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1994 CA House Vote. GRATT.

YAC

Clyburn J (SC)
Coleman R (TX)
Cooper J (TN)
Coppersmith S (AZ)
Coyne W (PA)
Darden G (GA)
de la Garza E (TX)
DeLauro R (CT)
Derrick B (SC)
Deutsch P (FL)
Dicks N (WA)
Dingell J (MI)
Dixon J (CA)
Dooley C (CA)
Durbin R (IL)
Edwards C (TX)
English K (AZ)
Eshoo A (CA)
Farr S (CA)
Fazio V (CA)
Filner B (CA)
Fingerhut E (OH)
Flake P (NY)
Foglietta T (PA)
Foley T (WA)
Ford H (TN)
Frost M (TX)
Furse E (OR)
Gejdenson S (CT)
Gephardt R (MO)
Geran P (TX)

Lancaster H (NC)
LaRocco L (ID)
Laughlin G (TX)
Lehman R (CA)
Levin S (MI)
Lloyd M (TN)
Long J (IN)
Lowey N (NY)
Maloney C (NY)
Mann D (OH)
Manton T (NY)
Margolies-Mezv M (PA)
Markey E (MA)
Martinez M (CA)
Matsui R (CA)
Mazzoli R (KY)
McCloskey F (IN)
McCurdy D (OK)
McDermott J (WA)
McHale P (PA)
McNulty M (NY)
Meehan M (MA)
Meek C (FL)
Menendez R (NJ)
Mineta N (CA)
Minge D (MN)
Moran J (VA)
Murtha J (PA)
Neal R (MA)
Neal S (NC)
Oliver J (MA)

Scott R (VA)
Serrano J (NY)
Sharp P (IN)
Shepherd K (UT)
Skaggs D (CO)
Skelton I (MO)
Slattery J (KS)
Slaughter L (NY)
Smith N (IA)
Stenholm C (TX)
Studds G (MA)
Swift A (WA)
Synar M (OK)
Tanner J (TN)
Tauzin W (LA)
Tejeda F (TX)
Thornton R (AR)
Torres E (CA)
Torricelli R (NJ)
Valentine T (NC)
Vento B (MN)
Visclosky P (IN)
Washington C (TX)
Waters M (CA)
Wheat A (MO)
Whitten J (MS)
Wilson C (TX)
Wyden R (OR)
Wynn A (MD)
Yates S (IL)

INDEPENDENTS (0)

REPUBLICANS (121)

Allard W (CO)
Archer B (TX)
Armey D (TX)
Baker B (CA)
Baker R (LA)
Ballenger C (NC)
Barrett B (NE)
Bartlett R (MD)
Barton J (TX)
Bateman H (VA)
Bereuter D (NE)
Bliley T (VA)
Boehlert S (NY)
Boehner J (OH)
Bonilla H (TX)
Bunning J (KY)
Buyer S (IN)

Gilman B (NY)
Gingrich N (CA)
Goodlatte R (VA)
Goodling B (PA)
Goss P (FL)
Grams R (MN)
Grandy F (IA)
Greenwood J (PA)
Hansen J (UT)
Hastert L D (IL)
Herger W (CA)
Hobson D (OH)
Hoekstra P (MI)
Hoke M (OH)
Horn S (CA)
Houghton A (NY)
Huffington M (CA)

Meyers J (KS)
Michel R (IL)
Miller D (FL)
Molinari S (NY)
Moralla C (MD)
Nussle J (IA)
Oxley M (OH)
Packard R (CA)
Paxon B (NY)
Petri T (WI)
Porter J (IL)
Portman R (OH)
Pryor D (OH)
Quillen J (TN)
Ramstad J (MN)
Regula R (OH)
Ridge T (PA)

Callahan S (AL)
Calvert K (CA)
Camp D (MI)
Canady C (FL)
Castle M (DE)
Clinger W (PA)
Cox C (CA)
Crane P (IL)
Cunningham R (CA)
DeLay T (TX)
Dreier D (CA)
Dunn J (WA)
Ehlers V (MI)
Emerson B (MO)
Ewing T (IL)
Fawell H (IL)
Fields J (TX)
Fish H (NY)
Fowler T (FL)
Franks B (NJ)
Franks G (CT)
Gekas G (PA)
Gilchrest W (MD)
Gillmor P (OH)

Hyde H (IL)
Johnson N (CT)
Kasich J (OH)
Kim J (CA)
King P (NY)
Knollenberg J (MI)
Kolbe J (AZ)
Kyl J (AZ)
Lazio R (NY)
Leach J (IA)
Levy D (NY)
Lewis J (CA)
Lewis T (FL)
Lightfoot J (IA)
Linder J (GA)
Machtley R (RI)
Manzullo D (IL)
McCandless A (CA)
McCollum B (FL)
McCrery J (LA)
McDade J (PA)
McKeon H (CA)
McMillan A (NC)

Roberts P (KS)
Roukema M (NJ)
Santerum R (PA)
Saxton H (NJ)
Shaw E (FL)
Shays C (CT)
Shuster B (PA)
Smith B (OR)
Smith L (TX)
Smith N (MI)
Sundquist D (TN)
Talent J (MO)
Thomas B (CA)
Thomas C (WY)
Torkildsen P (MA)
Upton F (MI)
Vucanovich B (NV)
Walker R (PA)
Walsh J (NY)
Weldon C (PA)
Young C (FL)
Zeliff B (NH)
Zimmer D (NJ)

*** NAYS (146) *****

DEMOCRATS (89)
Andrews R (NJ)
Andrews T (ME)
Applegate D (OH)
Barca P (WI)
Barcia J (MI)
Barlow T (KY)
Bilbray J (NV)
Bonior D (MI)
Browder C (AL)
Brown S (OH)
Chapman J (TX)
Clay W (MO)
Collins B (MI)
Collins C (IL)
Condit G (CA)
Conyers J (MI)
Costello J (IL)
Cramer R (AL)
Danner P (MO)
Deal N (GA)
DeFazio P (OR)
Dellums R (CA)
Edwards D (CA)
Engel B (NY)

Gutierrez L (IL)
Hall R (TX)
Hamburg D (CA)
Hastings A (FL)
Hayes J (LA)
Hefner W (NC)
Hilliard E (AL)
Hinchey M (NY)
Hochbrueckner G (NY)
Holden T (PA)
Kanjorski P (PA)
Kaptur M (OH)
Kildee D (MI)
Klink R (PA)
Lantus T (CA)
Lewis J (GA)
Lipinski W (IL)
McKinney C (GA)
Mfume K (MD)
Miller G (CA)
Mink P (HI)
Moakley J (MA)
Mollohan A (WV)
Montgomery G (MS)

Payne D (NJ)
Payne L (VA)
Peterson C (MN)
Rahall N (WV)
Rangel C (NY)
Rose C (NC)
Rush B (IL)
Sabo M (MN)
Sicisley N (VA)
Spratt J (SC)
Stark P (CA)
Stokes L (OH)
Strickland T (OH)
Stupak B (MI)
Sweet D (NH)
Taylor G (MS)
Thompson B (MS)
Thurman K (FL)
Towns E (NY)
Traficant J (OH)
Tucker W (CA)
Unsoeld J (WA)
Velazquez N (NY)
Volkmay H (MO)

Evans L (IL)
Fields C (LA)
Ford W (MI)
Frank B (MA)
Glickman D (KS)
Gonzalez H (TX)

Murphy A (PA)
Nadler J (NY)
Oberstar J (MN)
Obey D (WI)
Owens M (NY)
Pallone F (NJ)

Watt M (NC)
Waxman H (CA)
Williams P (MT)
Wise B (WV)
Woolsey L (CA)

INDEPENDENTS (1)
Sanders B (VT)

REPUBLICANS (56)

Bachus S (AL)
Bentley H (MD)
Bilirakis M (FL)
Blute P (MA)
Burton D (IN)
Coble H (NC)
Collins M (GA)
Combest L (TX)
Crapo M (ID)
Diaz-Balart L (FL)
Dickey J (AR)
Doolittle J (CA)
Dornan R (CA)
Duncan J (TN)
Everett T (AL)
Gallegly E (CA)
Gunderson S (WI)
Hancock M (MO)
Hefley J (CO)

Hunter D (CA)
Hutchinson T (AR)
Inglis B (SC)
Isakson E (OK)
Johnson S (TX)
Kingston J (GA)
Klug S (WI)
Largent S (OK)
Lewis R (KY)
Livingston R (LA)
Lucas F (OK)
McHugh J (NY)
McInnis S (CO)
Mica J (FL)
Moorhead C (CA)
Myers J (IN)
Pombo R (CA)
Quinn J (NY)
Ravenel A (SC)

Rogers H (KY)
Rohrabacher D (CA)
Ros-Lehtinen I (FL)
Roth T (WI)
Royce E (CA)
Schaefer D (CO)
Schiff S (NM)
Sensenbrenner F (WI)
Skean J (NM)
Smith C (NJ)
Snowe O (ME)
Solomon G (NY)
Spence F (SC)
Stearns C (FL)
Stump B (AZ)
Taylor C (NC)
Wolf F (VA)
Young D (AK)

*** NOT VOTING (0) *****

KEY -- Special Categories of Not Voting

# Paired For	X Paired Against
+ Announced For	- Announced Against
P Voted Present	C Voted Present to avoid possible conflict of interest.
S Speaker exercised discretion not to vote	
? Did not vote or make position known	

Press return to display next item or enter GO, BACK, HELP or STOP

3 of 6 items

CQ'S WASHINGTON ALERT 07/24/97

**** 1994 CQ SENATE VOTE 329 ** HRS110. General Agreement on Tariffs and Trade - Passage.** Passage of the bill to make statutory changes to implement the new world trade agreement negotiated under the Uruguay Round of the General Agreement on Tariffs and Trade (GATT). The agreement would reduce tariffs and trade barriers, ensure stricter enforcement of world trade rules through the newly established World Trade Organization (WTO), and expand GATT rules to cover such economic sectors as agriculture, services and intellectual property. The bill also would accelerate tax payment schedules, change eligibility standards for certain federal programs, and make other changes to offset lost revenues from tariff reductions in order to comply with pay-as-you-go budget rules. Passed (thus cleared for the president) 76-24: R 35-11; D 41-13 (ND 31-11, SD 10-2). Dec. 1, 1994. A "yea" was a vote in support of the president's position. (Story, 1994 Weekly Report p. 3446)
Item Key: 9834

*** YEAS (76) *****

DEMOCRATS (41)

Akaka D (HI)
Biden J (DE)
Bingaman J (NM)
Boxer B (CA)
Bradley B (NJ)
Breaux J (LA)
Bumpers D (AR)
Conrad K (ND)
Daschle T (SD)
DeConcini D (AZ)
Dodd C (CT)
Feinstein D (CA)
Ford W (KY)
Glenn J (OH)

Graham B (FL)
Harkin T (IA)
Inouye D (HI)
Johnston J (LA)
Kennedy E (MA)
Kerry B (NE)
Kerry J (MA)
Kohl H (WI)
Lautenberg F (NJ)
Levin C (MT)
Lieberman J (CT)
Mathews H (TN)
Mikulski B (MD)
Mitchell G (ME)

Moseley-Braun C (IL)
Moynihan D (NY)
Murray P (WA)
Nunn S (GA)
Pell C (RI)
Pryor D (AR)
Riegle D (MI)
Robb C (VA)
Rockefeller J (WV)
Sarbanes P (MD)
Sasser J (TN)
Simon P (IL)
Wofford H (PA)

INDEPENDENTS (0)

REPUBLICANS (35)

Bennett R (UT)
Bond C (MO)
Chafee J (RI)
Coats D (IN)
Cochran T (MS)

Faircloth L (NC)
Gorton S (WA)
Gramm P (TX)
Grassley C (IA)
Gregg J (NH)

McCain J (AZ)
McConnell M (KY)
Murkowski F (AK)
Nickles D (OK)
Packwood B (OR)

Cohen W (ME)
Coverdell P (GA)
D'Amato A (NY)
Danforth J (MO)
Dole B (KS)
Domenici P (NM)
Durenberger D (MN)

Hatch O (VT)
Hatfield M (OR)
Hutchison K (TX)
Kassebaum N (KS)
Lott T (MS)
Lugar R (IN)
Mack C (FL)

Pressler L (SD)
Roth W (DE)
Simpson A (WY)
Specter A (PA)
Wallop M (WY)
Warner J (VA)

*** NAYS (24) *****

DEMOCRATS (13)

Baucus M (MT)
Bryan R (NV)
Byrd R (WV)
Campbell B (CO)
Dorgan B (ND)

Exon J (NE)
Feingold R (WI)
Reflin B (AL)
Hollings E (SC)

Leahy P (VT)
Metzenbaum H (OH)
Reid H (NV)
Wallstone P (MN)

INDEPENDENTS (0)

REPUBLICANS (11)

Brown H (CO)
Burns C (MT)
Craig L (ID)
Helms J (NC)

Inhofe J (OK)
Jaffords J (VT)
Kempthorne D (ID)
Shelby R (AL)

Smith R (NH)
Stevens T (AK)
Thurmond S (SC)

*** NOT VOTING (0) *****

KEY -- Special Categories of Not Voting

Paired For X Paired Against
+ Announced For - Announced Against
P Voted Present C Voted Present to avoid
 possible conflict of interest.
S Speaker exercised discretion not to vote
? Did not vote or make position known

Press return to display next item or enter GO, BACK, HELP or STOP

NAFTA AFTER THREE YEARS

NORTH AMERICA IS OUR MOST IMPORTANT MARKET

U.S. trade with Canada and Mexico is much larger relative to the size of these economies than with any other trading partners. For this reason, America's ability to compete in the global markets of the 21st century will depend on tapping the full extent of the North American market.

- In 1996, nearly one-third of U.S. two-way trade in goods with the world was with Canada and Mexico (\$421 billion). And two-way trade with our NAFTA partners has grown 44 percent since the NAFTA was signed, compared with 33 percent for the rest of the world.
- Canada was in 1993 -- and remains today -- our largest export market. Between 1993 and 1996, U.S. exports to Canada were up by 33.6 percent.
- U.S. exports to Mexico grew by 36.5 percent from 1993 to a record high in 1996, despite a 3.3 percent contraction in Mexican domestic demand.
- In the first four months of 1997, U.S. exports to Mexico virtually equaled exports to Japan, our second largest export market -- even though Mexico's economy is one twelfth the size of Japan's.

U.S. ECONOMIC PERFORMANCE IS THE STRONGEST IN A GENERATION

NAFTA is an integral part of a broader growth strategy that has produced the strongest U.S. economic performance in a generation. Our growth strategy rests on three pillars: deficit reduction, investing in our people through education and training, and opening foreign markets to allow America to compete in the global economy.

- The economy has created over 12 million net new jobs since the year before NAFTA went into effect -- far more than in the other six largest industrial economies combined. At around 5 percent, unemployment has fallen to levels not sustained since the 1970s.
- Over two thirds of recent job growth has been in job categories paying above median wages.
- Inflation has fallen to levels not seen since the 1960s.
- Business investment has grown an average of 10.5 percent per year since the year before NAFTA was signed -- higher than for the other six largest industrial countries combined.
- NAFTA, together with the Uruguay Round Agreement, the Information Technology Agreement, the WTO Telecommunications Agreement, 22 sectoral trade agreements with Japan, and over 170 other trade agreements have contributed to overall U.S. real export growth of 37 percent since 1993.
- Exports have contributed nearly one third of our economic growth -- and have grown three

times faster than overall income.

NAFTA CONTRIBUTED TO AMERICA'S EXPANSION

Several studies conclude that NAFTA has made a modest contribution to America's economic expansion, boosting net exports with Mexico and U.S. income, investment and jobs.

- A new study by DRI estimates NAFTA boosted real exports to Mexico by \$12 billion in 1996, compared to a smaller increase in imports of \$5 billion, controlling for Mexico's financial crisis.
- DRI estimates that NAFTA contributed \$13 billion to U.S. real income and \$5 billion to business investment in 1996, controlling for Mexico's financial crisis.
- NAFTA has boosted jobs associated with exports to Mexico between roughly 90,000 and 160,000. Jobs supported by exports generally pay 13 to 16 percent more than the national average for nonsupervisory production positions.

NAFTA CONTRIBUTED TO MEXICO'S RECOVERY

NAFTA is contributing to Mexico's prosperity and stability, even as that country carries forward a democratic transformation of historic proportions. By helping to lock in Mexico's economic reforms, NAFTA contributed to a rapid recovery of investor confidence and economic growth in Mexico following the most severe economic recession in decades.

- Following Mexico's 1982 financial crisis, Mexican output did not recover to pre-crisis levels for five years. In 1995, Mexican economic output rebounded more quickly, reaching pre-crisis peaks by the end of 1996.
- Following the 1982 crisis, it took Mexico 7 years to return to international capital markets, while in 1995, it took 7 months.

NAFTA PROTECTED AMERICAN JOBS FROM MEXICO'S RECESSION

Following Mexico's most severe economic recession in decades, NAFTA protected American exports and jobs by locking in preferential access for American companies.

- Following Mexico's 1982 financial 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, even though Mexican consumption was down 3.3 percent.

NAFTA IS LEVELING THE PLAYING FIELD WITH MEXICO

Before NAFTA was signed, Mexico had one-way free trade into the United States, benefitting from duty-free access on over half of its exports to the United States. Under NAFTA, Mexico's tariff cuts have been 5 times greater than ours, creating two-way open trade for the first time.

- Before NAFTA was signed, U.S. barriers to Mexico were already low at 2.07 percent. Mexican barriers were much higher, averaging 10 percent.
- Since NAFTA was signed, Mexico has reduced its average applied tariffs on U.S. imports by 7.1 percentage points, compared with reductions of 1.4 percentage points in the United States. The United States would have made some of these tariff reductions under the Uruguay Round even in the absence of NAFTA.
- NAFTA is bringing down Mexican barriers sector-by-sector: in electronic goods and appliances, Mexican tariff reductions of 9.0 percentage points are more than 4 times greater than U.S. reductions; in transportation equipment, Mexican reductions of 10.2 percentage points are more than 9 times greater than U.S. reductions; and in chemicals, Mexican reductions of 6.2 percentage points are more than 10 times greater than U.S. reductions

NAFTA IS HELPING AMERICAN SUPPLIERS GAIN SHARE IN MEXICO'S MARKET

NAFTA has given American workers, farmers and companies a competitive edge in Mexican markets over European and Japanese rivals. NAFTA has helped American suppliers in key industries capture share in Mexican import markets, strengthening their dominant positions.

- Increases in the U.S. share of Mexico's import market are indicative of NAFTA's effects, since they control for factors affecting foreign suppliers similarly, such as Mexico's recession.
- Since NAFTA went into effect, U.S. suppliers have seen their share of Mexico's import market grow from 69.3 percent to 75.5 percent, reflecting a 10 percentage point average tariff advantage over foreign suppliers. Mexico's share of American imports has risen from 6.8 percent to 9.3 percent.
- Sector-by-sector, American suppliers have gained share since NAFTA was signed: the U.S. share of Mexican imports is up 17.2 percentage points to 86.4 percent in the textiles sector, where Mexico has cut tariffs by 10.7 percentage points under NAFTA. The U.S. share is up 19.2 percentage points to 83.1 percent in the transportation equipment sector, where Mexico has cut tariffs 10.2 percentage points. And the U.S. share is up 5.7 percentage points to 74.3 percent in the electronic goods and appliances sector, where Mexico has cut tariffs by 9.0 percentage points.

NAFTA IS FOSTERING COOPERATION ON FUNDAMENTAL LABOR ISSUES

For the first time, the North American Agreement on Labor Cooperation (NAALC) is fostering North American cooperation on fundamental labor issues and enhanced enforcement of labor laws. Since the NAALC has been in effect, there is evidence that Mexico has improved labor law enforcement.

- The NAALC submission process has resulted in recognition of a union previously denied recognition and has led to secret union ballots at two companies where union votes previously had been monitored.
- Between 1994 and 1996, Mexico's Secretariat of Labor and Social Welfare increased funding for enforcement of labor laws by almost 250 percent.
- Mexico reports a 30 percent reduction in the number of workplace injuries and illnesses between 1994 and 1996.

NAFTA IS HELPING TO CLEAN UP THE BORDER

NAFTA includes mechanisms to address environmental problems that have long challenged communities along the 2000-mile shared border with Mexico.

- NAFTA environmental institutions are financing infrastructure projects designed to improve the environment along the U.S.-Mexico border. To date, 16 projects have been certified with a combined cost of nearly \$230 million. Construction has already begun on seven projects. The NADBank will be able to leverage its capital into \$2 to \$3 billion in lending.
- Through the NAFTA Commission for Environmental Cooperation (CEC), Mexico has agreed to join the United States and Canada in banning the pesticides DDT and chlordane, ensuring that these long-lived, toxic substances no longer cross our border.
- Mexico reports a 72 percent reduction in serious environmental violations in the maquiladora industry since the NAFTA was signed, and a 43 percent increase in the number of maquiladora facilities in complete compliance.

FAST TRACK FACT BOOK

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FAST TRACK FACT SHEET

FAST TRACK: IN AMERICA'S NATIONAL INTEREST

FAST TRACK MEANS: IMPROVING OUR STANDARD OF LIVING

- Keeping the Economy on the Fast Track. The President will use Fast Track authority to continue breaking down trade barriers and creating new jobs -- keeping America's economic expansion on the global fast track.
- The Economy Is Strong. The President's three-part economic strategy of cutting the deficit, investing in education and training, and opening markets abroad is working. America has enjoyed the longest period of sustained growth in a generation— more than 25% coming from overseas trade. The result: 12 million new jobs, unemployment at 5%, inflation the lowest in a generation..
- Our Future Prosperity Depends on Trade. 96% of the world's consumers live outside the US. The global economy will grow at three times the rate of the US economy. America needs fast track to negotiate from a position of strength fair new trade agreements that will keep us competitive, expand our exports, create more jobs, and raise our standard of living.

FAST TRACK MEANS: CREATING MORE JOBS

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

FAST TRACK MEANS: MAINTANING AMERICA'S GLOBAL LEADERSHIP

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

FAST TRACK FACT SHEET

BASIC FACTS ABOUT FAST TRACK TRADING AUTHORITY

What is Fast Track?

- An Expedited Procedure: Fast track is an expedited procedure for Congressional consideration of trade agreements. The two essential features of any fast track authority are: (1) a vote on implementing legislation within a fixed period of time, and (2) an up or down vote, with no amendments.
- Credibility to Negotiate Tough Trade Deals: Fast Track gives the President credibility to negotiate tough trade deals. Our trading partners know that Congress will be required to vote on the agreement quickly, without reopening any of its provisions. At the same time, Fast Track retains for Congress the ultimate power of voting any trade agreement up or down. As a result, Fast Track puts America in the strongest position to negotiate major trade agreements while maintaining a balance between the President and Congress.

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 from a previous grant of fast track. The Administration has identified eight 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 free 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--and without fast track we cannot participate actively.

Why Is Trade Authority So Important to the American Economy?

- The Economy is Strong: The American people have enjoyed the longest period of sustained growth of all our G-7 partners--seven years as of last March. The US economy has created 12 million new jobs, the unemployment rate is 5%, core inflation is at a 30-year low.
- Trade Has Been a Key Part of Our Success: Opening markets to US goods and services has been critical to our economic expansion. America's economic strength and standard of living are linked to breaking down trade barriers, exporting our goods and services, and creating more high-skilled jobs.
 - Over the past four years, more than 25% of our economic growth has come from overseas trade and US exports have created 1.4 million new American jobs.
 - Over the last four years, American manufacturing exports rose by 42%, high technology exports jumped 46%, service exports climbed 33% and farm exports rose 41%.
 - In addition, 11 million total American jobs are supported by exports, including one in five manufacturing jobs--paying an average of 13-16% more for non-management workers than non-trade related jobs.
- Trade is a Key to Our Future Prosperity: Over the next decade, the global economy is expected to grow at triple the rate of the US economy. Growth will be particularly strong in the world's emerging markets, where demand for U.S. goods and services is taking off. The bottom line is that 96% of the world's consumers live beyond America's borders. To make sure American goods and services can compete freely and fairly in the global economy, the President needs Fast Track authority to continue opening markets around the world.

What Does Fast Track Say About American Leadership in the World?

- A Legacy of Leadership: Half a century of determined American leadership has led to a 90-fold increase in global trade and helped bring down global barriers to America's products--falling from an average 40% at the end of World War II to about 5% today. Our leadership of the global economy has served America's interest—and the world's.
- Promoting Stability: The United States has a fundamental national interest in contributing to stability and security around the world. A more prosperous world will be a more peaceful world, more hospitable to American interests and ideals. By opening markets, fast track authority will contribute to global as well as American prosperity—and reinforce the common interest that diverse countries and regions share in sustaining prosperity.
- America's Choice: 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.

Who Has Trade Negotiating Authority?

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

How does Fast Track Work?

- Procedural Safeguards: In exchange for the expedited considerations of implementing legislation, Congress has established a number of procedural safeguards that guarantee it a meaningful role both before and during the negotiating process and, equally important in determining how to implement trade agreements. Requests for fast track have always included extensive notification and consultation requirements, both for Congress itself and for private sector advisory committees. In every trade agreement negotiated under fast track, Congress has been an active participant in identifying negotiating objectives, monitoring the actual negotiations, and drafting implementing legislation.
 - To apply fast track to a trade agreement, whether sectoral, bilateral or multilateral, the President must notify Congress in advance of his intention to sign such an agreement. For most previous grants, the advance notice requirement was 90 days; for the Uruguay Round, because it was such a massive agreement was set at 120 days. Even before the President signals his intention to enter into an agreement, the private sector advisory committees are required to report to both Congress and the President on their views as to whether the agreement meets U.S. negotiating objectives. For bilateral trade agreements, the Congress must be given advance notice of the President's intent to begin negotiations. During the next 60 legislative days, either the House Ways and Means Committee or the Senate Finance Committee can vote to deny fast track for the proposed agreement.
 - Once the negotiations have been concluded and the President has signed it, the Congress and the Administration begin a period of extensive informal discussions on the drafting of the implementing legislation. This process, reflecting the growing complexity of trade agreements, has involved as ever increasing number of committees of jurisdiction and interested Congressional Members. In addition, the President is required to spell out precisely how he intends to use his existing regulatory authority in implementing the agreement. And, of course, Congress retains the right to ultimately vote down an agreement if, after all the consultations, it still finds the package unacceptable.
 - Additional Congressional prerogatives include a special procedures for revoking fast track if the President fails to meet the consultation requirements. Finally, in recent instances where fast track authority has been granted and extensions included, either House has retained the right to disapprove of such extensions provided that either the House Ways and Means Committee or the Senate Finance Committee have reported out an "extension disapproval resolution."

