the company will continue to pay me a good wage.

In the last 7 years, we have experienced dramatic growth at Quaker. I believe a large part of that growth has come due to our efforts to branch out and look to selling our product to customers outside the U.S. I feel there is an opportunity for growth not only financially for the company, but for the individual worker also.

Our foreign customers often have special needs that have to be addressed. As a part of the Quaker team that works in the Finishing Department, I know that we need to use the proper latex backings for our customers in Australia. Our customers in England require a flame-proof backing on their fabric that is more stringent than the requirement in the U.S.

I was involved in the trial process for finding a flame-proof latex backing for our British customers. I remember we spent a great deal of time, energy, and effort running fabric trials with different formulations of latex. But after a lot of hard work — we did it.

As a result of Quaker working to sell upholstery fabric in Great Britain, we developed a product that is substantially superior to many of our competitors in the U.S. — and we're selling this product now to not only our British customers, but to our American one's too. I think Quaker is a stronger more versatile company for the experience.

In the last 7 years Quaker has increased its work force by 65%. During the same time span, our export sales have increased by over 600%. This substantial rise in employment and sales coincides with the ratification of NAFTA. Last year, my company sold over $35 million of fabric outside the U.S. — in over 40 countries around the world, including Canada and Mexico. But, we recently lost a 1.8 million dollar account in Chile to a competitor. We at Quaker feel we would have been able to keep the account if not for an 11% tariff that was levied on our product. The 11% tariff was imposed on Quaker products because the U.S. does not have a trade agreement with Chile — even though almost every other country in the Hemisphere does. The workers at Quaker have seen the opportunity that exists in exports. We can compete. The success that Quaker has experienced has created more jobs, and that is something that helps our entire community.

We are ready and willing to provide a superior product for our foreign customers. We the work force of Quaker would ask that our government pass Fast Track, negotiate a trade agreement with Chile, and create a Free Trade Area of the Americas.