Historical Background to Fast Track

- 60 Years of Cooperation between the President and Congress: For over 60 years, the Congress and the President have recognized that the negotiation and implementation of trade agreements require special cooperation. In the aftermath of the Smoot-Hawley Tariff Act of 1930 and the Depression, both the Congress and the President recognized that only by working closely together could trade barriers be torn down and markets opened to US goods and services. This new attitude was first reflected in the Reciprocal Trade Agreements Act of 1934, giving the President authority to both negotiate tariff cutting agreements and to implement them without further Congressional approval.
- Fast Track has Worked for Over 20 Years: In recent years, as tariffs became less of an obstacle to trade and many of our trading partners sought to protect their domestic markets by erecting non-tariff barriers, the scope of trade negotiations broadened and by agreement between the Nixon Administration and the Congress, fast track was created to accommodate this broader trade agenda. It was first embodied in the Trade Act of 1974 to deal with the Tokyo Round negotiations called for in the GATT. Fast track procedures for approving trade agreements have been renewed by Congress in 1979, 1984, 1988, 1991 and most recently in 1993. As a result, Presidents have had fast track negotiating authority continuously from January 1975 until April 1994, with a brief hiatus for eight months in 1988.

FAST TRACK FACT SHEET

THE DANGERS OF INACTION

AGREEMENTS REACHED WITHOUT US

America's trade agenda has focused on reaching trade agreements focused on opening foreign markets. This agenda has resulted in increased export opportunities to benefit American companies and workers, which has contributed to the economic prosperity America has been experiencing. In addition, by shaping and concluding enduring trade relationships, we promote America's longer-term economic security and the stability in foreign markets that results from increased prosperity and opportunity.

Our failure to participate further in shaping trade arrangements will not stop relationships from forming. To the contrary, as we have been sitting on the sidelines, trade agreements are being negotiated every day without our participation. Our competitors are determined, sophisticated, strategic and focussed. In every region of the world, but particularly Asia and Latin America, the two fastest growing regions of the world, governments are pursuing strategic trade policies and, in some cases, preferential trade arrangements, forming relations around us rather than with us, and creating new exclusive trade alliances. These new alliances are to the detriment of U.S. prosperity and leadership. Examples already abound:

- In South Asia, the seven members of the South Asian Association for Regional Cooperation (SARC) -- India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka, and the Maldives -- have set 2001 as the target for the creation of a free trade. SARC now represents only about 1 percent of world trade, but it encompasses roughly 20 percent of the world's population. Indifference to its development can only harm our economic security.
- The nations of the Andean Community have started meeting with member nations of CARICOM and the Central American Common Market to discuss negotiation of free trade agreements.
- The Presidents of Argentina and Brazil have both expressed an interest in a MERCOSUR-ASEAN free trade agreement, a trade alliance that would incorporate more than 600 million people and two of the most important emerging markets in the world. We simply cannot underestimate the impact of these efforts on our global export competitiveness.
- MERCOSUR (Argentina, Brazil, Paraguay, Uruguay) is a developing customs union with a GDP of over \$1 trillion and ambitions to expand to all of South America. MERCOSUR is the largest economy in Latin America and has a population of 200 million. It has struck agreements with Chile and Bolivia, and is discussing agreements with a number of Andean countries (Colombia, Venezuela) as well as countries within the Caribbean Basin. The

MERCOSUR ambition is in part driven by the decades old vision of a Latin American free trade area, but also by a clear strategic objective regarding commercial expansion and a stronger position in world affairs.

- The EU has begun a process aimed at reaching a free trade agreement with MERCOSUR. They have also concluded a framework agreement with Chile that is set up to lead to a free trade agreement.
- China has targeted Mexico, Argentina, Brazil, Chile and Venezuela as "strategic priorities" in Latin America. China wants to enhance commercial ties and ensure that key Latin countries are receptive to its broader global agenda as a rising power, both in the WTO and other fora. The Chinese leadership has undertaken an unprecedented number of trips to Latin America in the last two years, and Latin America is its second fastest growing export market.
- Japan has undertaken high level efforts throughout Asia and Latin America to enhance commercial ties through investment and financial initiatives. The Prime Minister of Japan recently visited Latin America seeking closer commercial ties and a greater Japanese commercial presence in all respects.

ASEAN-- the Southeast Asian free trade area -- will include 400 million people and some of the fastest growing economies in the world. It is a region where China, Japan, Korea and the EU are focusing competitive energies. As noted earlier, Argentina's President Menem recently suggested a MERCOSUR -ASEAN free trade area -- an agreement that would encompass over 600 million people.

- Countries within this hemisphere are equally aggressive. Mexico wants to be the commercial hub between North and South America, and also serve as a venue in which to enter North, Central and South America from Asia and Europe. It is jointly pursuing a free trade area with Europe and is reaching out to Asia. President Zedillo and his Cabinet have undertaken numerous missions to Asia and have been well received. It has reached trade agreements with Colombia, Venezuela, and Costa Rica and is negotiating with Honduras, El Salvador and Nicaragua. It has initiated talks with MERCOSUR.
- Chile has a similar strategy. It has concluded agreements with MERCOSUR, Mexico, Colombia, Venezuela and Ecuador. It intends to start similar negotiations with Central America and has an eye toward agreements with Asia. Japan is its largest export market, but Chile sees itself as a bridge from MERCOSUR to Asia and back, and is positioning itself with its MERCOSUR neighbors for that purpose.
- In the Asia-Pacific region, competition comes from many sources, all of which have contributed to a declining share of U.S. exports to the region. Competition within Asia is the most intense. Japan has been ahead of the U.S. in East Asia in terms of corporate presence, and especially in the past decade, in terms of the amount of overseas development assistance

(ODA) it is willing to spend to advance its commercial interests. In more recent years, Korean conglomerates have likewise pursued an aggressive strategy to both invest and attain market share in dynamic East Asian economies, ranging from textiles to steel to autos.

COSTS TO U.S. COMPANIES AND WORKERS

Many U.S. firms are experiencing the competitive disadvantage resulting from preferential agreements that do not include us and for which no comparable agreement exists. Our past efforts to level the playing field will prove futile over the long-term if we begin to cede this ground to our competitors. Our companies will either lose export opportunities or have to service these markets from countries other than the U.S., which will cost U.S. jobs.

- **Chile - Canada FTA:** In November 1996 Canada reached a comprehensive trade agreement with Chile that will eliminate Chile's 11% across-the-board tariff starting this year. Canadian firms will now have access to the Chilean market (a U.S. export market larger than Indonesia, Russia or India in 1996) tariff free on a range of goods and services, as well as preferential access to invest in Chile. As a result of this FTA *and other typical competition factors*, Northern Telecom recently won a nearly \$200 million contract over U.S. firms given the nearly \$20 million in cost savings they derive from the elimination of the 11 percent tariff that U.S. goods face.
- **Chile-FTAs:** U.S. apple producers, among others, are concerned about the potential loss of their Latin American markets due to Chile's preferential tariff free, or near tariff free, access to MERCOSUR, Venezuela, Colombia, and other South American markets as a result of its FTAs that have been negotiated (six since 1991). U.S. producers have to absorb the non-preferential tariff cost to enter these growing markets.
- Chilean fresh fruit pays a 2 percent duty when entering Venezuela (due to the Chile-Venezuela FTA), whereas U.S. producers pay a 15 percent tariff. The U.S. Embassy estimates that U.S. market share would grow from its current 39 percent to 67 percent if U.S. producers had equivalent access to the Venezuelan market.
- **MERCOSUR:** Brazil, Argentina, Paraguay and Uruguay comprise the largest market in Latin America (200 million people and a GDP of nearly \$1 trillion). In the context of negotiating this partially implemented customs union Argentina, Paraguay and Uruguay raised their tariff on imported computer products to accommodate Brazil's interests. The net result was that the common external tariff is significantly higher (from zero to 14 percent *ad valorem* in the case of Argentina, the second largest economy in South America) than the original tariff on these items in Argentina et al.

U.S. firms *not located and producing within* MERCOSUR face a competitive disadvantage not only with respect to MERCOSUR producers, but also Chilean and Bolivian producers

through MERCOSUR's association agreements. This puts all U.S. based producers, including agricultural producers which compete with Chilean fruit, MERCOSUR wheat, etc., at a competitive disadvantage in these markets, and the scope of this disadvantage will grow as MERCOSUR expands its association agreements.

- **ANDEAN Pact:** Venezuela, Colombia, Ecuador, Peru and Bolivia comprise a market of 100 million people and a GDP of over \$260 billion (although Peru is now negotiating its withdrawal from the pact). As part of the effort to develop a common external tariff, the import tariff on textile goods, for example, was raised from 5 to 15 percent, thus inhibiting the export of U.S. textiles to this growing market.
- In addition, as part of its integration effort the AND EAN PACT negotiated common intellectual property rights (IPR) disciplines (Decision 344) that have now been utilized to block the Ecuadorian implementation of a bilateral IPR agreement with the United States, thus depriving U.S. IPR owners of the best legal protection possible in Ecuador.
- **ASEAN:** Brunei, Indonesia, Singapore, Thailand, Malaysia, the Philippines have been joined by Vietnam (more countries are joining) thus expanding the number of countries in the most dynamic economic region in the world that are benefiting from tariff preferences in trade with each other. As tariffs come down within ASEAN, more and more U.S. based exporters will face an increasing price based competitive disadvantage in the booming ASEAN market of over 400 million consumers and a GDP over \$700 billion with growth rates that have generally averaged over twice the U.S. growth rate of the U.S.
- **EU - Association Agreements:** EU tariff preferences for Poland and Hungary's pork and poultry allow these countries to gain better access than U.S. exports to these markets. Likewise, U.S. exporters of agricultural equipment and mining equipment have complained that their sales into Central Europe have been adversely impacted.

FAST TRACK FACT SHEET

FAST TRACK AND KEY SECTORS

AUTOMOTIVE INDUSTRY

The automotive industry is one of the United States largest manufacturing industry

- ☐ The industry generates 5.4 percent of GDP.
- ☐ Over 2.3 million workers are directly employed in the automotive industry.

Exports are increasingly important to this traditionally domestic-oriented industry

- ☐ U.S. automotive parts exports, which supply the majority of industry exports, totaled \$40.8 billion in 1996 and are expected to grow 9 percent annually through 2002.
- ☐ Automotive parts exports represent more than one quarter of total parts production.
- ☐ U.S. vehicle exports totaled \$24.4 billion in 1996 and should grow 5 percent annually through 2002. Vehicle exports are a significant share of total U.S. exports.
- ☐ U.S. exports of motor vehicles account for 7.6 percent of worldwide vehicle exports while U.S. parts exports represent 17.5 percent of the worldwide export market.

FTAA and Asian countries are the hot potential growth markets

- ☐ Vehicle unit sales in Asia (excluding Japan) grew 65 percent between 1990 and 1995 and may grow another 60 percent by 2005. FTAA markets also are exploding. Sales in Brazil may grow 55 percent in the next five years.
- ☐ U.S. parts exports to the BEMs (excluding Mexico) are expected to more than triple from the current \$3 billion to \$10 billion in 2010. Exports to FTAA markets will grow from \$1.7 billion to \$5.6 billion. Exports to ASEAN nations are also expected to triple from \$600 million to \$2.1 billion during this period.
- ☐ From 1990-1996, U.S. vehicle exports to the BEMs (excluding Mexico) rose from \$1 billion to \$1.5 billion and are estimated to reach \$6.1 billion by 2010. Export growth to FTAA nations will be stronger and could more than double from \$1.3 to \$3 billion.

The automotive industry is perhaps the world's most highly protected

- ☐ By the turn of the century, the total ASEAN market is expected to exceed 2 million units, and Thailand's production capacity alone will exceed 1.3 million. However, major barriers to entry exist, including local content requirements and tariffs ranging from 35-200 percent with an average of 100 percent.
- ☐ China, Indonesia, and Malaysia have national car programs that discriminate against foreign vehicles and parts, and the Philippines and Vietnam are considering similar regimes.
- ☐ South African tariffs range from 43 percent to 57.5 percent. It also maintains significant non-tariff barriers like local content and export requirements.
- ☐ The MERCOSUR countries anticipate a doubling of demand for automobiles by the year 2000. Brazil maintains a highly restrictive import regime for those companies not invested in Brazil while Argentina provides tariff preferences to encourage local vehicle production.
- ☐ Left intact, these barriers will exacerbate economic distortions in these automotive markets. For example, fragmentation of the ASEAN markets will lead to inefficient economies of scale. Production overcapacity looms in Brazil and Korea.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- ☐ To combat these problems, U.S. government and industry are attempting to pursue these issues in existing multilateral and regional fora, including the WTO, APEC, ASEAN Dialogue, and by vigorously enforcing U.S. trade laws.
- ☐ The United States is supporting an APEC proposal under consideration that would eliminate tariffs on automotive products.

Competition doesn't wait for U.S. leadership

- ☐ Poland is the fastest growing market in Europe and new passenger car sales could be on the order of 400-500 thousand vehicles per year. Duty rates range to 35 percent, but a larger concern are preferences granted to the E.U. under the E.U. Association agreements.
- ☐ Intra-FTAA country agreements now completed or contemplated also could limit U.S. market access. Chile's trade agreements with Mexico and Canada providing for duty free entry of automotive goods from those countries provides an 11 percent price advantage over U.S. products.

CIVIL AIRCRAFT

Civil aircraft is a vital national industry

- ☐ Civil aircraft industry supports over 450,000 high-wage, highly-skilled jobs.
- ☐ Aerospace workers earn an average of 45 percent more than other manufacturing workers.

Export markets are essential to the civil aircraft industry

- ☐ One out of every two civil aircraft manufactured in the U.S. is exported.
- ☐ U.S. exports grew 18 percent between 1995 to 1996, from \$25 billion to \$29 billion.
- ☐ The industry generated a surplus in civil aircraft, engines, and parts of \$18 billion in 1996.
- ☐ The U.S. share of worldwide orders (excluding the newly independent states of the former Soviet Union) for large, civil aircraft is about 70 percent. Airbus Industrie (European consortium) accounts for about 30 percent.

Developing markets are the fastest growing markets for U.S. producers

- ☐ Asia has become the fastest growing foreign market for U.S. civil aircraft, accounting for about 45 percent of U.S. civil aircraft exports in 1996.
- ☐ U.S. civil aircraft sales to India have more than quadrupled in the last five years.
- ☐ Within ASEAN, there is a large and growing demand for airport and ground support equipment, almost all of which in Thailand must be met by imports. The Philippines has initiated a \$3 billion fleet and modernization program. Singapore is a major purchaser of Boeing aircraft, and six out of every seven dollars of civil aviation sector output in Singapore is in aircraft repair and overhaul operations.
- ☐ Korea is in the midst of a major civil aviation expansion; a ten year procurement program envisions the purchase of 240 aircraft worth \$21 billion.
- ☐ Currently, Poland has the youngest fleet in the world -- largely through purchases and leases with Boeing.

High tariffs and government subsidization are major barriers

- ☐ Most U.S. competitors are heavily subsidized.
- ☐ Many foreign airlines are government-owned or controlled. These airlines are subject to political pressures from governments which support foreign competitors (such as Airbus Industrie) over U.S. manufacturers.
- ☐ Developing country tariffs range from 3 to 40 percent while the U.S. has no tariffs.
- ☐ Offset requirements in South Africa are a problem in major contracts. Aircraft and parts are our fourth and third largest exports to the country.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- ☐ The United States is supporting an APEC proposal under consideration that would eliminate tariffs on civil aircraft, aircraft engines and aircraft components.
- ☐ A Free Trade Area of the Americas would not only eliminate barriers to U.S. sales, but would provide a powerful incentive to purchase U.S. civil aircraft rather than those of Airbus Industrie.
- ☐ Government procurement talks in the WTO next year offer the opportunity to secure more transparency in foreign government bids, to the benefit of U.S. firms and workers.

Competition doesn't wait for U.S. leadership

- ☐ Canada is competitive in Latin America with 20 percent of the Brazilian import market of \$750 million in 1996. Canada already has an FTA with Chile which will provide a three percentage point tariff advantage over U.S. suppliers by 1997. This tariff differential, 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

The energy industry is the largest industry in the world in terms of revenue

- ☐ The energy industry has growing employment totalling about 350,000 workers.
- ☐ Shipments in 1995 were \$51.6 billion.

The export market is vital to sustained growth in the industry

- ❑ Since 1990, U.S. exports have doubled reaching \$15.5 billion in 1996 with a trade surplus of \$6.5 billion.
- ❑ U.S. exports to the BEMs, China and FTAA countries more than doubled since 1990.
- ❑ As demand in the U.S. has leveled-off, manufacturers are increasingly looking to export markets. Exports account for an estimated 34 percent of the U.S. industry's product shipments. By 2005, energy equipment exports are expected to exceed domestic shipments.
- ❑ The estimated annual future growth rate of shipments for the industry as a whole over the next decade is expected to average 5 percent while the estimated growth rate for energy sector exports is expected to average 12 percent.

The demand for energy in developing countries is expected to grow at more than twice the rate of industrialized countries

- ❑ Developing countries are implementing policies designed to encourage private investment in resource development, such as removing bans on foreign investment. This should translate into more opportunities for U.S. companies in oil and gas exploration, as well as other aspects of energy services.
- ❑ Growing at 4.2 percent per year, Asian energy consumption spurred by strong economic growth will reach 60 percent of that of the industrialized world by 2015.
- ❑ Thailand is expected to invest about \$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 skyrocketing demand.
- ❑ U.S. companies currently supply 66 percent of Indonesia's demand for oil exploration and production equipment.
- ❑ Venezuela may become an increasingly important market as it is opening up its petroleum sector to foreign participation in exploration and production. The sector accounts for 25 percent of GDP and nearly three-quarters of the country's export earnings.
- ❑ The electric power systems market in Korea will continue to grow through economic development and increased consumer demand. The market this year amounts to nearly \$12 billion and is likely to grow 10-20 percent next year.

Non-tariff measures are principal barriers to increased exports

- ☐ Non-transparent procurement procedures, excessively high tariff rates and inadequate regulatory and investment frameworks inhibit exports.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- ☐ To combat these problems, U.S. government and industry are attempting to pursue these issues in existing multilateral and regional fora, including the WTO, APEC, ASEAN Dialogue, and by enforcing U.S. trade laws.
- ☐ Government procurement talks in the WTO next year offer the opportunity to secure more transparency in foreign government bids, to the benefit of U.S. firms and workers.

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 United States supplies one-third of that. Tariffs range to 24 percent.
- ☐ With U.S., German and Japanese companies providing almost equal shares of energy equipment in world markets (14 percent, 17 percent and 18 percent respectively), any preferential access to developing markets achieved by the U.S. competitors could be seriously detrimental to U.S. exports.
- ☐ The United States is the second largest supplier of electrical power systems to Thailand (behind Japan) and has only about one-sixth of the Philippines imports of electric power system equipment.

ENVIRONMENTAL TECHNOLOGIES

Environmental technologies is one of the fastest growing industry sectors worldwide

- ☐ The U.S. environmental technologies (ET) industry employed about 1.3 million Americans in 1995.
- ☐ More than 25,000 new jobs were created in this sector in the U.S. in 1995.
- ☐ The U.S. environmental technologies industry reached \$180 billion in revenues in 1995, a 4.3 percent increase over 1994.

International markets are increasingly important to the ET industry

- ☐ Revenue generated outside the U.S. accounted for 8.1 percent of the U.S. industry's 1995 total earnings, compared to only 6.7 percent in 1994.
- ☐ U.S. ET exports increased 26 percent from \$11.5 billion in 1994 to \$14.5 billion making the U.S. the world's largest supplier.
- ☐ Exports were responsible for 40 percent of the \$7.5 billion in 1995 ET industry growth, supporting nearly 120,000 jobs.

Access to overseas markets, especially developing countries, are essential to U.S. firms

- ☐ The global market will grow 36 percent from about \$440 billion in 1995 to approximately \$600 billion by the year 2010.
- ☐ A 17 percent growth rate is expected in Asia (exclusive of Japan), and the South American market is expected to grow by 12 percent. By contrast, the Japanese market is expected to grow only 2 percent and Western Europe by 4 percent.

Opportunities abound for U.S. environmental technology

- ☐ While the U.S. enjoys over \$14 billion in environmental exports only 8 percent of the U.S. environmental industry's revenue comes from exports. Major competitors, such as Germany and Japan, export in excess of 20 percent of production.
- ☐ Venezuela expects to spend more than \$1 billion between now and 2001 for water treatment alone. Currently, there are no major import barriers but trade is small. U.S. firms hold about a three-fifths share.
- ☐ Asian countries represent great growth potential for U.S. exporters of environmental technology. The market in Indonesia exceeds \$1.3 billion (of which \$300 million is from the United States). 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 percent per year through 2000.
- ☐ In Korea, a major portion of the rapidly growing environmental technology market (\$1.4 billion in 1996) is supplied by local manufacturers; U.S. exports amounted to less than 10 percent of the market. The market is expected to grow substantially through at least 1998. The tariff rate is 8 percent.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- ❑ Many of the ET opportunities in overseas markets are in public works contracts by foreign governments. However, the vast majority of developing countries have not signed the WTO Government Procurement Code.
- ❑ The USG can negotiate government procurement obligations in plurilateral negotiations.
- ❑ The United States is supporting an APEC proposal under consideration that would eliminate tariffs on products in this sector.

Competition doesn't wait for U.S. leadership

- ❑ Brazilian experts expect \$10 billion in new investment through the year 2000 as Brazil addresses significant environmental concerns. U.S. exports last year amounted to about \$100 million. Tariffs range to 18 percent, although Mercosur partners receive duty free treatment, and other members of ALADI (Latin American Integration Association) receive a 60 percent duty reduction. In some cases, local participation is required for foreign investors.
- ❑ Poland has made a significant commitment to environmental clean-up and investments in the sector now account for over one percent of GDP. The pollution control equipment market exceeded \$400 million in 1996, and imports amounted to over three-quarters of that. The most promising areas for U.S. firms include: air pollution control, wastewater treatment, and waste disposal. Duties are in the 9-11 percent range, but European competitors receive significant preferences.

INFORMATION TECHNOLOGY INDUSTRIES

The information technology industries are vital to the U.S. economy

- U.S. information technology companies have operations in all 50 states and generate over 3.5 million domestic jobs directly and indirectly; this sector provides predominantly high-wage employment.
- Information technology industries have become the back-bone of the U.S. and global economy. Information technology has become integrated into all modern business transactions and is an engine of growth in global trade.
- In 1996, U.S. shipments for computer hardware, telecom equipment and electronic components was \$166.4 billion.

U.S. manufacturers are global leaders

- Through diligent efforts to improve competitiveness, U.S. industry has taken back leadership in global market share, including: semiconductor, semiconductor manufacturing equipment, and printed circuit board production.
- Computer software alone, is the third largest manufacturing industry in the U.S. economy in terms of value-added and was estimated to be worth approximately \$66.8 billion in 1996.
- In 1996, U.S. telecom equipment shipments were valued at \$56 billion, accounting for one-third of world-wide shipments. One reason that U.S. telecommunications technology is so competitive is that the United States was the first country to open its market to competition in 1984.

Exports are an essential component of info-tech companies market strategy

- U.S. computer hardware, telecom equipment and electronic component companies exported an estimated \$90.9 billion in 1996. Info-tech companies as a whole export over one third of their production.
- Due to dramatic growth in technology markets world-wide, U.S. IT companies are becoming export dependent; thus, exports are vital to U.S. competitiveness.

Access to developing countries is critical to this strategy

- Emerging markets are the engine for future growth. Asia and Latin America technology markets, in particular, will continue to experience double digit growth rates, at least double the rate of U.S. and European markets.
- The fastest growing markets for U.S. information technology products include China, ASEAN, India, Brazil, South Korea, and Mexico.
- Brazil has the largest telecom sector in Latin America with a market worth nearly \$ 8 billion in 1996, however, tariff rates are up to 32 percent.

Tariffs and non-tariff measures block access to emerging markets

- Export growth would be greatly enhanced for all information technology products if tariff and non-tariff measures were reduced among U.S. trading partners through the broadening of agreements such as the recent Information Technology Agreement and/or regional agreements under APEC or the FTAA.

- Non-tariff measures (NTMs) are the most significant barriers to export growth of U.S. information technology products. The NTMs of principal concern to U.S. industry are:
 - Forced technology transfer requirements;
 - Intellectual property rights protection;
 - Local content requirements;
 - Import licensing quotas;
 - Value-added taxes;
 - Burdensome equipment certification requirements;
 - All discriminatory procurement practices by foreign governments, especially, practices by state-owned enterprises and/or formerly state-owned enterprises which remain subject to de facto state control
- Tariff levels globally for information technology products range from 4-10 percent--with the exception of tariffs of up to 50 percent on imports of satellites and large satellite components for assembly in Ukraine and Russia. Removal of tariffs represents significant savings to all info-tech producers, since margins between production costs and market prices are notoriously slim in most product segments.

Fast track will reduce trade barriers to expanding international markets which is key to maintaining U.S. competitiveness and innovation

- To combat these problems, U.S. government and industry are attempting to pursue these issues in existing multilateral and regional fora, including the WTO, APEC, ASEAN Dialogue, and by enforcing U.S. trade laws.
- U.S. info-tech companies place high priority on the implementation of tariff elimination under ITA-I. Additionally, they strongly support new and expanded coverage under ITA-II, such as expansion of product coverage and country signatories, and addressing the removal of NTMs.

Competition doesn't wait for U.S. leadership

- Since the Mercosur countries chose not to join the Information Technology Agreement, the FTAA is very important to U.S. IT companies. U.S. competitors are targeting Latin America as a market priority. Already, the European Union has signed a framework agreement with the Mercosur partners, which could give advantages to European products in the key emerging markets of Latin America.
- **U.S. firms are reporting difficulties in overcoming preferences granted in Central Europe to the European Union under its association agreements. These preferences arise in several countries and the situation could worsen once they are fully phased in. This can be particularly difficult in the technology sector, where for example, tariff preferences can be as high as 15 percent.**

MANUFACTURING

Manufacturing remains a vital component of the U.S. economy

- ☐ 18.5 million workers --15.4 percent of the total work force-- are employed in manufacturing in the United States.
- ☐ 84 percent of merchandise exports are manufactured goods, up from 78 percent a decade ago.
- ☐ Manufacturing accounts for nearly one-fifth of total GDP.

Exports are an essential strategic factor in maintaining U.S. manufacturing employment and high wages

- ☐ Exports are essential to continued prosperity. Exports of goods and services has risen from about 4 percent of GDP in the early 1960s to over 13 percent today.
- ☐ Eleven million jobs are supported by goods and services exports, and one-third of those are in the manufacturing sector.
- ☐ Exports support one in five manufacturing jobs.
- ☐ Manufacturing wage rates are higher than those in the overall economy, and wage rates in exporting sectors are higher than in manufacturing. In exporting industries, the wage rate was \$14.35 per hour, a premium of 21 percent over the total economy wage.
- ☐ Manufactured exports accounted for nearly 62 percent of total goods and services exports in 1996, up from about 58 percent in the mid-1980s.
- ☐ Growth in manufacturing exports has been accelerating and the trade deficit in manufactured goods declining. During the first half of this year, manufactured goods exports increased 12.1 percent from the same period in 1996 while total exports of goods and services were up 9.4 percent.
- ☐ Merchandise exports account for 26 percent of goods GDP; durable goods exports account for 42 percent of durable goods GDP.

U.S. manufactured exports are the most competitive in the world; with lower barriers, opportunities are plentiful

- Developing countries are key markets for U.S. manufactures. Manufacturing exports increased 38% to developed countries from 1992- 1996 but by 48% to developing countries.
- U.S. exports have grown three times faster than Japan's, five times than Germany's since the mid- 1980s.
- Exports to the Big Emerging Markets are up 58%.
- Corporations must look beyond the domestic economy for continued growth: in 1985 domestic sales of Motorola accounted for 75% of revenue; now, more than 65% of its revenue come from international sales.
- While many barriers to U.S. exports have been reduced, U.S. exporters continue to face barriers as many markets around the world remain closed to U.S. exporters.
- Major barriers include policies restricting the import of goods and services, government procurement, export subsidies, deficiencies in intellectual property protection, and investment barriers.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- The United States is supporting an APEC proposal under consideration that would eliminate tariffs and non-tariff barriers on many manufacturing sectors.
- A Free Trade Area of the Americas would not only eliminate barriers to U.S. sales, but would provide a powerful incentive to purchase U.S. manufactured products.
- Government procurement talks in the WTO next year offer the opportunity to secure more transparency in foreign government bids, to the benefit of U.S. firms and workers.

Competition doesn't wait for U.S. leadership

- Canada is competitive in Latin America with 20 percent of the Brazilian civil aircraft import market of \$750 million in 1996. Canada already has an FTA with Chile which will provide a three percentage point tariff advantage over U.S. suppliers by 1997. This tariff differential, 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.
- New trade alliances in Asia and in South America have the potential to reduce U.S. export opportunities in the fastest growing export markets.

- Were South Africa and the EU to implement a free trade agreement, \$1.5 billion of U.S. exports of transportation equipment, machinery and information technology products would be at risk. These exports to South Africa by the most competitive U.S. industries represent half of total U.S. exports to South Africa.
- 80 percent of the CEO members of the Council on Competitiveness see their greatest growth opportunities coming from foreign markets, especially in the areas of business services, telecommunications, biomedical products, environmental technology and high end manufacturing. (CEO Magazine, June 1997)
- U.S. firms are reporting increasing difficulties in overcoming preferences granted in Central Europe to the European Union under its association agreements. These preferences arise in several countries and the situation could worsen once they are fully phased in. This can be particularly difficult in the technology sector, where for example, tariff preferences can be as high as 15 percent.
- A rapidly growing mid-sized upholstery fabric manufacturer who has rapidly expanded his labor force because of exports has lost sales to a Canadian competitor in the Chilean market because of tariff preferences granted under the Chile-Canada FTA. Ironically, he regularly beats this competitor in the North American market where there is no tariff preference.

MEDICAL EQUIPMENT

The medical device industry is one of the fastest growing U.S. industries and employs 261,000 high-wage, highly-skilled U.S. workers

- The industry is a top high-tech innovator and serves as an engine of growth for other high-tech sectors such as semiconductors.
- 13 of the 20 largest medical technology companies in the world are U.S. owned.
- The U.S. medical device industry is expected to grow 6 percent annually over the next 5 years. Key to this growth will be our ability to supply the increasing demand in Asia and South America for these products.

Medical device export markets are crucial to the industry

- Total medical device exports reached \$11 billion in 1996, a 14 percent rise from 1995. The sector has a record-high trade surplus of \$5 billion.

- ☐ Exports as a share of industry shipments were 20 percent in 1990 but were 25 percent in 1996. By 2005, 30 percent of industry shipments could be bound for export.
- ☐ The U.S. has 28 percent of the worldwide market but faces stiff competition from Japan and the EU which together account for 50 percent of the worldwide market.

Access to developing countries are central to increased U.S. exports

- ☐ Since 1990, U.S. medical devices exports to China, ASEAN and the other BEMs (excluding Mexico) doubled, reaching \$2 billion in 1996, while U.S. exports to the world increased by only 12 percent at an average annual rate of about 12 percent.
- ☐ Health care reform and hospital privatization in many emerging markets will spiral demand for U.S. products.
- ☐ Thailand's medical device market exceeds \$600 million, and Indonesia's market has been growing by over 10 percent annually. Malaysia has budgeted \$1.4 billion this year to upgrade health care quality, and Singapore has over \$500 million earmarked for redevelopment projects.
- ☐ Brazil's large market for medical equipment and supplies (estimated to be \$1.2 billion in 1996) is expected to continue strong growth as IFI loans (\$715 million) continue to upgrade the sector. Total U.S. exports amounted to over \$250 million in 1996, which accounted for about half of all imports. Tariffs range up to 20% while imports from Argentina and Chile are duty free.

The industry faces tough barriers in developing countries

- ☐ Barriers 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 standards regulations which will negatively impact U.S. medical device manufacturers.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- ☐ The United States is supporting an APEC proposal under consideration that would eliminate tariffs on medical equipment.
- ☐ Many opportunities in overseas markets are in contracts by foreign governments. However, the vast majority of developing countries have not signed the WTO Government Procurement Code.

- ☐ The USG can negotiate government procurement obligations in plurilateral negotiations.

Competition doesn't wait for U.S. leadership

- ☐ Global demand for U.S. medical products may shift to European and Japanese suppliers if the U.S. fails to negotiate critical trade agreements, such as the APEC sectoral initiative, which will completely eliminate tariffs and reduce regulatory and standards barriers.
- ☐ U.S. competitors are already negotiating trade agreements with developing countries. For example, the EU has signed a framework agreement with the Mecosur partners, which potentially will give European medical device firms an advantage over the United States.
- ☐ Poland's medical budget is 4.6 percent of GDP. Imports accounted for over \$300 million in 1996 -- less than 10 percent of which come from the United States. European competitors receive duty-free treatment while U.S. exports face a 10 percent price disadvantage.

PHARMACEUTICALS

Pharmaceutical manufacturing and research is a key U.S. industry

- ☐ Pharmaceuticals employs over 218,000 workers, and represents about 1 percent of U.S. GDP with total sales of \$80 billion in 1995.
- ☐ The U.S. is the world leader in discovering and developing new medicines. Of the 265 major new drugs developed between 1970 and 1992, almost half originated from U.S. firms.
- ☐ The U.S. pharmaceutical industry is the world center for R&D in pharmaceuticals. In 1996, R&D expenditures represented 16 percent of total industry sales.

Exports are vital to pharmaceutical manufacturers

- ☐ Exports generate close to two-fifths of total pharmaceutical sales.
- ☐ Total U.S. pharmaceutical exports reached \$8.9 billion in 1996, a 11 percent rise from 1995.
- ☐ Exports are expected to increase as demand for better health care accompanies rising living standards throughout the world.
- ☐ Exports are expected to grow between 7 and 9 percent through 2000.
- ☐ Exports as a percentage of shipments has been steadily rising since 1990 and was 11.2 percent in 1995.

Developing countries offer significant growth potential for U.S. pharmaceutical exports

- ☐ U.S. pharmaceutical exports to ASEAN countries (Singapore, Indonesia, Thailand, Malaysia, Philippines, Brunei and Vietnam) increased about 50 per cent since 1993.
- ☐ Korean imports U.S. pharmaceuticals at twice the rate of total imports.
- ☐ Exports to Latin America grew 43 percent.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- ☐ Adequate patent, trademark, and trade secret protection for pharmaceutical products is essential for the development of new products and is critical for stimulating U.S. pharmaceutical trade and investment in growing markets in Asia, Latin America, Russia and other countries in the Newly Independent States.
- ☐ Additional barriers which need to be removed include discriminatory registration requirements, illicit business and pharmaceutical marketing practices and discriminatory government procurement rules. All of these severely limit US companies ability to compete on a level playing field.
- ☐ Korea does not provide national treatment with respect to reimbursement under its national health insurance system, discouraging end-users from buying imported pharmaceuticals.
- ☐ To maintain competitiveness, the U.S. industry must overcome international obstacles such as the lack of intellectual property protection; international regulatory approval; and lack of legal predictability. For pharmaceutical trade and investment to flourish it must have a business environment that offers a transparent and consistent legal framework.
- ☐ U.S. industry estimates that if trade barriers in the Andean Community (Bolivia, Colombia, Ecuador, Peru and Venezuela) were removed, U.S. sales could increase in the range of \$100 - \$500 million. This is also true with respect to removal of trade barriers in the Korean market.
- ☐ According to U.S. industry, removal of trade barriers in Argentina could increase U.S. pharmaceutical sales by \$500 million.

Competition doesn't wait for U.S. leadership

- ☐ Brazil is the fourth largest market for pharmaceutical products in the world and is growing at 17 percent per year. Tariffs range from 0 to 14 percent, yet are not applied to Mercosur partner Argentina which has a major drug manufacturing industry.
- ☐ Japan is developing new markets in Europe and Asia and is investing heavily in R&D in a bid to catch up with its foreign competitors.

- Given the steady increase in R&D costs, the ability to develop new drugs and new global markets is expected to play an even greater role in determining the long-term growth of the U.S. pharmaceutical industry. Global harmonization in the approval process of new pharmaceutical products would be particularly beneficial to the U.S. industry.

SERVICES

The services sector is by far the largest component of the U.S. economy

- Four out of five private sector non-farm jobs are in the U.S. economy's service sector - 81 million in 1996.

Exports of services by U.S. firms supported 3.5 million U.S. jobs in 1994

- U.S. service exports have more than doubled over the last ten years, increasing \$135 billion since 1987, and \$84 billion just since 1990.
- In 1995, U.S. services exports accounted for 16 percent of global services exports; our closest competitors that year were France (8 percent), and Germany, Italy, Japan and the U.K. (Between 5 and 6 percent)
- With services exports estimated to reach \$300 billion by 2005 and \$350 billion by 2010, the future growth in services exports are tremendous. With the expanding electronic commerce market, the growth trend in the service sector may easily surpass these estimates.
- Take for example the healthcare 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.

Emerging markets are the fastest growing export markets

- U.S. exports to emerging markets have grown at impressive rates: nearly 30 percent to China, Taiwan and Korea; and over 20 percent to Hong Kong and Argentina.
- United States 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.
- The best prospects in South Africa include financial services and tourism -- with 20 percent growth per year (which will get another boost if the country is awarded the 2004 Olympics).

- In Korea, transportation services account for over 6 percent of GDP, with growth of over 15 percent annually during this decade.
- Korea has opened the private sector construction/engineering market and has also opened the public construction and engineering market to foreign company participation. These markets could reach over \$22 billion per year.

Unless negotiated away, barriers can inhibit increased U.S. exports

- Brazil has restrictive investment laws, lack of transparency in administrative procedures, and limits on foreign capital participation. The Constitution prohibits new foreign entries into the financial sector; the government reserves the right to refuse entry to managers or executives associated with providing a service if they do not provide new technology, increase productivity in Brazil, or attract new investment.
- In Korea, a number of service sectors remain restrictive to foreign investment, including audio-visual services, insurance, telecommunications, and advertising.
- Distribution in the domestic market is restricted in Indonesia. Under Thai law, foreigners are prohibited from working in certain professions; and Malaysia maintains restrictions on advertising and radio/tv content.
- India maintains a variety of restrictions on services operations: investments in insurance are prohibited (except in narrowly defined segments); in banking, they are severely regulated although U.S. firms are active in financial services with domestic firms.
- South Africa fails to provide adequate intellectual property rights with respect to franchising. The estimated market size of fast food franchising in South Africa is \$300 million.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation.

- To combat these problems, U.S. government and industry are attempting to pursue these issues in existing multilateral and regional fora, including the WTO, APEC, ASEAN Dialogue, and by enforcing U.S. trade laws.

FOREST PRODUCTS

America's forest products industry, with annual sales of \$199 billion, employs more than 1.3 million workers

- ☐ The U.S. forest products industry is one of the top ten U.S. manufacturing industries and is among the top ten manufacturing industries in 46 states.

Export markets are increasingly vital to U.S. forest products companies

- ☐ More than 60 percent of the industry's increased output is directly tied to increased exports.
- ☐ From 1986 to 1996, exports grew annually 11.5 percent to \$17.5 billion in 1996. Yet, domestic sales increased less than 2 percent annually.
- ☐ Exports accounted for an estimated 9 percent of the U.S. industry's product shipments in 1996 compared to only 5 percent in 1986.
- ☐ Future growth for the industry over the next five years is expected to be 2 percent in the United States, but 4 percent in U.S. exports of forest products.

Developing countries, particularly the Big Emerging Markets, hold the greatest promise for future economic growth

- ☐ U.S. exports of forest products to the BEMs in 1996 were \$3.7 billion, growing more than twice as fast as exports to the rest of the world.
- ☐ In the ASEAN countries, demand for imports is strong, especially in Indonesia which relies heavily upon paper pulp and waste paper imports (60 percent of which comes from the United States). Yet, Indonesia's wood product sector is heavily protected.
- ☐ South Africa imports about \$125 million per year in wood/paper products. Although the U.S. share is currently small but is expected to increase as the government moves to allow private sector equity participation in the state-owned forestry and forest products company. Tariffs range up to 30 percent. The EU is currently negotiating a preferential trade agreement with South Africa that could further disadvantage these exports.

The future growth in U.S. exports will depend on the further opening of key international markets, including Asian and Latin American countries

- ☐ U.S. producers face considerably higher market access barriers (both tariff and nontariff) in a number of key foreign markets.

- ☐ U.S. exports to India are minuscule (\$2 million), and tariffs are as high as 43 percent on paper/paper products.
- ☐ Developing countries have much higher tariffs than the U.S. average rate of less than 2 percent. For example, the import duty for ASEAN countries and South America averages 12 percent and 15 percent respectively.
- ☐ Prescriptive product standards, especially in developing countries, further inhibit expansion of forest products exports, especially for lumber and solid wood products.

Fast track to reduce trade barriers and expand international markets will be key to maintain U.S. competitiveness and innovation

- ☐ To combat these problems, U.S. government and industry are attempting to pursue these issues in existing multilateral and regional fora, including the WTO, APEC, ASEAN Dialogue, and by enforcing U.S. trade laws.
- ☐ The United States is supporting an APEC proposal under consideration that would eliminate tariffs on wood and paper products.

Competition doesn't wait for U.S. leadership

- ☐ The 13 percent U.S. share of the worldwide export market for forest products could be threatened if major European competitors (Finland and Sweden have 8 percent each of the world market) gain a competitive advantage through negotiation by the EU of preferential trade agreements with developing countries.
- ☐ Brazil is a major producer/exporter of products in this sector, including to the United States. Import tariffs range up to 2-16 percent while imports from Mercosur partners are zero.

THE WHITE HOUSE

Office of the Press Secretary

(Martha's Vineyard, Massachusetts)

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Saturday, August 23, 1997

RADIO ADDRESS OF THE PRESIDENT
TO THE NATION

Martha's Vineyard, Massachusetts

THE PRESIDENT: Good morning. Today I want to talk about the tools we need to keep our economy growing in a way that helps all our people to prosper and advances America's leadership in the world as we move into the 21st century.

For nearly five years now, we have pursued a new economic course for America, with three parts: eliminate the deficit, invest in education and training, and open new markets abroad for America's products and services. It is working. The American people are enjoying the longest period of sustained economic growth in a generation -- with 12 million new jobs, unemployment below five percent, core inflation at a 30-year low. Once again, America is the world's number one exporter, the world's largest producer of semiconductors, the world's largest producer of automobiles. 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. In 1993, we passed an economic plan that cut the deficit 75 percent in four years. And now we have a balanced budget with an historic focus on education and incentives to bring jobs to people and places that still don't have them.

But to keep America growing, to keep America leading, we have to continue to create high-wage jobs, and to do that, we must continue to expand American exports. After all, 95 percent of the world's consumers live beyond our borders. Already, over the last four years, more than 25 percent of our economic growth

has come from overseas trade. Now, that's a big reason more than half our new jobs in the last two years have paid above average wages, because export-related jobs pay, on average, about 15 percent more than non-export jobs. And today, our exports support more than 11 million good, high-paying American jobs, including one in five of our manufacturing jobs.

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 demand 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, our competitors have negotiated 20 trade agreements that do not include the United States.

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. And I'll keep working to strengthen retraining and educational opportunities for workers here. We have to pull together, not apart, to compete and win in the global economy.

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 our businesses are the best in the world, but they can't compete in the slow lane. I look forward to working closely with Congress to keep American prosperity on the fast track.

END

DRAFT

PAPERS, PUNDITS AND EXPERTS ON FAST TRACK

NATIONAL NEWSPAPERS ENDORSE FAST TRACK

***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]

In 1994 *New York Times* Said President Was Headed in the Right Direction on Trade

A 1994 *New York Times* editorial "A few quick victories could undermine protectionist opposition in Congress. That is important because Congress has so far blocked Mr. Clinton's request for 'fast track' status for future trade negotiations -- the procedure by which Congress agrees to vote on a trade proposal quickly and without amendment. Mr. Clinton needs 'fast track' if he is to secure the trade agreements called for in his economic strategy...Mr. Clinton is headed in the right direction." [*New York Times*, 11/7/94]

***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 Vitaly 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]

DEFT

Newsday Said Fast Track Promises Americans New Jobs and Higher Incomes

Newsday editorial: "But 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, 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

Florida *Sun-Sentinel* editorial: "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...That's why it's critical for Congress to be wise and think ahead, however strange and unusual those characteristics may be within our national legislative body, in moving swiftly but thoughtfully to provide a fast track." [Sun-Sentinel] (Fort 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 Said Fast Track Was Essential

Washington Times editorial: "Fast-track authority is essential because otherwise special interests can obstruct deals by attaching killer amendments they know will be unacceptable to our trading partners." [Washington Times, 6/24/97]

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

Arizona Republic editorial: "Before then [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. Detractors of NAFTA oppose fast track, just as they opposed NAFTA. Their arguments are weak and anachronistic." [*Arizona Republic*, 7/10/97]

PUNDITS AND EXPERTS ARGUE FOR FAST TRACK
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Glassman Said Fast-Track Is "Vital"

American Enterprise Institute fellow James Glassman: "In order to win agreements with those countries, Clinton needs 'fast-track' negotiating authority, so Congress can't delay the deals or add crippling amendments. Fast track is vital..." [*Washington Post*, 7/1/97]

Dr. Tyson Said Fast Track Would Enable the President to Break Down Trade Barriers

Former economic adviser to President Clinton and current University of California at Berkeley economics and business administration professor Laura D'Andrea Tyson: "With 95 percent of the world's consumers outside our borders, we must focus on breaking down barriers to trade abroad, not building them up at home. This requires that Congress grant President Clinton and his able trade representatives fast-track authority to negotiate tough, enforceable trade agreements." [*Washington Post*, 7/9/97]

Hughes CEO Armstrong Said President Clinton Has Strong Pro-export Record

Hughes Electronics CEO C. Michael Armstrong: "To its credit, the Clinton administration has compiled a strong pro-export policy record..." [*Arizona Republic*, 8/24/97]

Boston Globe's Oliphant Offered Two "Huge" Reasons for Fast Track

Boston Globe's Tom Oliphant: "Africa is now the second huge reason (the more advanced countries of South America are the first) for Congress to grant Clinton so-called 'fast-track' authority this fall to negotiate free trade agreements -- so-called because they must be approved or rejected as negotiated, with no room for congressional tinkering." [*Boston Globe*, 6/24/97]

Brookings' Lustig Said We Risk Falling Off Proverbial Bicycle Without Fast Track

Brookings Institution senior fellow Nora Claudia Lustig: "Now that the rest of the region is ready to move forward with economic integration, it is ironic that the United States, after decades of promoting the principle of free trade, appears hesitant. This image can only be removed if the Clinton administration moves forward with a request for fast-track negotiating authority and -- together with its two partners -- soon negotiates with Chile its accession into NAFTA. Going with free trade could well be like learning to ride the proverbial bicycle: Either we keep moving forward or we risk falling off." [*Brookings Policy Brief* No. 20, "NAFTA: Setting the Record Straight," 6/97]

PPI Backgrounder Called For Granting The President Fast Track

Rebecca Reynold Bannister in a Progressive Policy Institute backgrounder and based on a PPI study: "The United States needs to extend the principles embodied in NAFTA to its trade with the rest of the hemisphere. NAFTA partners Canada and Mexico are already doing so...To do this, Congress must give the President the tool that all previous presidents have had to continue to assert U.S. leadership in the world marketplace -- fast-track negotiating authority."

[“NAFTA: A Progressive Look at a Landmark Agreement after Three Years” by Rebecca Reynold Bannister (based on a forthcoming PPI Policy Report), 7/97]

Trade Expert Baer Said U.S. Would Lose Leverage Without Fast Track

Delal Baer, a trade expert with deep experience in the South America: "Without fast-track you have no leverage...The balance of power in terms of negotiating leverage is shifting from the United States to the southern cone because we don't bring anything to the table." [Copley News Service, 5/21/97]

Denying President Fast Track Would Be No Small International Embarrassment

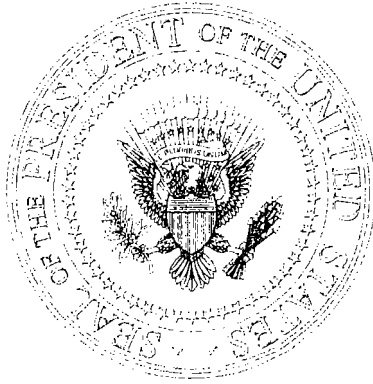
Journal of Commerce senior correspondent Richard Lawrence: "But there's hope. Congress may actually do something exciting in 1997. After years of hesitation, it may enact 'fast-track' legislation, giving the president broad trade negotiating authority for which he has long longed...[T]he president must have broad new negotiating authority. For Congress to give less would be no small international embarrassment -- to both Democrats and Republicans." [*Journal of Commerce*, 8/15/97]

KC Starr's McClanahan: Without Fast Track, Other Countries Will Steal Our Markets

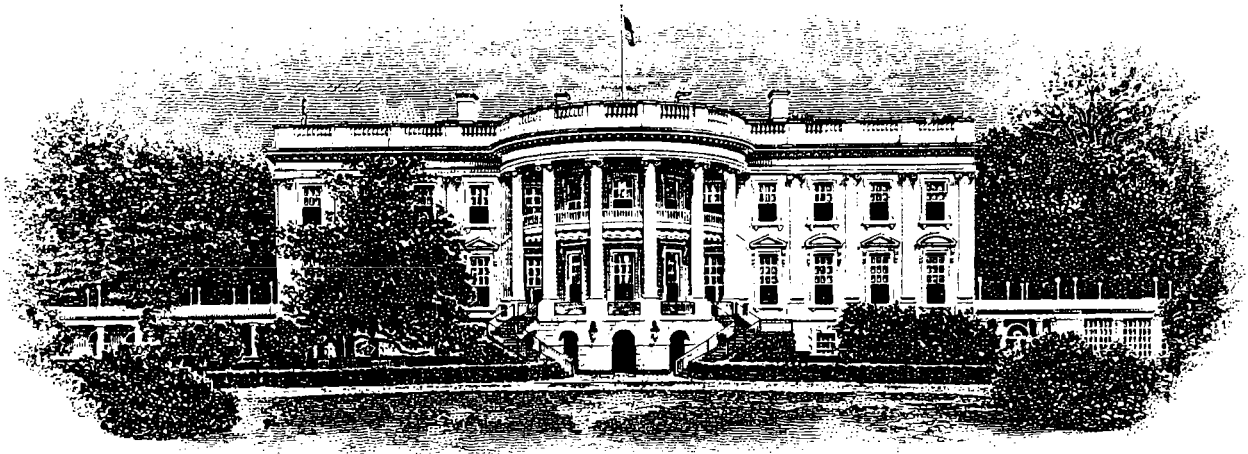
In his Op-Ed piece entitled "Fast-track follies: U.S. will lose lucrative markets if it doesn't move quickly," *Kansas City Starr* editorial staff member E. Thomas McClanahan wrote, "If the free-trade agenda stalls, we're going to wake up some day and discover that other countries have quietly stolen our markets -- not because of better products or more productive workers, but because too many people in our national capital couldn't be bothered. Make no mistake. If that happens, the cost will be both economic -- and political." [*Kansas City Star*, 7/29/97]

de Tocqueville Institution's Sobel Said Fast Track Necessary; Gives President Credibility

Alexis de Tocqueville Institution's Chairman of the Board Clifford M. Sobel: "First, the most important reason why fast track is necessary is that it gives the President of the United States the credibility to negotiate with foreign countries in good faith. Without fast track, it would be far more difficult for the President to conclude additional trade agreements..." [Sobel's testimony before Joint Hearings on Fast Track Negotiating Authority (as transcribed by the Federal News Service), 5/17/95]



The White House



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FAST TRACK AND INFORMATION TECHNOLOGY INDUSTRIES

The information technology industries are vital to the U.S. economy

- U.S. information technology companies have operations in all 50 states and generate over 3.5 million domestic jobs directly and indirectly; this sector provides predominantly high-wage employment.
- Information technology industries have become the back-bone of the U.S. and global economy. Information technology has become integrated into all modern business transactions and is an engine of growth in global trade.
- In 1996, U.S. shipments for computer hardware, telecom equipment and electronic components was \$166.4 billion.

U.S. manufacturers are global leaders

- Through diligent efforts to improve competitiveness, U.S. industry has taken back leadership in global market share, including: semiconductors, semiconductor manufacturing equipment, and printed circuit board production.
- Computer software alone, is the third largest manufacturing industry in the U.S. economy in terms of value-added and was estimated to be worth approximately \$66.8 billion in 1996.
- In 1996, U.S. telecom equipment shipments were valued at \$56 billion, accounting for one-third of world-wide shipments. One reason that U.S. telecommunications technology is so competitive is that the United States was the first country to open its market to competition in 1984.

Exports are an essential component of info-tech companies market strategy

- U.S. computer hardware, telecom equipment and electronic component companies exported an estimated \$90.9 billion in 1996. Info-tech companies as a whole export over one third of their production.
- Due to dramatic growth in technology markets world-wide, U.S. IT companies are becoming export dependent; thus, exports are vital to U.S. competitiveness.

Access to developing countries is critical to this strategy

- Emerging markets are the engine for future growth. Asia and Latin America technology markets, in particular, will continue to experience double digit growth rates, at least double the rate of U.S. and European markets.

- The fastest growing markets for U.S. information technology products include China, ASEAN, India, Brazil, South Korea, and Mexico.
- Brazil has the largest telecom sector in Latin America with a market worth nearly \$ 8 billion in 1996, however, tariff rates are up to 32 percent.

Tariffs and non-tariff measures block access to emerging markets

- Export growth would be greatly enhanced for all information technology products if tariff and non-tariff measures were reduced among U.S. trading partners through the broadening of agreements such as the recent Information Technology Agreement and/or regional agreements under APEC or the FTAA.
- Non-tariff measures (NTMs) are the most significant barriers to export growth of U.S. information technology products. The NTMs of principal concern to U.S. industry are:
 - Forced technology transfer requirements;
 - Intellectual property rights protection;
 - Local content requirements;
 - Import licensing quotas;
 - Value-added taxes;
 - Burdensome equipment certification requirements;
 - All discriminatory procurement practices by foreign governments, especially, practices by state-owned enterprises and/or formerly state-owned enterprises which remain subject to de facto state control
- Tariff levels globally for information technology products range from 4-10 percent—with the exception of tariffs of up to 50 percent on imports of satellites and large satellite components for assembly in Ukraine and Russia. Removal of tariffs represents significant savings to all info-tech producers, since margins between production costs and market prices are notoriously slim in most product segments.

Fast track will reduce trade barriers to expanding international markets which is key to maintaining U.S. competitiveness and innovation

- To combat these problems, U.S. government and industry are attempting to pursue these issues in existing multilateral and regional fora, including the WTO, APEC, ASEAN Dialogue, and by enforcing U.S. trade laws.
- U.S. info-tech companies place high priority on the implementation of tariff elimination under ITA-I. Additionally, they strongly support new and expanded coverage under ITA-II, such as expansion of product coverage and country signatories, and addressing the removal of NTMs.

Competition doesn't wait for U.S. leadership

- Since the Mercosur countries chose not to join the Information Technology Agreement, the FTAA is very important to U.S. IT companies. U.S. competitors are targeting Latin America as a market priority. Already, the European Union has signed a framework agreement with the Mercosur partners, which could give advantages to European products in the key emerging markets of Latin America.
- **U.S. firms are reporting difficulties in overcoming preferences granted in Central Europe to the European Union under its association agreements. These preferences arise in several countries and the situation could worsen once they are fully phased in. This can be particularly difficult in the technology sector, where for example, tariff preferences can be as high as 15 percent.**

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

September 16, 1997

TO THE CONGRESS OF THE UNITED STATES:

I am pleased to transmit a legislative proposal entitled the "Export Expansion and Reciprocal Trade Agreements Act of 1997." Also transmitted is a section-by-section analysis.

This proposal would renew over 60 years of cooperation between the Congress and the executive branch in the negotiation and implementation of market-opening trade agreements for the benefit of American workers and companies.

The sustained, robust performance of our economy over the past 5 years is powerful proof that congressional-executive cooperation works. We have made great strides together. We have invested in education and in health care for the American people. We have achieved an historic balanced budget agreement. At the same time, we have put in place trade agreements that have lowered barriers to American products and services around the world.

Our companies, farms, and working people have responded. Our economy has produced more jobs, more growth, and greater economic stability than at any time in decades. It has also generated more exports than ever before. Indeed, America's remarkable economic performance over the past 5 years has been fueled in significant part by the strength of our dynamic export sector. Fully 96 percent of the world's consumers live outside the United States. Many of our greatest economic opportunities today lie beyond our borders. The future promises still greater opportunities.

Many foreign markets, especially in the developing world, are growing at tremendous rates. Latin American and Asian economies, for example, are expected to expand at three times the rate of the U.S. economy over the coming years. Consumers and industries in these countries prize American goods, farm products, services, and the many expressions of American inventiveness and culture. While America is the world's greatest exporting nation, we need to do more if we want to continue to expand our own economy and produce good, high-wage jobs.

We have made real progress in breaking down barriers to American products around the world. But many of the nations with the highest growth rates almost invariably impose far higher trade barriers than we do. We need to level the playing field with those countries. They are the nations whose markets hold the greatest potential for American workers, firms, and agricultural producers.

Today, the United States is the world's strongest competitor. The strength of the U.S. economy over the past several years is testimony to the creativity, productivity, and ingenuity of American firms and workers. We cannot afford to squander our great advantages by retreating to the sidelines and watching other countries conclude preferential trade deals that shut out our goods and services. Over 20 such agreements have been concluded in Latin America and Asia alone since 1992. The United States must continue to shape and direct world trading rules that are in America's interest and that foster democracy and stability around the globe.

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I have pledged my Administration to this task, but I cannot fully succeed without the Congress at my side. We must work in partnership, together with the American people, in securing our country's future. The United States must be united when we sit down at the negotiating table. Our trading partners will only negotiate with one America -- not first with an American President and next with an American Congress.

The proposal I am sending you today ensures that the Congress will be a full partner in setting negotiating objectives, establishing trade priorities, and in gaining the greatest possible benefits through our trade agreements. The proposal expands upon previous fast-track legislation to ensure that the Congress is fully apprised and actively consulted throughout the negotiating process. I am convinced that this collaboration will strengthen both America's effectiveness and leverage at the bargaining table.

Widening the scope of consultations will also help ensure that we will take all of America's vital interests into account. That is particularly important because today our trade agreements address a wider range of activities than they once did. As we move forward with our trade agenda, we must continue to honor and reinforce the other values that make America an example for the world. I count chief among these values America's longstanding concern for the rights of workers and for protection of the environment. The proposal I am transmitting to you recognizes the importance of those concerns. It makes clear that the agreements we conclude should complement and reinforce those values.

Ever since President Franklin Roosevelt proposed and the Congress enacted America's first reciprocal trade act in the depths of the Great Depression, the Congress and the President have been united, on a bipartisan basis, in supporting a fair and open trading system. Our predecessors learned from direct experience the path to America's prosperity. We owe much of our own prosperity to their wisdom. I urge the Congress to renew our longstanding partnership by approving the proposal I have transmitted today.

WILLIAM J. CLINTON

THE WHITE HOUSE,
September 16, 1997.

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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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- 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.

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1996 STATE EXPORT DATA

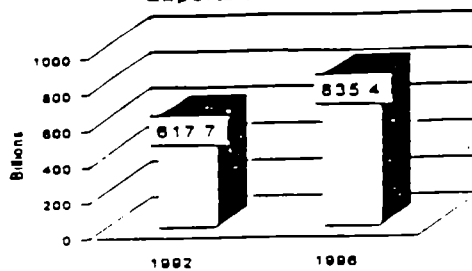
Prepared by the Office of U.S. Trade Representative

Sources: Massachusetts Institute of Social and Economic Research,
U.S. Department of Commerce, U.S. Department of Agriculture,
and U.S. Trade Representative

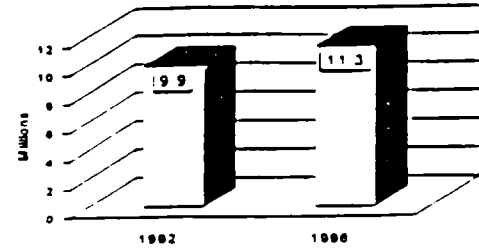
May 1, 1997

UNITED STATES EXPORTS

**UNITED STATES GOODS & SERVICES
Exports to World**



**UNITED STATES JOBS
Supported by Exports To World**

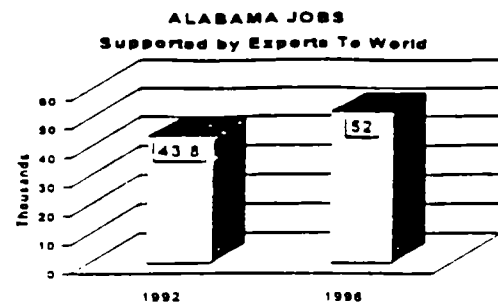
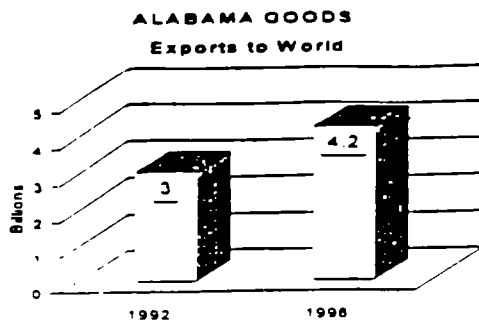


- The United States is the world's largest exporting country, recording goods and services exports totalling \$835.7 billion in 1996, up 35 percent (\$218 billion) from 1992. U.S. goods exports totaled \$611.7 billion in 1996, up 39 percent (\$171.5 billion) from 1992.
- Over 11.3 million U.S. jobs were supported by goods and services exports during 1996. U.S. jobs supported by goods and services exports grew an estimated 15 percent (1.5 million jobs) since 1992. Over 7.6 million U.S. jobs were supported by goods exports, up an estimated 16 percent (1.1 million jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, U.S. exports accounted for 19.4 percent of its manufacturing output and represented 18.6 percent of its total manufacturing employment.
- U.S. exports of manufactured products were up by 42 percent between 1992 and 1996 (from \$368.2 billion in 1992 to \$522.7 billion in 1996). U.S. exports of high technology products, a subcategory of manufactured products, increased by 45 percent between 1992 and 1996 (from \$107.1 billion in 1992 to \$154.9 billion in 1996).
- The five largest manufacturing sectors in terms of U.S. exports were: Industrial Machinery and Computers (\$112.0 billion of exports in 1996), Transportation Equipment (\$96.6 billion), Electronic and Electric Equipment (\$94.9 billion), Chemical Products (\$59.6 billion), and Scientific and Measuring Instruments (\$34.8 billion). These five sectors accounted for over 65 percent of the United States' total exports in 1996.
- Among the United States' fastest growing manufactured exports (in billions) were:

Sector	1992	1996	Change %
Electronic and Electric Equipment	\$52.9	\$94.9	79%
Industrial Machinery and Computers	74.0	112.0	51
Primary Metal Products	14.6	21.9	50
Scientific and Measuring Products	24.9	34.8	40

- The United States is the world's largest agricultural exporting country, shipping \$60.6 billion in agricultural exports abroad. The largest export categories, feed grains, soybeans, and wheat, accounted for 40 percent of the United States' agricultural exports in 1996.
- Total exports to NAFTA countries increased by 34 percent between 1993 (pre-NAFTA) and 1996 (from \$142.0 billion in 1993 to \$190.4 billion in 1996). During 1996, Canada was the United States' largest export market, while Mexico was the United States' third largest export market. Exports to Canada were up by 33 percent (\$33.2 billion), from \$100.4 billion in 1993 to \$133.7 billion in 1996. U.S. exports to Mexico were up by 37 percent (\$15.2 billion), from \$41.6 billion in 1993 to \$56.8 billion in 1996.
- During 1996, Japan was the United States' second largest export market. Total exports from the United States to Japan were up 41 percent (\$19.7 billion), from \$47.8 billion in 1992 to \$67.5 billion in 1996.
- Total exports from the United States to the European Union were up 18 percent (\$19.8 billion), from \$107.7 billion in 1992 to \$127.5 billion in 1996.

ALABAMA STATE EXPORTS

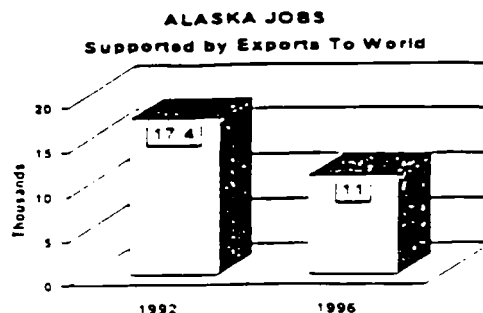
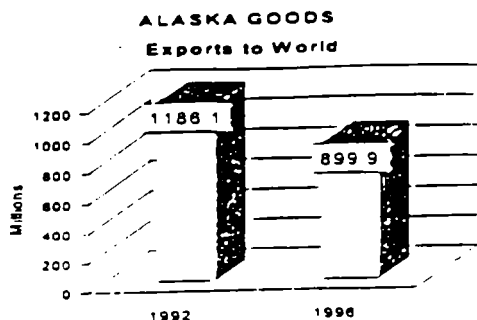


- Alabama recorded goods exports totaling \$4.2 billion in 1996, up 42 percent (\$1.3 billion) from 1993. During 1996, Alabama was the 29th largest state exporter of goods in the United States.
- Over 52,000 Alabama jobs were supported by goods exports during 1996. Alabama's jobs supported by goods exports grew an estimated 19 percent (8,199 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Alabama's exports accounted for 19.1 percent of its manufacturing output and represented 15.6 percent of its total manufacturing employment.
- Alabama's exports of manufactured products were up by 66 percent between 1993 and 1996 (from \$2.3 billion in 1993 to \$3.9 billion in 1996).
- The five largest manufacturing sectors in terms of Alabama's exports were: Electronic and Electric Equipment (\$852.3 million of exports in 1996), Transportation Equipment (\$579.7 million), Industrial Machinery and Computers (\$488.4 million), Paper Products (\$460.7 million), and Chemical Products (\$356.8 million). These five sectors accounted for 65 percent of the state's total exports in 1996.
- Among Alabama's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Transportation Equipment	\$250.2	\$579.7	132%
Electronic and Electric Equipment	419.1	852.3	103
Paper Products	270.7	460.7	70
Industrial Machinery and Computers	383.5	488.4	27

- Alabama is the country's 29th largest agricultural exporting state, shipping \$503 million in agricultural exports abroad in FY 1996. The two largest export categories, poultry and cotton and linters, accounted for 75 percent of Alabama's agricultural exports in FY 1996.
- Total exports from Alabama to NAFTA countries increased by 91 percent between 1993 (pre-NAFTA) and 1996 (from \$910.8 million in 1993 to \$1.7 billion in 1996). During 1996, Canada was Alabama's largest export market, while Mexico was Alabama's third largest export market. Exports to Canada were up by 98 percent (\$689 million) from \$705.9 million in 1993 to \$1.4 billion in 1996. Alabama's exports to Mexico were up by 69 percent (\$141 million), from \$204.8 million in 1993 to \$345.7 million in 1996.
- During 1996, Japan was Alabama's second largest export market. Total exports from Alabama to Japan were up 16 percent (\$54.2 million), from \$346.4 million in 1993 to \$400.6 million in 1996.
- Total exports from Alabama to the European Union were up 32 percent (\$211.4 million), from \$657.3 million in 1993 to \$868.7 million in 1996.

ALASKA STATE EXPORTS

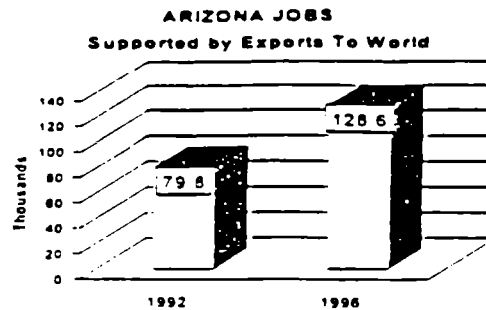
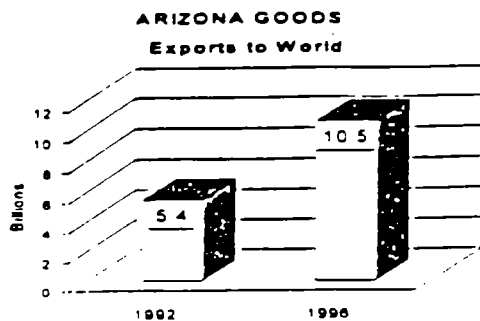


- Alaska recorded goods exports totaling \$899.9 million in 1996, down 24 percent (\$286.2 million) from 1992. During 1996, Alaska was the 44th largest state exporter of goods in the U.S.
- Over 11,000 Alaskan jobs were supported by exports during 1996. Alaska's jobs supported by goods exports declined an estimated 37 percent (6,367 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Alaska's exports accounted for 49.7 percent of its manufacturing output and represented 49.3 percent of its total manufacturing employment.
- Alaska's exports of manufactured products were down by 11 percent between 1993 and 1996 (from \$415.8 million in 1993 to \$371.8 million in 1996).
- The five largest manufacturing sectors in terms of Alaska's exports were: Paper Products (\$85.0 million of exports in 1996), Petroleum and Coal Products (\$63.3 million), Food Products (\$49.5 million), Lumber and Wood Products (\$48.4 million), and Transportation Equipment (\$32.7 million). These five sectors accounted for 31 percent of the state's total exports in 1996.
- Among Alaska's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Electronic and Electric Equipment	\$7.0	\$20.8	195%
Food Products	20.3	49.5	144
Industrial Machinery and Computers	16.8	30.6	81
Petroleum and Coal Products	35.4	63.3	79

- Alaska is the country's smallest agricultural exporting state, shipping approximately \$400 thousand in agricultural exports abroad in FY 1996.
- Total exports from Alaska to NAFTA countries increased by 84 percent between 1993 (pre-NAFTA) and 1996 (from \$107.2 million in 1993 to \$196.7 million in 1996). During 1996, Canada was Alaska's second largest export market, while Mexico was Alaska's 20th largest export market. Exports to Canada were up by 83 percent (\$88.6 million), from \$106.5 million in 1993 to \$195.1 million in 1996. Alaska's exports to Mexico were up by 117 percent (\$875 thousand), from \$0.7 million in 1993 to \$1.6 million in 1996.
- During 1996, Japan was Alaska's largest export market. Total exports from Alaska to Japan were, however, down 40 percent (\$194 million), to \$287.8 million in 1996.
- Total exports from Alaska to the European Union were up 44 percent (\$42.4 million), from \$95.6 million in 1993 to \$138.0 million in 1996.

ARIZONA STATE EXPORTS

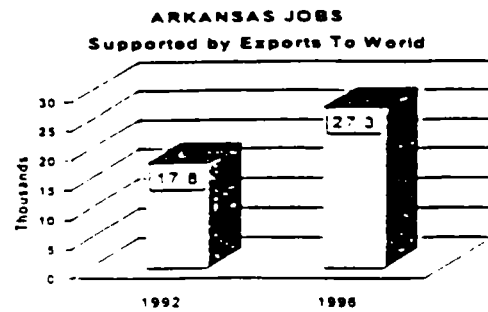
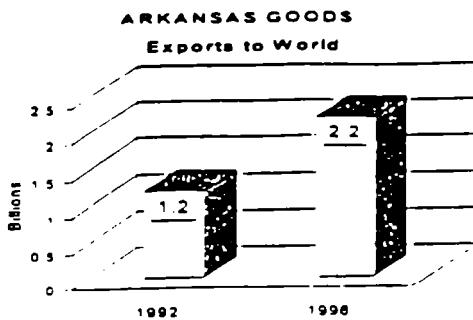


- Arizona recorded goods exports totaling \$10.5 billion in 1996, up 93 percent (\$5.0 billion) from 1992. During 1996, Arizona was the 18th largest state exporter of goods in the United States.
- Arizona's jobs supported by goods exports grew an estimated 61 percent (48,720 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Arizona's exports accounted for 23.0 percent of its manufacturing output and represented 20.8 percent of its total manufacturing employment.
- Arizona's exports of manufactured products were up by 72 percent between 1993 and 1996 (from \$5.8 billion in 1993 to \$10.1 billion in 1996).
- The five largest manufacturing sectors in terms of Arizona's exports were: Electronic and Electric Equipment (\$5.6 billion of exports in 1996), Industrial Machinery and Computers (\$1.2 billion), Transportation Equipment (\$1.0 billion), Scientific and Measuring Instruments (\$584.8 million), and Primary Metals (\$468.7 million). These five sectors accounted for 85 percent of the state's total exports in 1996.
- Among Arizona's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Electronic and Electric Equipment	\$2,940.7	\$5,612.2	91%
Transportation Equipment	620.5	1,041.9	68
Primary Metals	283.2	468.7	66
Scientific and Measuring Instruments	394.6	584.8	48

- Arizona is the country's 32nd largest agricultural exporting state, shipping \$426 million in agricultural exports abroad in FY 1996. The two largest export categories, cotton and linters and vegetables, accounted for over half of Arizona's agricultural exports in FY 1996.
- Total exports from Arizona to NAFTA countries increased by 52 percent between 1993 (pre-NAFTA) and 1996 (from \$1.8 billion in 1993 to \$2.8 billion in 1996). During 1996, Mexico was Arizona's largest export market, while Canada was Arizona's third largest export market. Exports to Mexico were up by 49 percent (\$555 million), from \$1.1 billion in 1993 to \$1.7 billion in 1996. Arizona's exports to Canada were up by 57 percent (\$401 million), from \$699.9 million in 1993 to \$1.1 billion in 1996.
- During 1996, Japan was Arizona's second largest export market. Total exports from Arizona to Japan were up 104 percent (\$719 million), from \$692 million in 1993 to \$1.4 billion in 1996.
- Total exports from Arizona to the European Union increased 54 percent (\$891 million), from \$1.7 billion in 1993 to \$2.5 billion in 1996.

ARKANSAS STATE EXPORTS

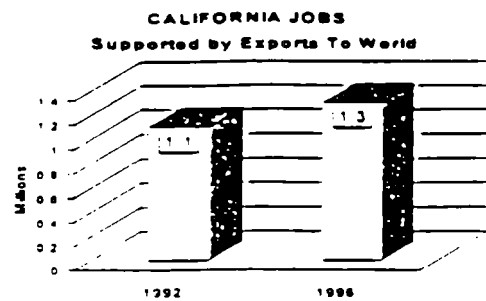
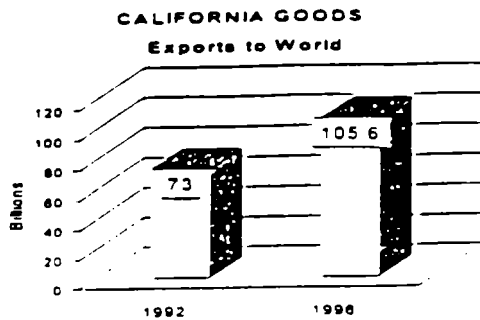


- Arkansas recorded goods exports totaling over \$2.2 billion in 1996, up 84 percent (\$1.0 billion) from 1992. During 1996, Arkansas was the 36th largest state exporter of goods in the United States.
- Arkansas' jobs supported by goods exports grew an estimated 54 percent (9,513 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Arkansas' exports accounted for 16.0 percent of its manufacturing output and represented 14.7 percent of its total manufacturing employment.
- Arkansas' exports of manufactured products were up by 82 percent between 1993 and 1996 (from \$1.2 billion in 1993 to \$2.1 billion in 1996).
- The five largest manufacturing sectors in terms of Arkansas' exports were: Food Products (\$952.3 million of exports in 1996), Chemical Products (\$237.1 million), Electronic and Electric Equipment (\$176.6), Industrial Machinery and Computers (\$174.1 million), and Transportation Equipment (\$150.6 million). These five sectors accounted for 76 percent of the state's total exports in 1996.
- Among Arkansas' fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Food Products	\$320.8	\$952.3	197%
Electronic and Electric Equipment	111.9	176.6	58
Chemical Products	190.4	237.1	25
Industrial Machinery and Computers	142.3	174.1	22

- Arkansas is the country's 11th largest agricultural exporting state, shipping \$1.7 billion in agricultural exports abroad or 3% of the U.S. total in FY 1996. The four largest export categories, Rice, Poultry, Soybeans, and Cotton and Linters, accounted for over 80 percent of Arkansas' agricultural exports in FY 1996.
- Total exports from Arkansas to NAFTA countries increased by 35 percent between 1993 (pre-NAFTA) and 1996 (from \$582.9 million in 1993 to \$784.6 million in 1996). During 1996, Canada was Arkansas' largest export market, while Mexico was Arkansas' fifth largest export market. Exports to Canada were up by 33 percent (\$165 million), from \$507.2 million in 1993 to \$672.2 million in 1996. Arkansas' exports to Mexico were up by 49 percent (\$37 million), from \$75.7 million in 1993 to \$112.4 million in 1996.
- During 1996, Japan was Arkansas' third largest export market. Total exports from Arkansas to Japan were up 14 percent (\$15 million), from \$114.7 million in 1993 to \$130.2 million in 1996.
- Total exports from Arkansas to the European Union were up 48 percent (\$91.5 million), from \$190.9 million in 1993 to \$282.4 million in 1996.

CALIFORNIA STATE EXPORTS

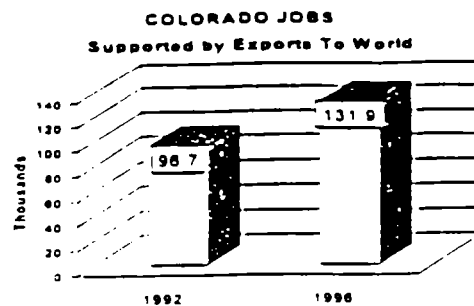
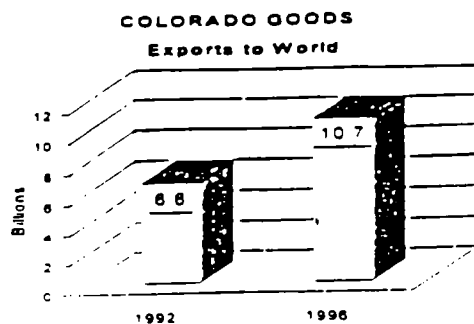


- California is the country's largest exporting state, recording goods exports totaling \$105.6 billion in 1996, up 45 percent (\$32.6 billion) from 1992.
- Nearly 1.3 million California jobs were supported by goods exports during 1996. California's jobs supported by goods exports grew an estimated 21 percent (224,405 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, California's exports accounted for 21.3 percent of its manufacturing output and represented 20.5 percent of its total manufacturing employment.
- California's exports of manufactured products were up by 48 percent between 1993 and 1996 (from \$67.1 billion in 1993 to \$99.4 billion in 1996).
- The five largest manufacturing sectors in terms of California's exports were: Electronic and Electric Equipment (\$28.6 billion of exports in 1996), Industrial Machinery and Computers (\$27.3 billion), Transportation Equipment (\$12.0 billion), Scientific and Measuring Instruments (\$8.0 billion), and Food Products (\$5.6 billion). These five sectors accounted for over 77 percent of the state's total exports in 1996.
- Among California's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Electronic and Electric Equipment	\$16.2	\$28.6	76%
Industrial Machinery and Computers	17.0	27.3	60
Scientific and Measuring Instruments	5.1	8.0	56
Chemical Products	2.5	3.5	40

- California is the country's largest agricultural exporting state, shipping \$7.3 billion in agricultural exports abroad or 12% of the U.S. total in FY 1996. The largest export categories, vegetables, fruit, and tree nuts, accounted for over 63 percent of California's agricultural exports in FY 1996.
- Total exports from California to NAFTA countries increased by 52 percent between 1993 (pre-NAFTA) and 1996 (from \$13.3 billion in 1993 to \$20.2 billion in 1996). During 1996, Canada was California's second largest export market, while Mexico was California's third largest export market. Exports to Canada were up by 49 percent (\$3.7 billion), from \$7.6 billion in 1993 to \$11.3 billion in 1996. California's exports to Mexico were up by 55 percent (\$3.2 billion), from \$5.7 billion in 1993 to \$8.9 billion in 1996.
- During 1996, Japan was California's largest export market. Total exports from California to Japan were up 72 percent (\$8.6 billion), from \$11.9 billion in 1993 to \$20.5 billion in 1996.
- Total exports from California to the European Union were up 27 percent (\$4.2 billion), from \$13.8 billion in 1993 to \$20.0 billion in 1996.

COLORADO STATE EXPORTS

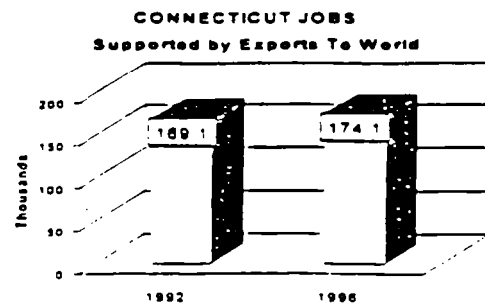
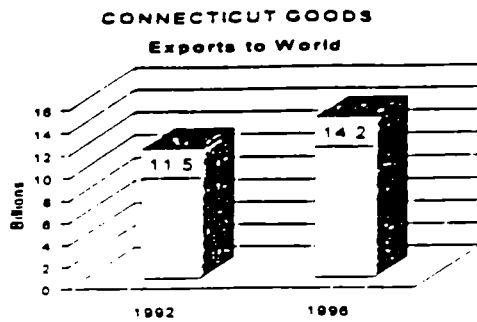


- Colorado recorded goods exports totaling \$10.7 billion in 1996, up 63 percent (\$4.2 billion) from 1992. During 1996, Colorado was the 17th largest state exporter of goods.
- Colorado's jobs supported by goods exports grew an estimated 37 percent (33,287 jobs) since 1993. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Colorado's exports accounted for 16.9 percent of its manufacturing output and represented 18.2 percent of its total manufacturing employment.
- Colorado's exports of manufactured products were up by 61 percent between 1993 and 1996 (from \$6.5 billion in 1993 to \$10.5 billion in 1996).
- The five largest manufacturing sectors in terms of Colorado's exports were: Industrial Machinery and Computers (\$6.0 billion of exports in 1996), Electronic and Electric Equipment (\$2.1 billion), Scientific and Measuring Instruments (\$742.0 million), Food Products (\$636.6 million), and Metal Products (\$195.7 million). These five sectors accounted for 90 percent of the state's total exports in 1996.
- Among Colorado's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Fabricated Metal Products	\$71.6	\$195.7	173%
Food Products	290.8	636.6	119
Electronic and Electric Equipment	1,257.8	2,112.9	68
Industrial Machinery and Computers	3,661.0	5,975.4	63

- Colorado is the country's 20th largest agricultural exporting state, shipping \$1.1 billion in agricultural exports abroad or 1.8% of the U.S. total in FY 1996. The largest export categories, Live Animals and Meat (excluding poultry), Wheat, Feed Grains and Hides & Skins, accounted for 79 percent of Colorado's agricultural exports in FY 1996.
- Total exports from Colorado to NAFTA countries increased by 21 percent between 1993 (pre-NAFTA) and 1996 (from \$1.4 billion in 1993 to \$1.7 billion in 1996). During 1996, Mexico was Colorado's second largest export market, while Canada was Colorado's fifth largest export market. Exports to Mexico were up by 57 percent (\$369 million), from \$646.9 million in 1993 to \$1.0 billion in 1996. Colorado's exports to Canada were down by 10 percent (\$74 million), to \$680.9 million in 1996.
- During 1996, Japan was Colorado's largest export market. Total exports from Colorado to Japan were up nearly 54 percent (\$573 million), from \$1.1 billion in 1993 to \$1.6 billion in 1996.
- Total exports from Colorado to the European Union were up 64 percent (\$1.5 billion), from \$2.4 billion in 1993 to \$3.9 billion in 1996.

CONNECTICUT STATE EXPORTS

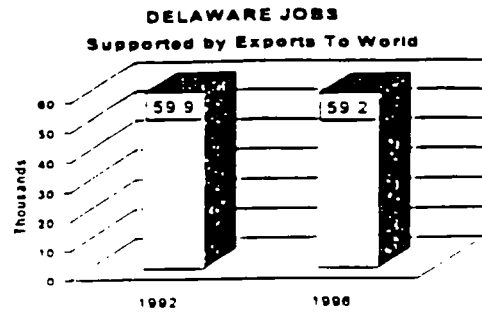
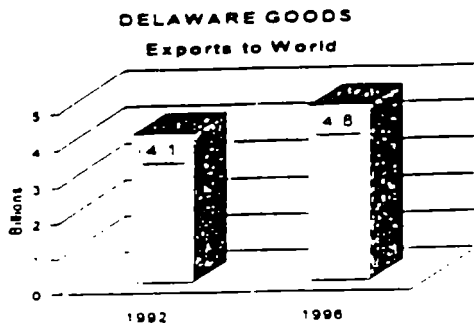


- Connecticut recorded goods exports totaling \$14.2 billion in 1996, up 23 percent (\$2.7 billion) from 1992. During 1996, Connecticut was the 13th largest state exporter of goods.
- Connecticut's jobs supported by goods exports grew an estimated 3 percent (4,968 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Connecticut's exports accounted for 25.9 percent of its manufacturing output and represented 24.2 percent of its total manufacturing employment.
- Connecticut's exports of manufactured products were up by 24 percent between 1993 and 1996 (from \$8.7 billion in 1993 to \$10.7 billion in 1996).
- The five largest manufacturing sectors in terms of Connecticut's exports were: Chemical Products (\$3.1 billion of exports in 1996), Transportation Equipment (\$2.0 billion), Industrial Machinery and Computers (\$920.1 million), Electronic and Electric Equipment (\$817.5 million), and Paper Products (\$695.1 million). These five sectors accounted for over half of the state's total exports in 1996.
- Among Connecticut fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Food Products	\$234.6	\$444.2	89%
Petroleum and Coal Products	387.2	586.4	51
Chemical Products	2,245.9	3,147.6	40
Paper Products	506.1	695.1	37

- Connecticut is the country's 42nd largest agricultural exporting state, shipping \$43 million in agricultural exports abroad in FY 1996.
- Total exports from Connecticut to NAFTA countries increased by 18 percent between 1993 (pre-NAFTA) and 1996 (from \$2.0 billion in 1993 to \$2.4 billion in 1996). During 1996, Canada was Connecticut's largest export market, while Mexico was Connecticut's sixth largest export market. Exports to Canada were up by 10 percent (\$174 million) from \$1.7 billion in 1993 to \$1.8 billion in 1996. Connecticut's exports to Mexico were up by 54 percent (\$197 million), from \$363.6 million in 1993 to \$560.9 million in 1996.
- During 1996, Japan was Connecticut's second largest export market. Total exports from Connecticut to Japan were up 30 percent (\$281 million), from 950.8 million in 1993 to \$1.2 billion in 1996.
- Total exports from Connecticut to the European Union were up 28 percent (\$795 million), from \$2.8 billion in 1993 to \$3.6 billion in 1996.

DELAWARE STATE EXPORTS

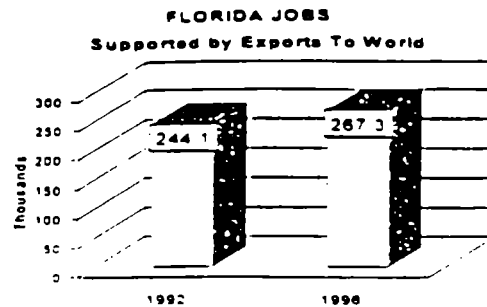
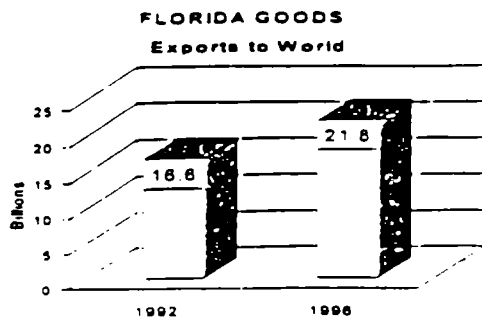


- Delaware recorded goods exports totaling \$4.8 billion in 1996, up 18 percent (\$745 million) from 1992. During 1996, Delaware was the 28th largest state exporter of goods.
- Delaware's jobs supported by goods exports declined an estimated 1 percent (676 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Delaware's exports accounted for 17.1 percent of its manufacturing output and represented 19.9 percent of its total manufacturing employment.
- Delaware's exports of manufactured products were up by 33 percent between 1993 and 1996 (from \$3.6 billion in 1993 to \$4.7 billion in 1996).
- The five largest manufacturing sectors in terms of Delaware's exports were: Chemical Products (\$3.4 billion of exports in 1996), Rubber and Miscellaneous Plastics (\$407.7 million), Scientific and Measuring Instruments (\$307.1 million), Textile Mill Products (\$133.6 million), and Industrial Machinery and Computers (\$80.6 million). These five sectors accounted for 90 percent of the state's total exports in 1996. The Chemical Products sector alone accounted for over 70 percent of Delaware's total exports.
- Among Delaware's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Stone, Clay, and Glass Products	\$21.8	\$49.5	127%
Paper Products	26.0	38.6	126
Primary Metals	21.3	44.5	109
Chemical Products	2,431.8	3,413.4	40

- Delaware is the country's 38th largest agricultural exporting state, shipping \$120 million in agricultural exports abroad in FY 1996. Delaware's largest agriculture export category, poultry, accounted for 77 percent of Delaware's agricultural exports in FY 1996.
- Total exports from Delaware to NAFTA countries increased by 25 percent between 1993 (pre-NAFTA) and 1996 (from \$849.7 million in 1993 to \$1.1 billion in 1996). During 1996, Canada was Delaware's largest export market, while Mexico was Delaware's fourth largest export market. Exports to Canada were up by 14 percent (\$93 million), from \$670.2 million in 1993 to \$763.2 million in 1996. Delaware's exports to Mexico were up by 66 percent (\$118 million), from \$179.5 million in 1993 to \$297.1 million in 1996.
- During 1996, Japan was Delaware's third largest export market. Total exports from Delaware to Japan were up 33 percent (\$112 million), from \$345.8 million in 1993 to \$458.3 million in 1996.
- Total exports from Delaware to the European Union were up 47 percent (\$488 million), from \$1.0 billion in 1993 to \$1.5 billion in 1996.

FLORIDA STATE EXPORTS

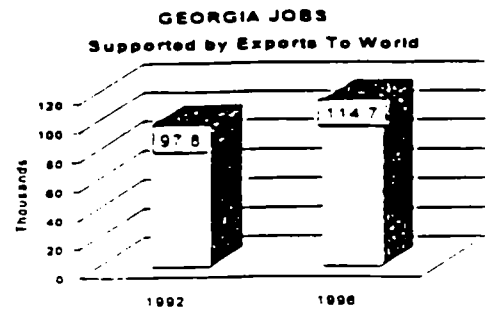
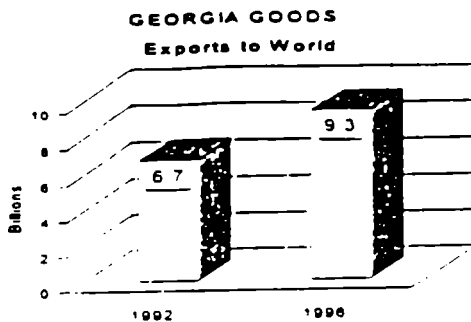


- Florida is the country's eighth largest exporting state, recording goods exports totaling \$21.8 billion in 1996, up 31 percent (\$5.1 billion) from 1992.
- Florida's jobs supported by goods exports grew an estimated 10 percent (23,165 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Florida's exports accounted for 20.0 percent of its manufacturing output and represented 17.9 percent of its total manufacturing employment.
- Florida's exports of manufactured products were up by 35 percent between 1993 and 1996 (from \$15.2 billion in 1993 to \$20.5 billion in 1996).
- The five largest manufacturing sectors in terms of Florida's exports were: Industrial Machinery and Computers (\$5.3 billion of exports in 1996), Electronic and Electric Equipment (\$3.6 billion), Transportation Equipment (\$2.6 billion), Chemical Products (\$2.1 billion), and Scientific and Measuring Instruments (\$1.6 billion). These five sectors accounted for nearly 70 percent of the state's total exports in 1996.
- Among Florida's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Industrial Machinery and Computers	\$3.2	\$5.3	64%
Chemical Products	1.4	2.1	53
Electronic and Electric Equipment	2.4	3.6	49
Scientific and Measuring Instruments	1.2	1.6	37

- Florida is the country's 17th largest agricultural exporting state, shipping \$1.2 billion in agricultural exports abroad or 2% of the U.S. total in FY 1996. The largest export category, fruit, accounted for over half of Florida's agricultural exports during FY 1996.
- Total exports from Florida to NAFTA countries decreased by 7 percent between 1993 (pre-NAFTA) and 1996 (from \$2.8 billion in 1993 to \$2.6 billion in 1996). During 1996, Canada was Florida's second largest export market, while Mexico was Florida's fifth largest export market. Exports to Canada were down by 8 percent (\$145.8 million), to \$1.8 billion in 1996. Florida's exports to Mexico were down by 4 percent (\$38.9 million), to \$72.4 million in 1996.
- During 1996, Japan was Florida's 10th largest export market. Total exports from Florida to Japan were up 59 percent (\$213 million), from \$363.2 million in 1993 to \$576.6 million in 1996.
- Total exports from Florida to the European Union were up 48 percent (\$1.0 million), from \$2.1 billion in 1993 to \$3.2 billion in 1996.

GEORGIA STATE EXPORTS

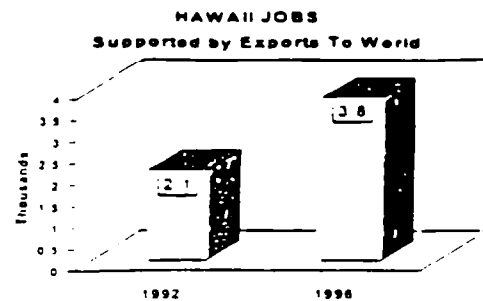
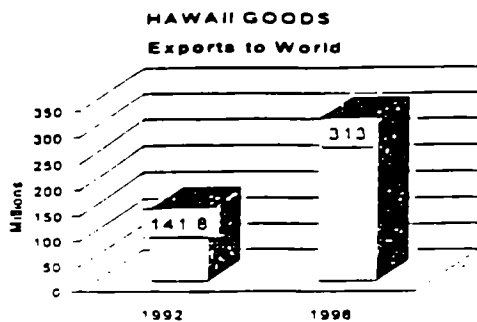


- Georgia recorded goods exports totaling \$9.3 billion in 1996, up 40 percent (\$2.7 billion) from 1992. During 1996, Georgia was the 20th largest state exporter of goods.
- Georgia's jobs supported by goods exports grew an estimated 17 percent (16,885) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Georgia's exports accounted for 15.7 percent of its manufacturing output and represented 14.8 percent of its total manufacturing employment.
- Georgia's exports of manufactured products were up by 45 percent between 1993 and 1996 (from \$6.1 billion in 1993 to \$8.8 billion in 1996)
- The five largest manufacturing sectors in terms of Georgia's exports were: Industrial Machinery and Computers (\$1.4 billion of exports in 1996), Paper Products (\$980.3 million), Electronic and Electric Equipment (\$909.7 million), Food Products (\$896.0 million), and Chemical Products (\$876.9 million). These five sectors accounted for 54 percent of the state's total exports in 1996.
- Among Georgia's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Food Products	\$344.9	\$896.0	160%
Paper Products	\$17.9	\$980.3	89
Chemical Products	\$500.9	\$876.9	75
Industrial Machinery and Computers	\$70.8	\$1,384.0	59

- Georgia is the country's 16th largest agricultural exporting state, shipping \$1.3 billion in agricultural exports abroad or 2% of the U.S. total in FY 1996. The largest export categories, poultry, cotton and linters, and peanuts, accounted for 64 percent of Georgia's agricultural exports in FY 1996
- Total exports from Georgia to NAFTA countries increased by 33 percent between 1993 (pre-NAFTA) and 1996 (from \$2.0 billion in 1993 to \$2.7 billion in 1996). During 1996, Canada was Georgia's largest export market, while Mexico was Georgia's third largest export market. Exports to Canada were up by 26 percent (\$425 million), from \$1.7 billion in 1993 to \$2.1 billion in 1996. Georgia's exports to Mexico were up by 64 percent (\$232 million), from \$360.5 million in 1993 to \$592.0 million in 1996.
- During 1996, Japan was Georgia's second largest export market. Total exports from Georgia to Japan were up 34 percent (\$149 million), from \$446.1 million in 1993 to \$595.4 million in 1996.
- Total exports from Georgia to the European Union were up 34 percent (\$489 million), from \$1.4 billion in 1993 to \$1.9 billion in 1996.

HAWAII STATE EXPORTS

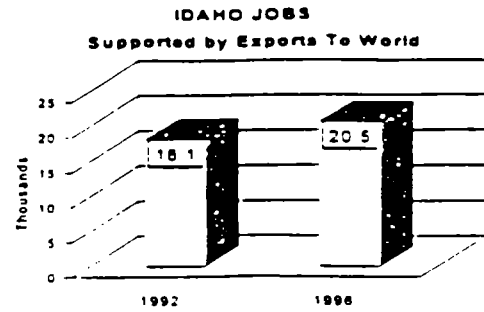
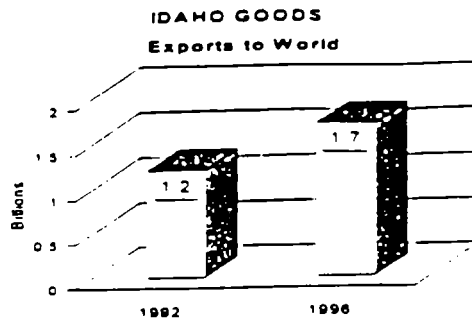


- Hawaii recorded goods exports totaling \$313.0 million in 1996, up 121 percent (\$171.2 million) from 1992. During 1996, Hawaii was the second smallest state exporter of goods.
- Hawaii's jobs supported by goods exports grew an estimated 85 percent (1,761 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Hawaii's exports accounted for 16.3 percent of its manufacturing output and represented 14.0 percent of its total manufacturing employment.
- Hawaii's exports of manufactured products were up by 45 percent between 1993 and 1996 (from 181.6 million in 1993 to \$262.7 million in 1996).
- The five largest manufacturing sectors in terms of Hawaii's exports were: Petroleum and Coal Products (\$71.8 million of exports in 1996), Food Products (\$38.5 million), Transportation Equipment (\$23.9 million), Scientific and Measuring Instruments (\$18.2 million), and Chemical Products (\$16.1 million). These five sectors accounted for 54 percent of the state's total exports in 1996.
- Among Hawaii fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Chemical Products	\$4.0	\$16.1	302%
Petroleum and Coal Products	19.0	71.8	279
Electronic and Electric Equipment	7.0	15.7	125
Scientific and Measuring Industries	8.7	18.2	109

- Hawaii is the country's 39th largest agricultural exporting state, shipping \$113 million in agricultural exports abroad in FY 1996. The largest export category, fruits, accounted for over half of Hawaii's agricultural exports in FY 1996.
- Total exports from Hawaii to NAFTA countries increased by 306 percent between 1993 (pre-NAFTA) and 1996 (from \$19.1 million in 1993 to \$77.5 million in 1996). During 1996, Canada was Hawaii's second largest export market, while Mexico was Hawaii's 19th largest export market. Exports to Canada were up by 31.1 percent (\$58 million), from \$18.7 million in 1993 to \$76.7 million in 1996. Hawaii's exports to Mexico were up by 95 percent (\$386 thousand), from \$408 thousand in 1993 to \$794 thousand in 1996.
- During 1996, Japan was Hawaii's largest export market. Total exports from Hawaii to Japan were up 67 percent (\$67 million), from \$99.8 million in 1993 to \$166.5 million in 1996.
- Total exports from Hawaii to the European Union were up 12 percent (\$1.1 million), from \$8.5 million in 1993 to \$9.5 million in 1996.

IDAHO STATE EXPORTS

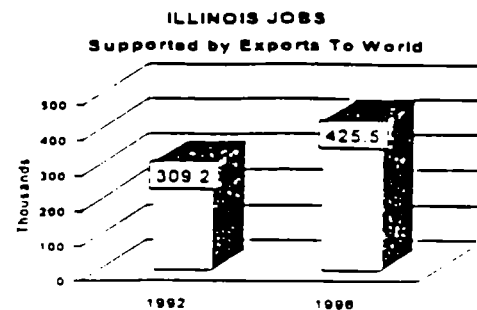


- Idaho recorded goods exports totaling \$1.7 billion in 1996, up 35 percent (\$436 million) from 1992. During 1996, Idaho was the 38th largest state exporter of goods.
- Idaho's jobs supported by goods exports grew an estimated 13 percent (2,388 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Idaho's exports accounted for 28.8 percent of its manufacturing output and represented 22.0 percent of its total manufacturing employment.
- Idaho's exports of manufactured products were up by 30 percent between 1993 and 1996 (from \$1.2 billion in 1993 to \$1.6 billion in 1996).
- The five largest manufacturing sectors in terms of Idaho's exports were: Industrial Machinery and Computers (\$647.8 million of exports in 1996), Electronic and Electric Equipment (\$445.8 million), Food Products (\$234.9 million), Chemical Products (\$59.4 million) and Lumber and Wood Products (\$50.4 million). These five sectors accounted for over 85 percent of the state's total exports in 1996.
- Among Idaho's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Food Products	\$136.3	\$234.9	72%
Electronic and Electric Equipment	345.5	445.8	29
Industrial Machinery and Computers	527.0	647.8	23
Chemical Products	50.8	59.4	17

- Idaho is the country's 22nd largest agricultural exporting state, shipping \$901 million in agricultural exports abroad in FY 1996. The largest export categories, vegetables and wheat, accounted for 61 percent of Idaho's agricultural exports in FY 1996.
- Total exports from Idaho to NAFTA countries increased by 46 percent between 1993 (pre-NAFTA) and 1996 (from \$227.7 million in 1993 to \$331.6 million in 1996). During 1996, Canada was Idaho's second largest export market, while Mexico was Idaho's 10th largest export market. Exports to Canada were up by 56 percent (\$105 million), from \$185.4 million in 1993 to \$290.1 million in 1996. Idaho's exports to Mexico were down by 2 percent (\$732 million), to \$41.6 million in 1996.
- During 1996, Japan was Idaho's largest export market. Total exports from Idaho to Japan were up 8 percent (\$25 million), from \$293.7 million in 1993 to \$318.4 million in 1996.
- Total exports from Idaho to the European Union were up 3 percent (\$11 million), from \$388.0 million in 1993 to \$399.1 million in 1996.

ILLINOIS STATE EXPORTS

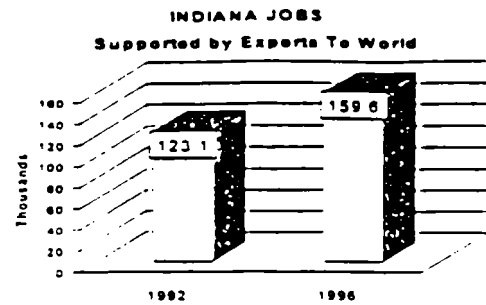
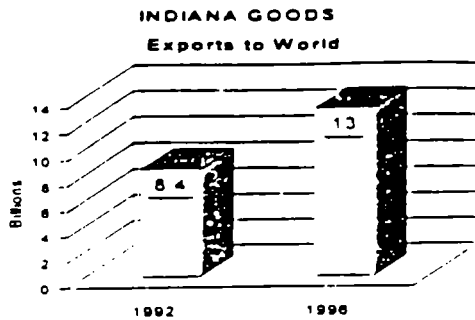


- Illinois recorded goods exports totaling \$34.7 billion in 1996, up 65 percent (\$13.6 billion) from 1992. During 1996, Illinois was the fifth largest state exporter of goods.
- Illinois' jobs supported by goods exports grew an estimated 38 percent (116,217 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Illinois exports accounted for 18.0 percent of its manufacturing output and represented 18.6 percent of its total manufacturing employment.
- Illinois' exports of manufactured products were up by 53 percent between 1993 and 1996 (from \$20.3 billion in 1993 to \$31.0 billion in 1996).
- The five largest manufacturing sectors in terms of Illinois' exports were: Industrial Machinery and Computers (\$8.9 billion of exports in 1996), Electronic and Electric Equipment (\$6.9 billion), Chemical Products (\$4.5 billion), Transportation Equipment (\$2.5 billion), and Food Products (\$1.7 billion). These five sectors accounted for 70 percent of the state's total exports in 1996.
- Among Illinois' fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Electronic and Electric Equipment	\$4.0	\$6.9	72%
Transportation Equipment	1.7	2.5	50
Industrial Machinery and Computers	6.0	8.9	49
Chemical Products	3.1	4.5	44

- Illinois is the country's third largest agricultural exporting state, shipping nearly \$4 billion in agricultural exports abroad or 6.7% of the U.S. total in FY 1996. The largest export categories, feed grains and soybeans, accounted for over 75 percent of Illinois' agricultural exports in FY 1996.
- Total exports from Illinois to NAFTA countries increased by 36 percent between 1993 (pre-NAFTA) and 1996 (from \$6.9 billion in 1993 to \$9.4 billion in 1996). During 1996, Canada was Illinois' largest export market, while Mexico was Illinois' third largest export market. Exports to Canada were up by 37 percent (\$2.0 billion) from \$5.3 billion in 1993 to \$7.3 billion in 1996. Illinois' exports to Mexico were up by 34 percent (\$516 million), from \$1.5 billion in 1993 to \$2.0 billion in 1996.
- During 1996, Japan was Illinois' second largest export market. Total exports from Illinois to Japan were up 37 percent (\$1.1 billion), from \$2.0 billion in 1993 to \$3.1 billion in 1996.
- Total exports from Illinois to the European Union were up 62 percent (\$3.3 billion), from \$5.3 billion in 1993 to \$8.6 billion in 1996.

INDIANA STATE EXPORTS

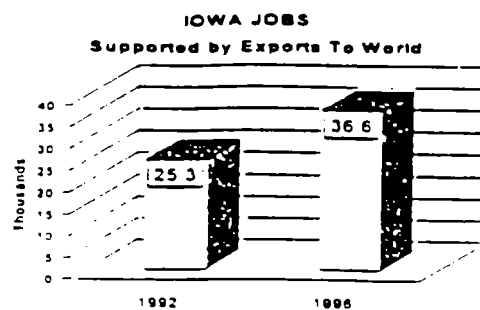
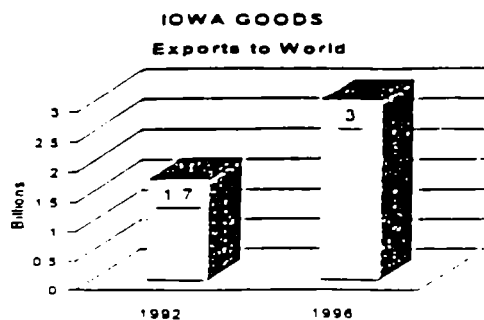


- Indiana recorded goods exports totaling \$13.0 billion in 1996, up 55 percent (\$4.6 billion) from 1992. During 1996, Indiana was the 14th largest state exporter of goods.
- Indiana's jobs supported by goods exports grew an estimated 30 percent (36,451 jobs) since 1992. Export-related jobs pay 12 to 16 percent higher than the national average.
- In 1991, the latest year available, Indiana's exports accounted for 18.1 percent of its manufacturing output and represented 17.8 percent of its total manufacturing employment.
- Indiana's exports of manufactured products were up by 30 percent between 1993 and 1996 (from \$9.8 billion in 1993 to \$12.8 billion in 1996).
- The five largest manufacturing sectors in terms of Indiana's exports were: Electronic and Electric Equipment (\$2.7 billion of exports in 1996), Transportation Equipment (\$2.7 billion), Chemical Products (\$2.1 billion), Industrial Machinery and Computers (\$2.0 billion), and Scientific and Measuring Instruments (\$0.9 billion). These five sectors accounted for 80 percent of the state's total exports in 1996.
- Among Indiana's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Primary Metal Industries	\$0.3	\$0.5	102%
Electronic and Electric Equipment	1.7	2.7	64
Chemical Products	1.3	2.1	64
Industrial Machinery and Computers	1.4	2.0	43

- Indiana is the country's eighth largest agricultural exporting state, shipping over \$2 billion in agricultural exports abroad or 3.4 percent of the U.S. total in FY 1996. Indiana's largest agriculture export categories, feed grains and soybeans, accounted for over 75 percent of Indiana's agricultural exports in FY 1996.
- Total exports from Indiana to NAFTA countries increased by 13 percent between 1993 (pre-NAFTA) and 1996 (from \$6.8 billion in 1993 to \$7.7 billion in 1996). During 1996, Canada was Indiana's largest export market, while Mexico was Indiana's second largest export market. Exports to Canada were down by 10 percent (\$555 million), to \$5.0 billion in 1996. Indiana's exports to Mexico were up by 117 percent (\$1.5 billion), from \$1.2 billion in 1993 to \$2.7 billion in 1996.
- During 1996, Japan was Indiana's third largest export market. Total exports from Indiana to Japan were up 53 percent (\$270 million), from \$509.1 million in 1993 to \$778.8 million in 1996.
- Total exports from Indiana to the European Union were up 60 percent (\$858 million), from \$1.4 billion in 1993 to \$2.3 billion in 1996.

IOWA STATE EXPORTS

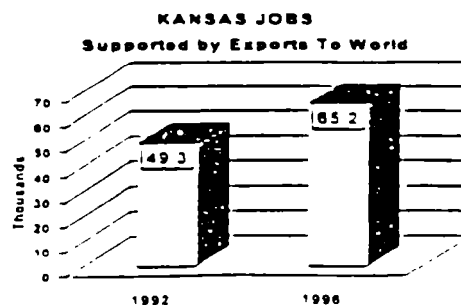
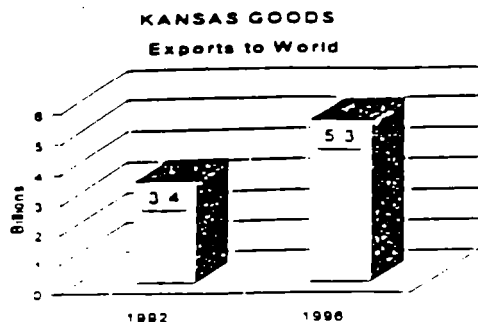


- Iowa recorded goods exports totaling \$3.0 billion in 1996, up 75 percent (\$1.3 billion) from 1992. During 1996, Iowa was the 32nd largest state exporter of goods.
- Iowa's jobs supported by goods exports grew an estimated 45 percent (11,286 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Iowa's exports accounted for 14.6 percent of its manufacturing output and represented 14.9 percent of its total manufacturing employment.
- Iowa's exports of manufactured products were up by 37 percent between 1993 and 1996 (from \$2.0 billion in 1993 to \$2.8 billion in 1996).
- The five largest manufacturing sectors in terms of Iowa's exports were: Industrial Machinery and Computers (\$787.0 million of exports in 1996), Food Products (\$330.9 million), Electronic and Electric Equipment (\$312.4 million), Transportation Equipment (\$252.6 million), and Scientific and Measuring Instruments (\$228.7 million). These five sectors accounted for over 64 percent of the state's total exports in 1996.
- Among Iowa's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Industrial Machinery and Computers	\$463.4	\$787.0	70%
Food Products	219.6	330.9	51
Chemical Products	114.3	167.4	46
Scientific and Measuring Equipment	161.4	228.7	42

- Iowa is the country's second largest agricultural exporting state, shipping \$4.7 billion in agricultural exports abroad or 7.8% of the U.S. total in FY 1996. The largest export categories, feed grains and soybean, accounted for 75 percent of Iowa's agricultural exports in FY 1996.
- Total exports from Iowa to NAFTA countries increased by 35 percent between 1993 (pre-NAFTA) and 1996 (from \$1.2 billion in 1993 to \$1.6 billion in 1996). During 1996, Canada was Iowa's largest export market, while Mexico was Iowa's third largest export market. Exports to Canada were up by 33 percent (\$353 million) from \$1.1 billion in 1993 to \$1.4 billion in 1996. Iowa's exports to Mexico were up by 61 percent (\$52 million), from \$84.8 million in 1993 to \$136.7 million in 1996.
- During 1996, Japan was Iowa's second largest export market. Total exports from Iowa to Japan were up 52 percent (\$74 million), from \$91.0 million in 1993 to \$165.4 million in 1996.
- Total exports from Iowa to the European Union were up 30 percent (\$125 million), from \$411.7 million in 1993 to \$536.8 million in 1996.

KANSAS STATE EXPORTS

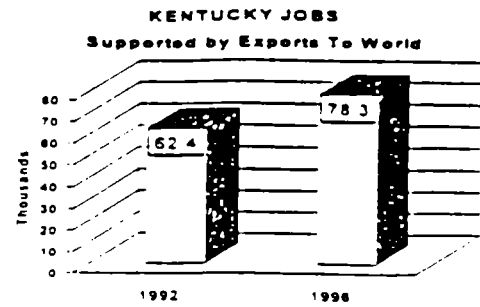
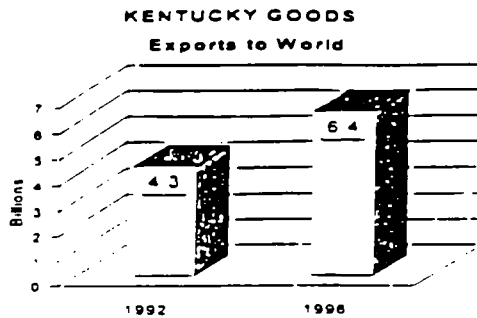


- Kansas recorded goods exports totaling \$5.3 billion in 1996, up 58 percent (\$2.0 billion) from 1992. During 1996, Kansas was the 25th largest state exporter of goods.
- Kansas' jobs supported by goods exports grew an estimated 32 percent (15,921 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Kansas exports accounted for 14.3 percent of its manufacturing output and represented 15.7 percent of its total manufacturing employment.
- Kansas' exports of manufactured products were up by 47 percent between 1993 and 1996 (from \$2.4 billion in 1993 to \$3.5 billion in 1996).
- The five largest manufacturing sectors in terms of Kansas' exports were: Transportation Equipment (\$1.0 billion of exports in 1996), Food Products (\$933.0 million), Industrial Machinery and Computers (\$433.2 million), Chemical Products (\$269.2 million), and Petroleum Products (\$212.7 million). These five sectors accounted for 54 percent of the state's total exports in 1996.
- Among Kansas' fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Chemical Products	\$121.1	\$269.2	122%
Transportation Equipment	661.7	1,001.5	51
Industrial Machinery and Computers	301.8	433.2	44
Food Products	682.7	933.0	37

- Kansas is the country's sixth largest agricultural exporting state, shipping \$3.1 billion in agricultural exports abroad or 5% of the U.S. total in FY 1996. The largest export categories, wheat, live animals and meat (excluding poultry) and feed grains, accounted for 74 percent of Kansas' agricultural exports in FY 1996.
- Total exports from Kansas to NAFTA countries increased by 96 percent between 1993 (pre-NAFTA) and 1996 (from \$776.4 million in 1993 to \$1.5 billion in 1996). During 1996, Canada was Kansas' second largest export market, while Mexico was Kansas' third largest export market. Exports to Canada were up by 40 percent (\$232 million), from \$580.0 million in 1993 to \$812.0 million in 1996. Kansas' exports to Mexico were up by 262 percent (\$514 million), from \$196.5 million in 1993 to \$711.0 million in 1996.
- During 1996, Japan was Kansas' largest export market. Total exports from Kansas to Japan were up 58 percent (\$401.0 million), from \$696.2 million to \$1.1 billion in 1996.
- Total exports from Kansas to the European Union were up 41 percent (\$194 million), from \$475.4 million in 1993 to \$669.4 million in 1996.

KENTUCKY STATE EXPORTS

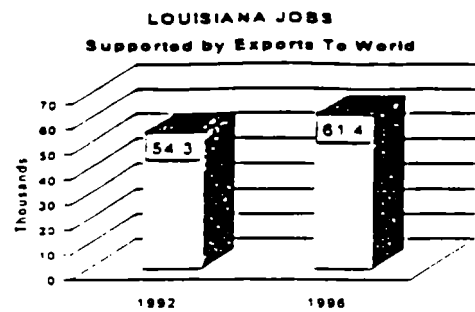


- Kentucky recorded goods exports totaling \$6.4 billion in 1996, up 50 percent (\$2.1 billion) from 1992. During 1996, Kentucky was the 24th largest state exporter of goods.
- Kentucky's jobs supported by goods exports grew an estimated 26 percent (15,908 jobs) since 1993. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Kentucky exports accounted for 17.4 percent of its manufacturing output and represented 16.6 percent of its total manufacturing employment.
- Kentucky's exports of manufactured products were up by 77 percent between 1993 and 1996 (from \$3.5 billion in 1993 to \$6.1 billion in 1996).
- The five largest manufacturing sectors in terms of Kentucky's exports were: Transportation Equipment (\$1.4 billion of exports in 1996), Industrial Machinery and Computers (\$1.0 billion), Tobacco Manufactures (\$874.9 million), Electronic and Electric Equipment (\$576.2 million), and Chemical Products (\$346.3 million). These five sectors accounted for 66 percent of the state's total exports in 1996.
- Among Kentucky's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Industrial Machinery and Computers	\$371.9	\$1,016.4	173%
Transportation Equipment	685.9	1,427.6	108
Chemical Products	73.7	136.0	84
Food Products	203.1	326.8	61

- Kentucky is the country's 21st largest agricultural exporting state, shipping over \$1.0 billion in agricultural exports abroad in FY 1996. The largest export categories, tobacco, and live animals and meat (excluding poultry), accounted for nearly half of Kentucky's agricultural exports in FY 1996.
- Total exports from Kentucky to NAFTA countries increased by 67 percent between 1993 (pre-NAFTA) and 1996 (from \$1.5 billion in 1993 to \$2.6 billion in 1996). During 1996, Canada was Kentucky's largest export market, while Mexico was Kentucky's fourth largest export market. Exports to Canada were up by 71 percent (\$0.9 billion) from \$1.3 billion in 1993 to \$2.3 billion in 1996. Kentucky's exports to Mexico were up by 41 percent (\$83 million), from \$204.3 million in 1993 to \$287.2 million in 1996.
- During 1996, Japan was Kentucky's second largest export market. Total exports from Kentucky to Japan were up 49 percent (\$381 million), from \$784.7 million in 1993 to \$1.2 billion in 1996.
- Total exports from Kentucky to the European Union were up 82 percent (\$528 million), from \$640.7 million in 1993 to \$1.2 billion in 1996.

LOUISIANA STATE EXPORTS

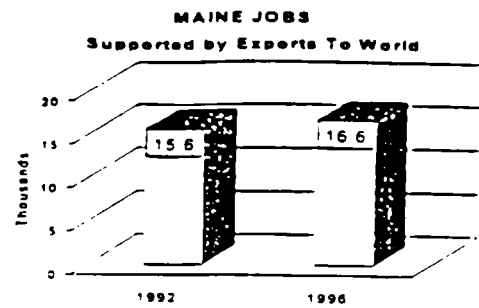
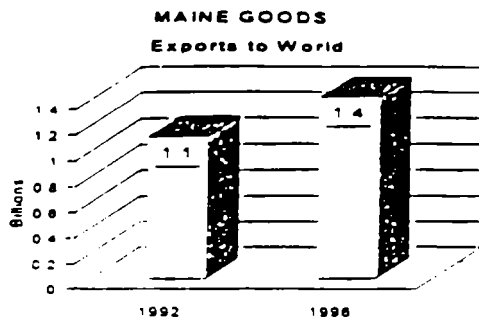


- Louisiana recorded goods exports totaling \$5.0 billion in 1996, up 35 percent (\$1.3 billion) from 1992. During 1996, Louisiana was the 27th largest state exporter of goods.
- Louisiana's jobs supported by goods exports grew an estimated 13 percent (7,087 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Louisiana's exports accounted for 19.2 percent of its manufacturing output and represented 17.0 percent of its total manufacturing employment.
- Louisiana's exports of manufactured products were up by 20 percent between 1993 and 1996 (from \$2.4 billion in 1993 to \$2.9 billion in 1996).
- The five largest manufacturing sectors in terms of Louisiana's exports were: Chemical Products (\$863.7 million of exports in 1996), Industrial Machinery and Computers (\$526.7 million), Food Products (\$366.2 million), Petroleum and Coal Products (\$184.6) and Paper Products (\$147.5 million). These five sectors accounted for 42 percent of the state's total exports in 1996.
- Among Louisiana's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Petroleum and Coal Products	\$75.1	\$184.6	146%
Electronic and Electric Equipment	107.6	138.3	29
Industrial Machinery and Computers	425.5	526.7	24
Chemical Products	711.5	863.7	21

- Louisiana is the country's 25th largest agricultural exporting state, shipping \$689 million in agricultural exports abroad in FY 1996. The largest export categories, cotton and linters, and rice, accounted for 56 percent of Louisiana's agricultural exports in FY 1996.
- Total exports from Louisiana to NAFTA countries increased by 45 percent between 1993 (pre-NAFTA) and 1996 (from \$516.9 million in 1993 to \$751.0 million in 1996). During 1996, Canada was Louisiana's second largest export market, while Mexico was Louisiana's sixth largest export market. Exports to Canada were up by 28 percent (\$127 million), from \$450.0 million in 1993 to \$577.4 million in 1996. Louisiana's exports to Mexico were up by 160 percent (\$107 million), from \$66.9 million in 1993 to \$173.6 million in 1996.
- During 1996, Japan was Louisiana's largest export market. Total exports from Louisiana to Japan were up 42 percent (\$331 million), from \$784.3 million in 1993 to \$1.1 billion in 1996.
- Total exports from Louisiana to the European Union were up 52 percent (\$348 million), from \$669.6 million in 1993 to \$1.0 billion in 1996.

MAINE STATE EXPORTS

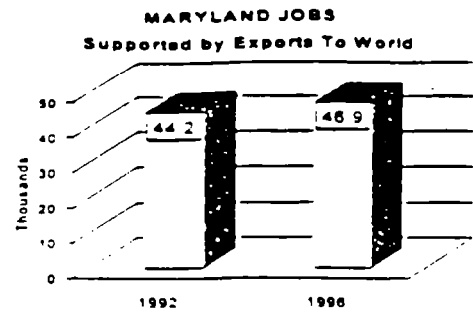
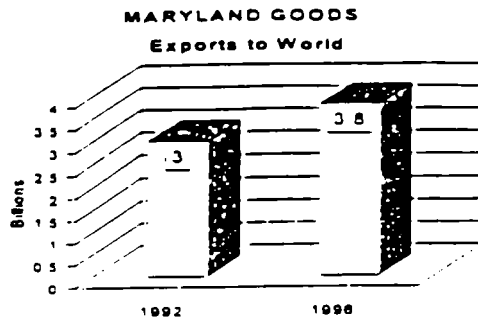


- Maine recorded goods exports totaling \$1.4 billion in 1996, up 28 percent (\$295 million) from 1992. During 1996, Maine was the 39th largest state exporter of goods.
- Maine's jobs supported by goods exports grew an estimated 7 percent (1,066 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Maine exports accounted for 20.9 percent of its manufacturing output and represented 18.1 percent of its total manufacturing employment.
- Maine's exports of manufactured products were up by 15 percent between 1993 and 1996 (from \$996.7 million in 1993 to \$1.1 billion in 1996).
- The five largest manufacturing sectors in terms of Maine's exports were: Paper Products (\$278.8 million of exports in 1996), Electronic and Electric Equipment (\$266.5 million), Lumber and Wood Products (\$124.2 million), Leather Products (\$81.2 million), and Industrial Machinery and Computers (\$81.0 million). These five sectors accounted for 61 percent of the state's total exports in 1996.
- Among Maine's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Scientific and Measuring Instruments	\$14.4	\$38.2	165%
Transportation Equipment	34.5	70.9	106
Paper Products	160.2	278.8	74
Industrial Machinery and Computers	63.7	81.0	27

- Maine is the country's 43rd largest agricultural exporting state, shipping \$36 million in agricultural exports abroad in FY 1996.
- Total exports from Maine to NAFTA countries increased by 29 percent between 1993 (pre-NAFTA) and 1996 (from \$431.9 million in 1993 to \$557.1 million in 1996). During 1996, Canada was Maine's largest export market, while Mexico was Maine's 16th largest export market. Exports to Canada were up by 35 percent (\$141 million), from \$402.4 million in 1993 to \$543.9 million in 1996. Maine's exports to Mexico were down by 55 percent (\$16 million), to \$13.2 million in 1996.
- During 1996, Japan was Maine's second largest export market. Total exports from Maine to Japan were up 46 percent (\$32 million), from \$70.4 million in 1993 to \$102.5 million in 1996.
- Total exports from Maine to the European Union were up 13 percent (\$24 million), from 193.8 million in 1993 to \$218.2 million in 1996.

MARYLAND STATE EXPORTS

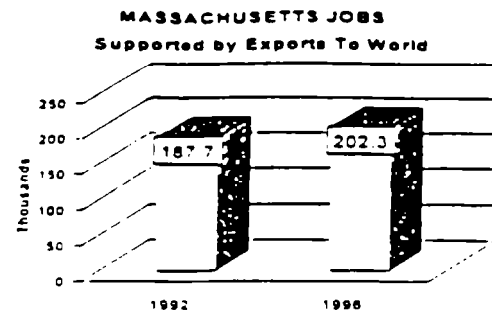
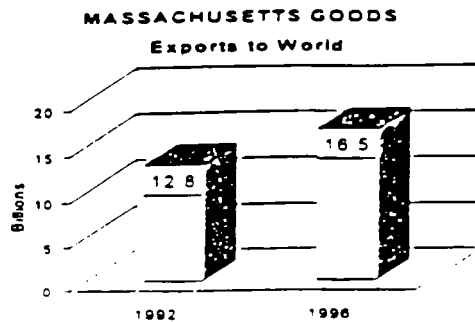


- Maryland recorded goods exports totaling \$3.8 billion in 1996, up 27 percent (\$0.8 billion) from 1992. During 1996, Maryland was the 30th largest state exporter of goods.
- Maryland's jobs supported by goods exports grew an estimated 6 percent (2,704 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Maryland's exports accounted for 16.7 percent of its manufacturing output and represented 15.6 percent of its total manufacturing employment.
- Maryland's exports of manufactured products were up by 29 percent between 1993 and 1996 (from \$2.6 billion in 1993 to \$3.3 billion in 1996).
- The five largest manufacturing sectors in terms of Maryland's exports were: Industrial Machinery and Computers (\$671.3 million of exports in 1996), Electronic and Electric Equipment (\$511.9 million), Chemical Products (\$421.0 million), Transportation Equipment (\$308.1 million), and Scientific and Measuring Instruments (\$275.6 million). These five sectors accounted for 57 percent of the state's total exports in 1996.
- Among Maryland's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Printing and Publishing	\$80.6	\$147.5	83%
Food Products	138.3	214.5	55
Electronic and Electric Equipment	347.4	511.9	47
Industrial Machinery and Computers	\$10.2	671.3	32

- Maryland is the country's 35th largest agricultural exporting state, shipping \$247 million in agricultural exports abroad in FY 1996. The largest export categories, poultry, feed grains and soybeans, accounted for 80 percent of Maryland's agricultural exports in FY 1996.
- Total exports from Maryland to NAFTA countries decreased by 4 percent between 1993 (pre-NAFTA) and 1996 (from \$820.4 million in 1993 to \$791.1 million in 1996). During 1996, Canada was Maryland's largest export market, while Mexico was Maryland's fourth largest export market. Exports to Canada were down by 15 percent (\$108 million), to \$610.1 million in 1996. Maryland's exports to Mexico were up by 78 percent (\$79 million), from \$101.8 million in 1993 to \$180.9 million in 1996.
- During 1996, Japan was Maryland's fifth largest export market. Total exports from Maryland to Japan were up 7 percent (\$11 million), from \$167.3 million in 1993 to \$178.7 million in 1996.
- Total exports from Maryland to the European Union were up 30 percent (\$267 million), from \$390.0 million in 1993 to \$1.2 billion in 1996.

MASSACHUSETTS STATE EXPORTS

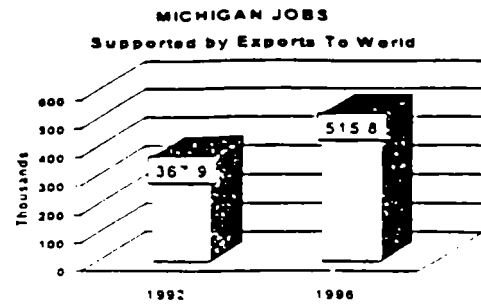
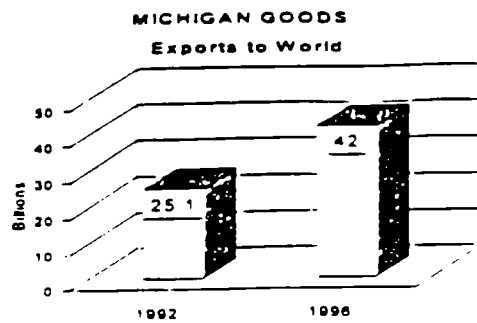


- Massachusetts recorded goods exports totaling \$16.5 billion in 1996, up 29 percent (\$3.7 billion) from 1992. During 1996, Massachusetts was the 11th largest state exporter of goods.
- Over 200 thousand Massachusetts' jobs were supported by goods exports during 1996. Massachusetts' jobs supported by goods exports grew an estimated 8 percent (14,538 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Massachusetts' exports accounted for 23.4 percent of its manufacturing output and represented 22.7 percent of its total manufacturing employment.
- Massachusetts' exports of manufactured products were up by 32 percent between 1993 and 1996 (from \$12.1 billion in 1993 to \$15.9 billion in 1996).
- The five largest manufacturing sectors in terms of Massachusetts' exports were: Industrial Machinery and Computers (\$4.9 billion of exports in 1996), Electronic and Electric Equipment (\$3.4 billion), Scientific and Measuring Instruments (\$2.6 billion), Chemical Products (\$1.1 billion), and Fabricated Metal Products (\$0.6 billion). These five sectors accounted for over 75 percent of the state's total exports in 1996.
- Among Massachusetts' fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Chemical Products	\$0.6	\$1.1	83%
Electronic and Electric Equipment	2.2	3.4	55
Scientific and Measuring Equipment	2.0	2.6	33
Industrial Machinery and Computers	3.9	4.9	26

- Massachusetts is the country's 45th largest agricultural exporting state, shipping \$29 million in agricultural exports abroad in FY 1996.
- Total exports from Massachusetts to NAFTA countries increased by 24 percent between 1993 (pre-NAFTA) and 1996 (from \$3.4 billion in 1993 to \$4.2 billion in 1996). During 1996, Canada was Massachusetts' largest export market, while Mexico was Massachusetts' 12th largest export market. Exports to Canada were up by 26 percent (\$782 million), from \$3.0 billion in 1993 to \$3.8 billion in 1996. Massachusetts' exports to Mexico were up by 5 percent (\$20 million), from \$393 million in 1993 to \$414 million in 1996.
- During 1996, Japan was Massachusetts' second largest export market. Total exports from Massachusetts to Japan were up 60 percent (\$634 million), from \$1.1 billion in 1993 to \$1.8 billion in 1996.
- Total exports from Massachusetts to the European Union were up 24 percent (\$1.1 billion), from \$4.6 billion in 1993 to \$5.7 billion in 1996.

MICHIGAN STATE EXPORTS

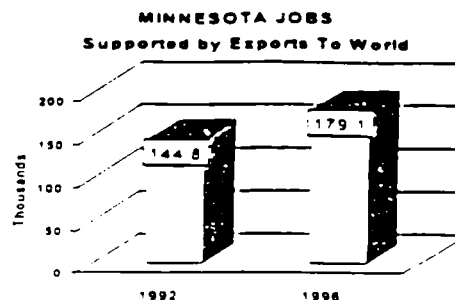
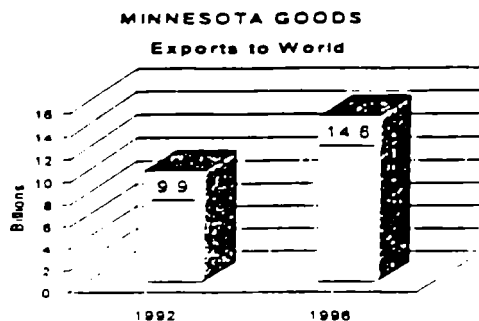


- Michigan recorded goods exports totaling \$42.0 billion in 1996, up 68 percent (\$17.0 billion) from 1992. During 1996, Michigan was the fourth largest state exporter of goods.
- Michigan's jobs supported by goods exports grew an estimated 40 percent (147,883 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Michigan's exports accounted for 19.1 percent of its manufacturing output and represented 20.4 percent of its total manufacturing employment.
- Michigan's exports of manufactured products were up by 41 percent between 1993 and 1996 (from \$29.3 billion in 1993 to \$41.3 billion in 1996).
- The five largest manufacturing sectors in terms of Michigan's exports were: Transportation Equipment (\$26.4 billion of exports in 1996), Industrial Machinery and Computers (\$4.6 billion), Electronic and Electric Equipment (\$1.9 billion), Chemical Products (\$1.8 billion), and Fabricated Metal Products (\$1.4 billion). These five sectors accounted for 86 percent of the state's total exports in 1996. The transportation sector alone accounted for nearly 65 percent of the state's total exports in 1996.
- Among Michigan's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Chemical Products	\$1.0	\$1.8	71%
Scientific and Measuring Instruments	0.5	0.8	60
Transportation Equipment	17.3	26.4	52
Industrial Machinery and Computers	3.0	4.6	51

- Michigan is the country's 18th largest agricultural exporting state, shipping \$1.2 billion in agricultural exports abroad or 2 percent of the U.S. total in FY 1996. Michigan's largest agriculture export categories, feed grains, soybeans, vegetables and wheat, accounted for over 70 percent of Michigan's agricultural exports in FY 1996.
- Total exports from Michigan to NAFTA countries increased by 40 percent between 1993 (pre-NAFTA) and 1996 (from \$21.0 billion in 1993 to \$29.3 billion in 1996). During 1996, Canada was Michigan's largest export market, while Mexico was Michigan's second largest export market. Exports to Canada were up by 56 percent (\$8.5 billion), from \$13.2 billion in 1993 to \$23.6 billion in 1996. Michigan's exports to Mexico were down by 2 percent (\$100 million), from \$5.8 billion in 1993 to \$5.7 billion in 1996.
- During 1996, Japan was Michigan's third largest export market. Total exports from Michigan to Japan were up nearly 68 percent (\$747 million), from \$1.1 billion in 1993 to \$1.9 billion in 1996.
- Total exports from Michigan to the European Union were up by 33 percent (\$1.1 billion), from \$3.3 billion in 1993 to \$4.4 billion in 1996.

MINNESOTA STATE EXPORTS

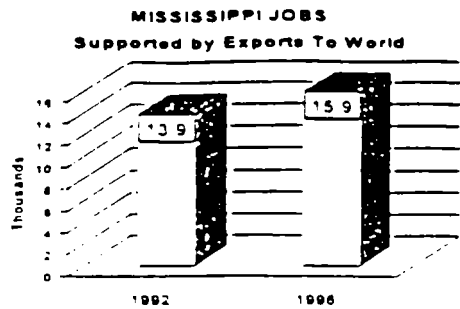


- Minnesota recorded goods exports totaling \$14.6 billion in 1996, up 48 percent (\$4.7 billion) from 1992. During 1996, Minnesota was the 12th largest state exporter of goods.
- Minnesota's jobs supported by goods exports grew an estimated 24 percent (34,292 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Minnesota exports accounted for 16.4 percent of its manufacturing output and represented 18.0 percent of its total manufacturing employment.
- Minnesota's exports of manufactured products were up by 21 percent between 1993 and 1996 (from \$7.8 billion in 1993 to \$9.4 billion in 1996).
- The five largest manufacturing sectors in terms of Minnesota's exports were Industrial Machinery and Computers (\$2.4 billion of exports in 1996), Food Products (\$1.9 billion), Scientific and Measuring Instruments (\$1.5 billion), Electronic and Electric Equipment (\$1.2 billion), and Transportation Equipment (\$0.8 billion). These five sectors accounted for 53 percent of the state's total exports in 1996.
- Among Minnesota fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Industrial Machinery and Computers	\$1.8	\$2.4	36%
Scientific and Measuring Instruments	1.1	1.5	34
Electronic and Electric Equipment	0.9	1.2	23
Transportation Equipment	0.6	0.8	23

- Minnesota is the country's seventh largest agricultural exporting state, shipping \$3.0 billion in agricultural exports abroad or 5% of the U.S. total in FY 1996. The largest export categories, feed grains, and soybeans, accounted for 63 percent of Minnesota's agricultural exports in FY 1996.
- Total exports from Minnesota to NAFTA countries increased by 51 percent between 1993 (pre-NAFTA) and 1996 (from \$2.6 billion in 1993 to \$3.9 billion in 1996). During 1996, Canada was Minnesota's largest export market, while Mexico was Minnesota's fourth largest export market. Exports to Canada were up by 29 percent (\$684 million), from \$2.3 billion in 1993 to \$3.0 billion in 1996. Minnesota's exports to Mexico were up by 232 percent (\$645 million), from \$256.3 million in 1993 to \$900.9 million in 1996.
- During 1996, Japan was Minnesota's second largest export market. Total exports from Minnesota to Japan were up 23 percent (\$200 million), from \$882.4 million in 1993 to \$1.1 billion in 1996.
- Total exports from Minnesota to the European Union were up 22 percent (\$763 million), from \$3.5 billion in 1993 to \$4.3 billion in 1996.

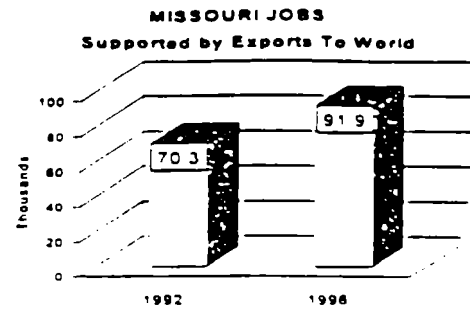
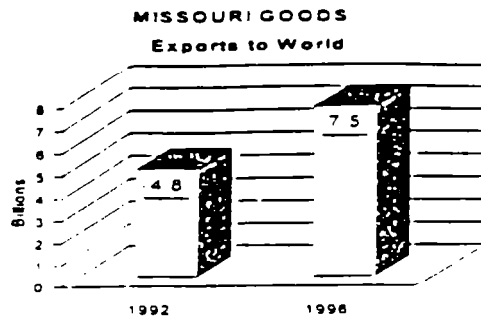
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- | Sector | 1993 | 1996 | Change % |
|------------------------------------|--------|---------|----------|
| Food Products | \$50.7 | \$162.5 | 220% |
| Industrial Machinery and Computers | 93.3 | 138.7 | 49 |
| Electronic and Electric Equipment | 127.7 | 170.4 | 33 |
| Paper Products | 111.5 | 125.1 | 12 |

- Mississippi is the country's 24th largest agricultural exporting state, shipping \$815 million in agricultural exports abroad in FY 1996. The largest export categories, cotton and lint, and poultry, accounted for 63 percent of Mississippi's agricultural exports in FY 1996.
- Total exports from Mississippi to NAFTA countries increased by 25 percent between 1993 (pre-NAFTA) and 1996 (from \$418.7 million in 1993 to \$521.7 million in 1996). During 1996, Canada was Mississippi's largest export market, while Mexico was Mississippi's third largest export market. Exports to Canada were up by 8 percent (\$33.1 million), from \$391.7 million in 1993 to \$424.8 million in 1996. Mississippi's exports to Mexico were up by 259 percent (\$69.9 million), from \$27.0 million in 1993 to \$96.9 million in 1996.
- During 1996, Japan was Mississippi's sixth largest export market. Total exports from Mississippi to Japan were up 36 percent (\$10.4 million), from \$29.2 million in 1993 to \$39.6 million in 1996.
- Total exports from Mississippi to the European Union were up 27 percent (\$46.9 million), from \$172.1 million in 1993 to \$219.0 million in 1996.

MISSOURI STATE EXPORTS

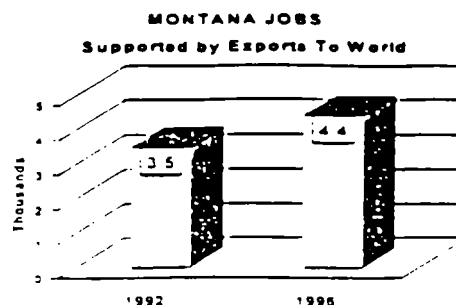
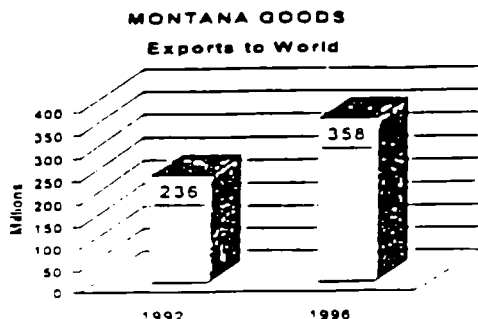


- Missouri recorded goods exports totaling \$7.5 billion in 1996, up 56 percent (\$2.7 billion) from 1992. During 1996, Missouri was the 23rd largest state exporter of goods.
- Missouri's jobs supported by goods exports grew an estimated 31 percent (21,612 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Missouri exports accounted for 15.1 percent of its manufacturing output and represented 15.3 percent of its total manufacturing employment.
- Missouri's exports of manufactured products were up by 38 percent between 1993 and 1996 (from \$4.3 billion in 1993 to \$6.0 billion in 1996).
- The five largest manufacturing sectors in terms of Missouri's exports were: Chemical Products (\$1.7 billion of exports in 1996), Transportation Equipment (\$1.1 billion), Industrial Machinery and Computer (\$724.8 million), Electronic and Electric Equipment (\$608.9 million), and Food Products (\$442.4 million). These five sectors accounted for 60 percent of the state's total exports in 1996.
- Among Missouri's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Transportation Equipment	\$350.0	\$1,052.7	91%
Electronic and Electric Equipment	402.5	608.9	51
Industrial Machinery and Computers	\$32.1	724.8	30
Chemical Products	1,395.7	1,679.3	20

- Missouri is the country's 15th largest agricultural exporting state, shipping \$1.3 billion in agricultural exports abroad or 2.2% of the U.S. total in FY 1996. The largest export categories, soybeans and feed grains, accounted for 57 percent of Missouri's agricultural exports in FY 1996.
- Total exports from Missouri to NAFTA countries increased by 36 percent between 1993 (pre-NAFTA) and 1996 (from \$1.9 billion in 1993 to \$2.6 billion in 1996). During 1996, Canada was Missouri's largest export market, while Mexico was Missouri's second largest export market. Exports to Canada were up by 7 percent (\$94.9 million), from \$1.4 billion in 1993 to \$1.5 billion in 1996. Missouri's exports to Mexico were up by 106 percent (\$610.8 million), from \$576.7 million in 1993 to \$1.2 billion in 1996.
- During 1996, Japan was Missouri's fifth largest export market. Total exports from Missouri to Japan were up 3 percent (\$9.2 million), from \$276.2 million in 1993 to \$285.4 million in 1996.
- Total exports from Missouri to the European Union were up 92 percent (\$939 million), from \$1.0 billion in 1993 to \$2.0 billion in 1996.

MONTANA STATE EXPORTS

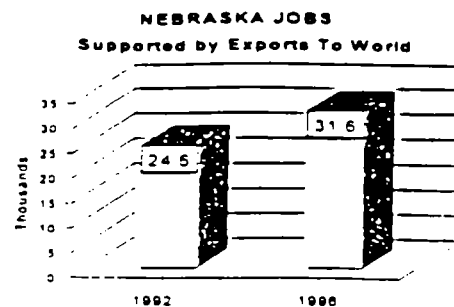
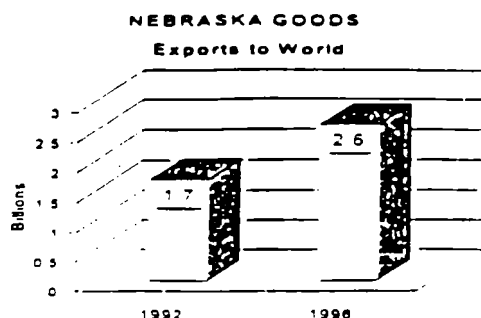


- Montana recorded goods exports totaling \$358.0 million in 1996, up 52 percent (\$122.0 million) from 1992. During 1996, Montana was the 48th largest state exporter of goods.
- Montana's jobs supported by goods exports grew an estimated 27 percent (929 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Montana exports accounted for 15.1 percent of its manufacturing output and represented 14.1 percent of its total manufacturing employment.
- Montana's exports of manufactured products were up by 37 percent between 1993 and 1996 (from \$199.4 million in 1993 to \$272.9 million in 1996).
- The five largest manufacturing sectors in terms of Montana's exports were Primary Metal Industries (\$98.5 million of exports in 1996), Industrial Machinery and Computers (\$73.3 million), Chemical Products (\$17.1 million), Misc. Manufacturing Industries (\$14.6 million) and Lumber and Wood Products (\$14.2 million). These five sectors accounted for 61 percent of the state's total exports in 1996.
- Among Montana's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Electronic and Electric Equipment	\$2.7	\$7.5	178%
Scientific and Measuring Instruments	5.5	11.4	107
Primary Metals	49.3	98.5	100
Industrial Machinery and Computers	46.6	73.3	57

- Montana is the country's 23rd largest agricultural exporting state, shipping \$850 million in agricultural exports abroad in FY 1996. The largest export category, wheat, accounted for 88 percent of Montana's agricultural exports in FY 1996.
- Total exports from Montana to NAFTA countries increased by 32 percent between 1993 (pre-NAFTA) and 1996 (from \$167.7 million in 1993 to \$221.0 million in 1996). During 1996, Canada was Montana's largest export market, while Mexico was Montana's second largest export market. Exports to Canada were up by 5 percent (\$8.2 million), from \$165.9 million in 1993 to \$174.1 million in 1996. Montana's exports to Mexico were up over 2,400 percent (\$45.1 million), from \$1.8 million in 1993 to \$46.9 million in 1996.
- During 1996, Japan was Montana's fourth largest export market. Total exports from Montana to Japan were up 114 percent (\$11.4 million), from \$10.0 million in 1993 to \$21.4 million in 1996.
- Total exports from Montana to the European Union were up 28 percent (\$18.3 million), from \$65.1 million in 1993 to \$83.3 million in 1996.

NEBRASKA STATE EXPORTS

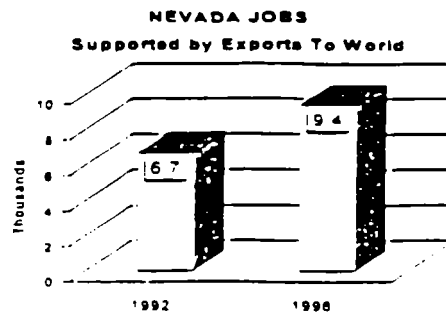
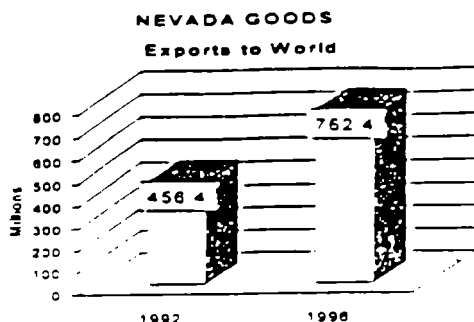


- Nebraska recorded goods exports totaling \$2.6 billion in 1996, up 54 percent (\$900.3 million) from 1992. During 1996, Nebraska was the 35th largest state exporter of goods.
- Nebraska's jobs supported by goods exports grew an estimated 29 percent (7,028 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Nebraska exports accounted for 13.1 percent of its manufacturing output and represented 13.7 percent of its total manufacturing employment.
- Nebraska's exports of manufactured products were up by 28 percent between 1993 and 1996 (from \$1.8 billion in 1993 to \$2.3 billion in 1996).
- The five largest manufacturing sectors in terms of Nebraska's exports were: Food Products (\$1.5 billion of exports in 1996), Industrial Machinery and Computers (\$206.1 million), Transportation Equipment (\$137.0 million), Electronic and Electric Equipment (\$135.0 million), and Leather Products (\$81.2 million). These five sectors accounted for 79 percent of the state's total exports in 1996.
- Among Nebraska fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Industrial Machinery and Computers	\$132.2	\$206.1	56%
Electronic and Electric Equipment	91.0	135.0	48
Leather Products	55.8	81.2	46
Food Products	1,144.0	1,478.5	29

- Nebraska is the country's fifth largest agricultural exporting state, shipping \$3.5 billion in agricultural exports abroad or 3.9% of the U.S. total in FY 1996. The largest export categories, feed grains and live animals and meat (excluding poultry), accounted for over 60 percent of Nebraska's agricultural exports in FY 1996.
- Total exports from Nebraska to NAFTA countries increased by 42 percent between 1993 (pre-NAFTA) and 1996 (from \$449.6 million in 1993 to \$640.4 million in 1996). During 1996, Canada was Nebraska's second largest export market, while Mexico was Nebraska's third largest export market. Exports to Canada were up by 21 percent (\$80.3 million), from \$385.1 million in 1993 to \$465.4 million in 1996. Nebraska's exports to Mexico were up by 171 percent (\$110.5 million), from \$64.5 million in 1993 to \$175.0 million in 1996.
- During 1996, Japan was Nebraska's largest export market. Total exports from Nebraska to Japan were up 21 percent (\$192.9 million), from \$939.6 million in 1993 to \$1.1 billion in 1996.
- Total exports from Nebraska to the European Union were up 18 percent (\$38.2 million), from \$269.2 million in 1993 to \$247.4 million in 1996.

NEVADA STATE EXPORTS

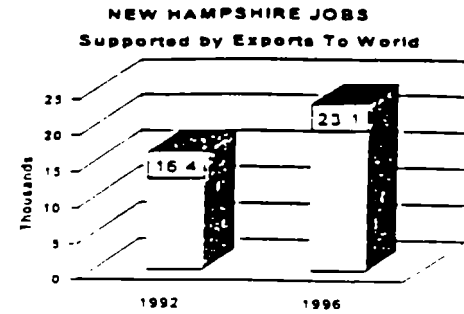
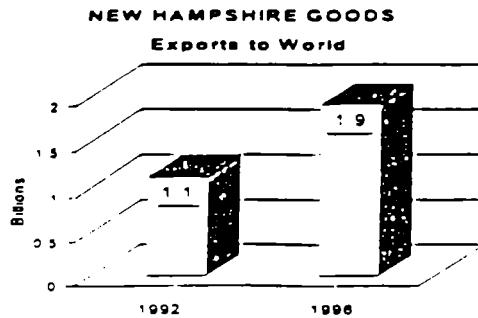


- Nevada recorded goods exports totaling \$762.4 million in 1996, up 67 percent (\$306.0 million) from 1992. During 1996, Nevada was the 45th largest state exporter of goods.
- Nevada's jobs supported by goods exports grew an estimated 40 percent (2,685 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Nevada exports accounted for 15.6 percent of its manufacturing output and represented 15.2 percent of its total manufacturing employment.
- Nevada's exports of manufactured products were up by 29 percent between 1993 and 1996 (from \$540.6 million in 1993 to \$698.3 million in 1996).
- The five largest manufacturing sectors in terms of Nevada's exports were: Miscellaneous Manufacturing Industries (\$186.8 million of exports in 1996), Electronic and Electric Equipment (\$106.0 million), Industrial Machinery and Computers (\$100.1 million), Scientific and Measuring Instruments (\$74.6 million) and Transportation Equipment (\$63.3 million). These five sectors accounted for nearly 70 percent of the state's total exports in 1996.
- Among Nevada's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Transportation Equipment	\$29.1	\$63.3	214%
Miscellaneous Manufacturing Industries	71.7	186.8	161
Electronic and Electric Equipment	49.9	106.0	112
Industrial Machinery and Computers	62.4	100.1	61

- Nevada is the country's 46th largest agricultural exporting state, shipping \$9.8 million in agricultural exports abroad in FY 1996.
- Total exports from Nevada to NAFTA countries increased by 93 percent between 1993 (pre-NAFTA) and 1996 (from \$161.7 million in 1993 to \$311.5 million in 1996). During 1996, Canada was Nevada's largest export market, while Mexico was Nevada's 15th largest export market. Exports to Canada were up by 104 percent (\$153.9 million), from \$148.0 million in 1993 to \$301.9 million in 1996. Nevada's exports to Mexico were down by 30 percent (\$4.2 million), to \$9.6 million in 1996.
- During 1996, Japan was Nevada's second largest export market. Total exports from Nevada to Japan were up 189 percent (\$54.1 million), from \$28.6 million in 1993 to \$82.7 million in 1996.
- Total exports from Nevada to the European Union were up 62 percent (\$46.4 million), from \$74.6 million in 1993 to \$121.0 million in 1996.

NEW HAMPSHIRE STATE EXPORTS

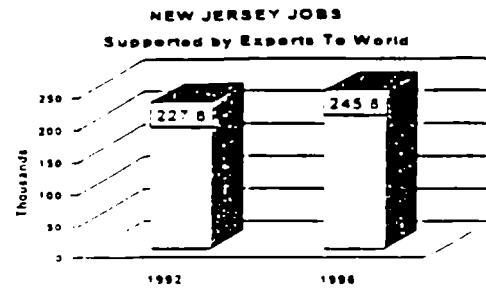
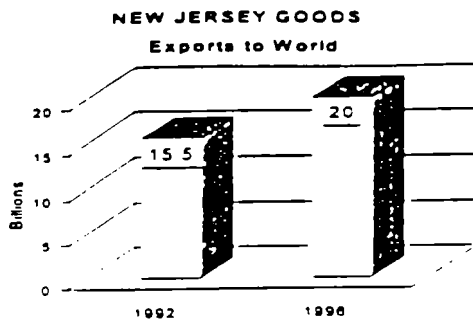


- New Hampshire recorded goods exports totaling \$1.9 billion in 1996, up 68 percent (\$766 million) from 1992. During 1996, New Hampshire was the 37th largest state exporter of goods.
- New Hampshire's jobs supported by goods exports grew an estimated 41 percent (6,708 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, New Hampshire exports accounted for 22.1 percent of its manufacturing output and represented 21.2 percent of its total manufacturing employment.
- New Hampshire's exports of manufactured products were up by 48 percent between 1993 and 1996 (from \$1.2 billion in 1993 to \$1.8 million in 1996).
- The five largest manufacturing sectors in terms of New Hampshire's exports were: Industrial Machinery and Computers (\$586.3 million of exports in 1996), Electronic and Electric Equipment (\$275.0 million), Leather and Leather Products (\$181.1 million), Transportation Equipment (\$164.8 million), and Scientific and Measuring Instruments (\$142.4 million). These five sectors accounted for over 71 percent of the state's total exports in 1996.
- Among New Hampshire's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Transportation Equipment	\$52.9	\$164.8	212%
Leather Products	68.8	181.1	163
Electronic and Electric Equipment	130.7	275.0	111
Scientific and Measuring Instruments	105.9	142.4	34

- New Hampshire is the country's 49th largest agricultural exporting state, shipping \$900 thousand in agricultural exports abroad in FY 1996.
- Total exports from New Hampshire to NAFTA countries increased by 49 percent between 1993 (pre-NAFTA) and 1996 (from \$508.2 million in 1993 to \$757.3 million in 1996). During 1996, Canada was New Hampshire's largest export market, while Mexico was New Hampshire's 6th largest export market. Exports to Canada were up by 48 percent (\$222.2 million) from \$467.3 million in 1993 to \$689.5 million in 1996. New Hampshire's exports to Mexico were up by 66 percent (\$26.9 million), from \$40.8 million in 1993 to \$67.7 million in 1996.
- During 1996, Japan was New Hampshire's fifth largest export market. Total exports from New Hampshire to Japan were up 41 percent (\$25.0 million), from \$60.4 million in 1993 to \$85.3 million in 1996.
- Total exports from New Hampshire to the European Union were up 62 percent (\$204.1 million), from \$329.8 million in 1993 to \$533.8 million in 1996.

NEW JERSEY STATE EXPORTS

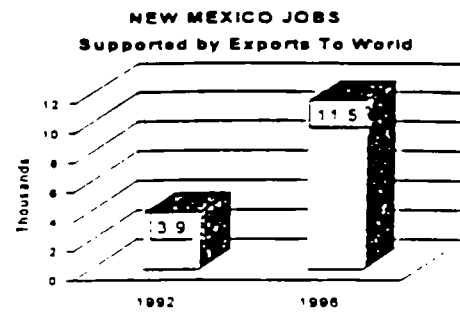


- New Jersey recorded goods exports totaling \$20.0 billion in 1996, up 29 percent (\$4.5 billion) from 1992. During 1996, New Jersey was the ninth largest state exporter of goods.
- New Jersey's jobs supported by goods exports grew an estimated 8 percent (18,264 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, New Jersey's exports accounted for 15.2 percent of its manufacturing output and represented 17.3 percent of its total manufacturing employment.
- New Jersey's exports of manufactured products were up by 27 percent between 1993 and 1996 (from \$14.8 billion in 1993 to \$18.8 billion in 1996).
- The five largest manufacturing sectors in terms of New Jersey's exports were: Chemical Products (\$5.2 billion of exports in 1996), Electronic and Electric Equipment (\$2.8 billion), Industrial Machinery and Computers (\$2.0 billion), Transportation Equipment (\$1.7 billion), and Scientific and Measuring Instruments (\$1.5 billion). These five sectors accounted for 66 percent of the state's total exports in 1996.
- Among New Jersey's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Transportation Equipment	\$1.2	\$1.7	43%
Chemical Products	3.8	5.2	37
Food Products	1.0	1.2	27
Electronic and Electric Instruments	2.3	2.8	19

- New Jersey is the country's 37th largest agricultural exporting state, shipping \$142 million in agricultural exports abroad in FY 1996. New Jersey's largest agriculture export category, miscellaneous products (mainly confectionery, nursery and greenhouse, essential oils, beverages, and other miscellaneous animal and vegetable products), accounted for 65 percent of New Jersey's agricultural exports in FY 1996.
- Total exports from New Jersey to NAFTA countries increased by 21 percent between 1993 (pre-NAFTA) and 1996 (from \$3.6 billion in 1993 to \$4.4 billion in 1996). During 1996, Canada was New Jersey's largest export market, while Mexico was New Jersey's eighth largest export market. Exports to Canada were up by 32 percent (\$886 million), from \$2.8 billion in 1993 to \$3.6 billion in 1996. New Jersey's exports to Mexico were down by 14 percent (\$121 million), to \$737 million in 1996.
- During 1996, Japan was New Jersey's second largest export market. Total exports from New Jersey to Japan were up 39 percent (\$458 million), from \$1.2 billion in 1993 to \$1.6 billion in 1996.
- Total exports from New Jersey to the European Union were up 15 percent (\$639 million), from \$4.2 billion in 1993 to \$4.8 billion in 1996.

NEW MEXICO STATE EXPORTS

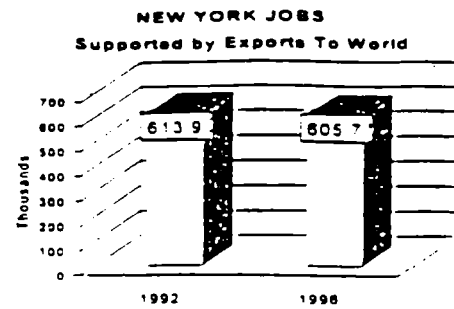
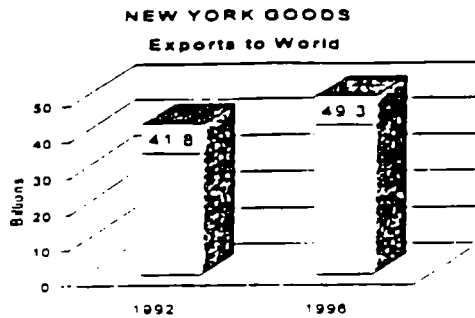


- New Mexico recorded goods exports totaling \$935.1 million in 1996, up 252 percent (\$669.5 million) from 1992. During 1996, New Mexico was the 43th largest state exporter of goods.
- New Mexico's jobs supported by goods exports grew an estimated 194 percent (7,579 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, New Mexico exports accounted for 20.7 percent of its manufacturing output and represented 14.5 percent of its total manufacturing employment.
- New Mexico's exports of manufactured products were up by 1,131 percent between 1993 and 1996 (from \$193.8 million in 1993 to \$908.9 million in 1996).
- The five largest manufacturing sectors in terms of New Mexico's exports were: Electronic and Electric Equipment (\$696.8 million of exports in 1996), Petroleum and Coal Products (\$54.2 million), Industrial Machinery and Computers (\$42.1 million), Scientific and Measuring Instruments (\$30.5 million), and Chemical Products (\$28.3 million). These five sectors accounted for over 91 percent of the state's total exports in 1996.
- Among New Mexico's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Textile Products	\$0.3	\$4.4	1,168%
Electronic and Electric Equipment	129.3	696.8	439
Transportation Equipment	11.6	30.5	163
Scientific and Measuring Instruments	19.0	28.3	49

- New Mexico is the country's 40th largest agricultural exporting state, shipping \$75 million in agricultural exports abroad in FY 1996.
- Total exports from New Mexico to NAFTA countries decreased by 5 percent between 1993 (pre-NAFTA) and 1996 (from \$165.2 million in 1993 to \$156.4 million in 1996). During 1996, Mexico was New Mexico's third largest export market, while Canada was New Mexico's fifth largest export market. Exports to Mexico were down by 6 percent (\$6.7 million), to \$101.8 million in 1996. New Mexico's exports to Canada were down by 4 percent (\$2.1 million), to \$54.6 million in 1996.
- During 1996, Japan was New Mexico's seventh largest export market. Total exports from New Mexico to Japan were up 28 percent (\$10.1 million), from \$36.0 billion in 1993 to \$46.0 million in 1996.
- Total exports from New Mexico to the European Union were up 32 percent (\$25.4 million), from \$79.4 million in 1993 to \$104.8 million in 1996.

NEW YORK STATE EXPORTS

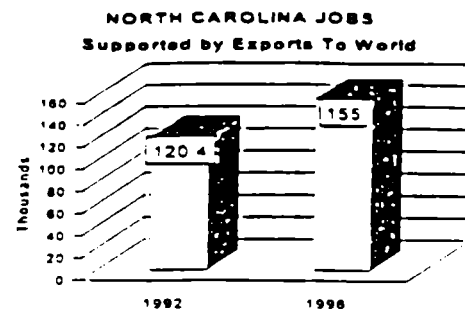
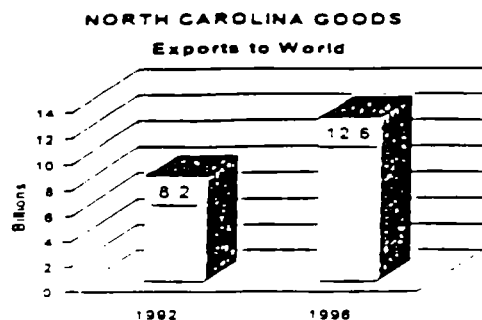


- New York recorded goods exports totaling \$49.3 billion in 1996, up 18 percent (\$7.5 billion) from 1992. During 1996, New York was the third largest state exporter of goods.
- New York's jobs supported by goods exports declined an estimated 1 percent (8,202 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, New York exports accounted for 18.6 percent of its manufacturing output and represented 18.0 percent of its total manufacturing employment.
- New York's exports of manufactured products were up by 11 percent between 1993 and 1996 (from \$38.5 billion in 1993 to \$42.8 billion in 1996).
- The five largest manufacturing sectors in terms of New York's exports were: Primary Metal Industries (\$6.7 billion of exports in 1996), Industrial Machinery and Computers (\$6.3 billion), Scientific and Measuring Instruments (\$4.5 billion), Transportation Equipment (\$4.5 billion), and Electronic and Electric Equipment (\$3.8 billion). These five sectors accounted for over half of the state's total exports in 1995.
- Among New York's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Paper Products	\$1.3	\$1.7	34%
Scientific and Measuring Instruments	3.5	4.5	31
Industrial Machinery and Computers	5.0	6.3	25
Electronic and Electric Equipment	3.2	3.8	18

- New York is the country's 33rd largest agricultural exporting state, shipping \$396 million in agricultural exports abroad in FY 1996. The largest export categories, feed grain, miscellaneous products (mainly confectionery, nursery and greenhouse, essential oils, beverages, and other miscellaneous animal and vegetable products), vegetables and fruits, accounted for 76 percent of New York's agricultural exports in FY 1996.
- Total exports from New York to NAFTA countries increased by 32 percent between 1993 (pre-NAFTA) and 1996 (from \$8.4 billion in 1993 to \$11.1 billion in 1996). During 1996, Canada was New York's largest export market, while Mexico was New York's ninth largest export market. Exports to Canada were up by 26 percent (\$2.5 billion), from \$7.1 billion in 1993 to \$9.6 billion in 1996. New York's exports to Mexico were up by 10 percent (\$126 million), from \$1.3 billion in 1992 to \$1.5 billion in 1996.
- During 1996, Japan was New York's second largest export market. Total exports from New York to Japan were up 21 percent (\$1.0 billion), from \$4.7 billion in 1993 to \$5.7 billion in 1996.
- Total exports from New York to the European Union were down 9 percent (\$1.0 billion), to \$1.1 billion in 1996.

NORTH CAROLINA STATE EXPORTS

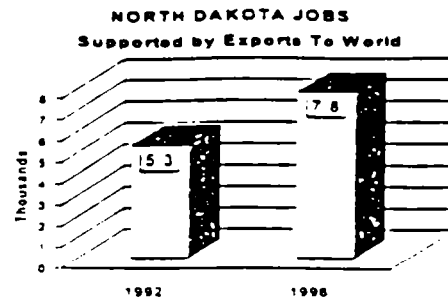
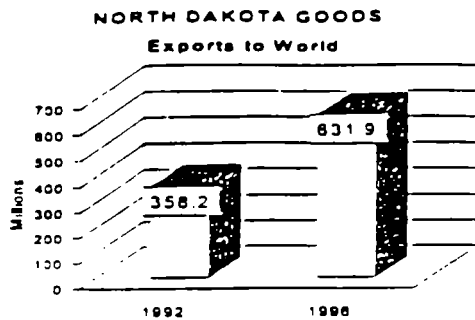


- North Carolina recorded goods exports totaling \$12.6 billion in 1996, up 54 percent (\$4.4 billion) from 1992. During 1996 North Carolina was the 15th largest state exporter of goods.
- North Carolina's jobs supported by goods exports grew an estimated 29 percent (34,619 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, North Carolina exports accounted for 17.5 percent of its manufacturing output and represented 15.2 percent of its total manufacturing employment.
- North Carolina's exports of manufactured products were up by 50 percent between 1993 and 1996 (from \$7.8 billion in 1993 to \$11.8 billion in 1996).
- The five largest manufacturing sectors in terms of North Carolina exports were: Industrial Machinery and Computers (\$2.2 billion of exports in 1996), Chemical Products (\$1.7 billion), Electronic and Electric Equipment (\$1.5 billion), Apparel Products (\$1.3 billion), and Textile Mill Products (\$1.1 billion). These five sectors accounted for 62 percent of the state's total exports in 1996.
- Among North Carolina's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Apparel Products	\$0.6	1.3	112%
Industrial Machinery and Computers	1.2	2.2	--
Chemical Products	1.1	1.7	64
Textile Mill Products	0.7	1.1	61

- North Carolina is the country's 13th largest agricultural exporting state, shipping \$1.4 billion in agricultural exports abroad or 2.4% of the U.S. total in FY 1996. The largest export categories, tobacco and poultry, accounted for 61 percent of North Carolina's agricultural exports in FY 1996.
- Total exports from North Carolina to NAFTA countries increased by 67 percent between 1993 (pre-NAFTA) and 1996 (from \$3.0 billion in 1993 to \$5.0 billion in 1996). During 1996, Canada was North Carolina's largest export market, while Mexico was North Carolina's second largest export market. Exports to Canada were up by 53 percent (\$1.4 billion), from \$2.6 billion in 1993 to \$3.9 billion in 1996. North Carolina's exports to Mexico were up by 158 percent (\$629.0 million), from \$398 million in 1993 to \$1.6 billion in 1996.
- During 1996, Japan was North Carolina's third largest export market. Total exports from North Carolina to Japan were up 15 percent (\$113.6 million), from \$742.9 million in 1993 to \$856.5 million in 1996.
- Total exports from North Carolina to the European Union were up 36 percent (\$717 million), from \$2.6 billion in 1993 to \$2.7 billion in 1996.

NORTH DAKOTA STATE EXPORTS

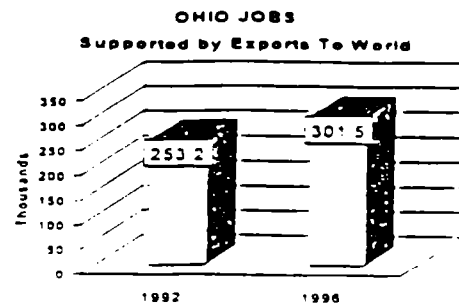
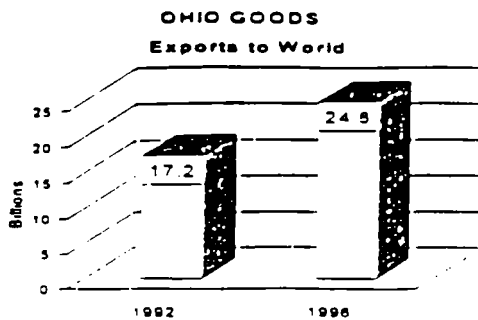


- North Dakota recorded goods exports totaling \$631.9 million in 1996, up an estimated 76 percent (\$273.7 million) from 1992. During 1996, North Dakota was the 46th largest state exporter of goods.
- North Dakota's jobs supported by goods exports grew an estimated 47 percent (2,498 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, North Dakota exports accounted for 14.4 percent of its manufacturing output and represented 12.2 percent of its total manufacturing employment.
- North Dakota's exports of manufactured products were up by 49 percent between 1993 and 1996 (from \$348.0 million in 1993 to \$517.9 million in 1996).
- The five largest manufacturing sectors in terms of North Dakota's exports were: Industrial Machinery and Computers (\$266.7 million of exports in 1996), Transportation Equipment (\$116.2 million), Food Products (\$78.7 million), Chemical Products (\$16.6 million), and Electronic and Electric Equipment (\$10.0 million). These five sectors accounted for 77 percent of the state's total exports in 1996.
- Among North Dakota's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Food Products	\$24.2	\$78.7	225%
Chemical Products	10.7	16.6	55
Transportation Equipment	80.0	116.2	45
Industrial Machinery and Computers	187.0	266.7	43

- North Dakota is the country's 10th largest agricultural exporting state, shipping \$1.7 billion in agricultural exports abroad or 2.9% of the U.S. total in FY 1996. The largest export category, wheat, accounted for 68 percent of North Dakota's agricultural exports in FY 1996.
- Total exports from North Dakota to NAFTA countries increased by 45 percent between 1993 (pre-NAFTA) and 1996 (from \$301.1 million in 1993 to \$435.2 million in 1996). During 1996, Canada was North Dakota's largest export market, while Mexico was North Dakota's fourth largest export market. Exports to Canada were up by 42 percent (\$123.8 million), from \$298.1 million in 1993 to \$421.9 million in 1996. North Dakota's exports to Mexico were up by 340 percent (\$10.3 million), from \$3.0 million in 1993 to \$13.3 million in 1996.
- During 1996, Japan was North Dakota 10th largest export market. Total exports from North Dakota to Japan were up 25 percent (\$1.3 million), from \$4.9 million in 1993 to \$6.2 million in 1996.
- Total exports from North Dakota the European Union were up 41 percent (\$39.2 million), from \$95.7 million in 1993 to \$134.9 million in 1996.

OHIO STATE EXPORTS

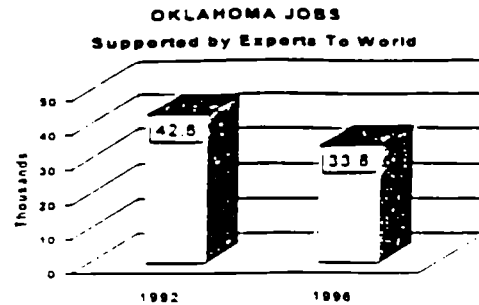
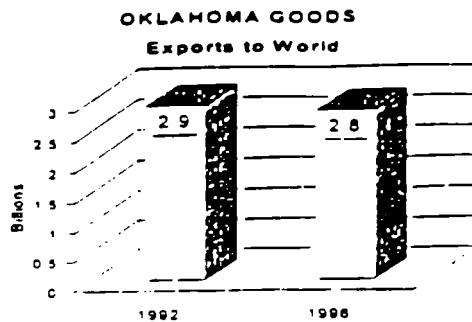


- Ohio recorded goods exports totaling \$24.6 billion in 1996, up 42 percent (\$7.3 billion) from 1992. During 1996, Ohio was the seventh largest state exporter of goods.
- Ohio's jobs supported by goods exports grew an estimated 19 percent (48,258 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Ohio exports accounted for 20.5 percent of its manufacturing output and represented 20.0 percent of its total manufacturing employment.
- Ohio's exports of manufactured products were up by 25 percent between 1993 and 1996 (from \$18.7 billion in 1993 to \$23.5 billion in 1996).
- The five largest manufacturing sectors in terms of Ohio's exports were: Transportation Equipment (\$5.7 billion of exports in 1996), Industrial Machinery and Computers (\$5.3 billion), Chemical Products (\$3.2 billion), Electronic and Electric Equipment (\$2.0 billion), and Metal Products (\$1.4 billion). These five sectors accounted for over 71 percent of the state's total exports in 1996.
- Among Ohio's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Primary Metals	\$0.7	\$1.0	32%
Fabricated Metal Products	0.9	1.4	45
Industrial Machinery and Computers	4.0	5.3	34
Chemical Products	2.4	3.2	34

- Ohio is the country's 12th largest agricultural exporting state, shipping \$1.6 billion in agricultural exports abroad or 2.7% of the U.S. total in FY 1996. The largest export categories, soybeans and feed grains, accounted for 68 percent of Ohio's agricultural exports in FY 1996.
- Total exports from Ohio to NAFTA countries increased by 22 percent between 1993 (pre-NAFTA) and 1996 (from \$9.7 billion in 1993 to \$11.8 billion in 1996). During 1996, Canada was Ohio's largest export market, while Mexico was Ohio's second largest export market. Exports to Canada were up by 19 percent (\$1.7 billion) from \$8.6 billion in 1993 to \$10.3 billion in 1996. Ohio's exports to Mexico were up by 45 percent (\$462 million), from \$1.0 billion in 1993 to \$1.5 billion in 1996.
- During 1996, Japan was Ohio's fourth largest export market. Total exports from Ohio to Japan were up 46 percent (\$416 million), from \$902.9 million in 1993 to \$1.3 billion in 1996.
- Total exports from Ohio to the European Union were up 16 percent (\$703 million), from \$415 billion in 1993 to \$5.2 billion in 1996.

OKLAHOMA STATE EXPORTS

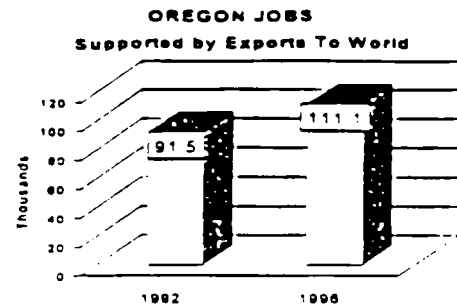
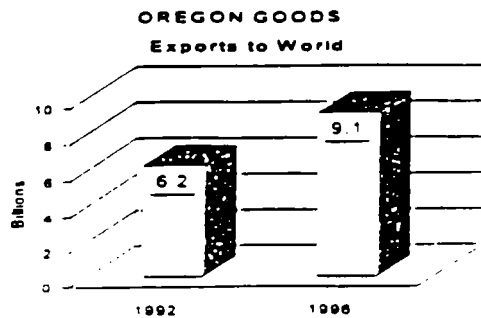


- Oklahoma recorded goods exports totaling \$2.8 billion in 1996, down 5 percent (\$151 million) from 1992. During 1996, Oklahoma was the 33rd largest state exporter of goods.
- Nearly 34 thousand Oklahoma jobs were supported by goods exports during 1996. However, Oklahoma's jobs supported by goods exports declined an estimated 21 percent (8,832 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Oklahoma's exports accounted for 14.9 percent of its manufacturing output and represented 16.0 percent of its total manufacturing employment.
- Oklahoma's exports of manufactured products were up by 13 percent between 1993 and 1996 (from \$2.2 billion in 1993 to \$2.5 billion in 1996).
- The five largest manufacturing sectors in terms of Oklahoma's exports were: Industrial Machinery and Computers (\$887 million of exports in 1996), Chemical Products (\$326 million), Transportation Equipment (\$253 million), Electronic and Electric Equipment (\$224 million), and Fabricated Metal Products (\$206 million). These five sectors accounted for 69 percent of the state's total exports in 1996.
- Among Oklahoma's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Chemical Products	\$145.5	\$326.1	124%
Primary Metal Industries	83.3	107.4	29
Fabricated Metal Products	160.2	205.9	29
Scientific and Measuring Instruments	101.4	124.8	23

- Oklahoma is the country's 31th largest agricultural exporting state, shipping \$475 million in agricultural exports abroad in FY 1996. Oklahoma's largest agriculture export category, wheat, accounted for 65 percent of Oklahoma's agricultural exports in FY 1996.
- Total exports from Oklahoma to NAFTA countries increased by 14 percent between 1993 (pre-NAFTA) and 1996 (from \$724 million in 1993 to \$824 million in 1996). During 1996, Canada was Oklahoma's largest export market, while Mexico was Oklahoma's third largest export market. Exports to Canada were up by 14 percent (\$77 million), from \$554 million in 1993 to \$631 million in 1996. Oklahoma's exports to Mexico were up by 13 percent (\$22 million), from \$170 million in 1993 to \$192 million in 1996.
- During 1996, Japan was Oklahoma's second largest export market. Total exports from Oklahoma to Japan were up 66 percent (\$82 million), from \$123 million in 1993 to \$205 million in 1996.
- Total exports from Oklahoma to the European Union were up 10 percent (\$47 million), from \$473 million in 1993 to \$525 million in 1996.

OREGON STATE EXPORTS

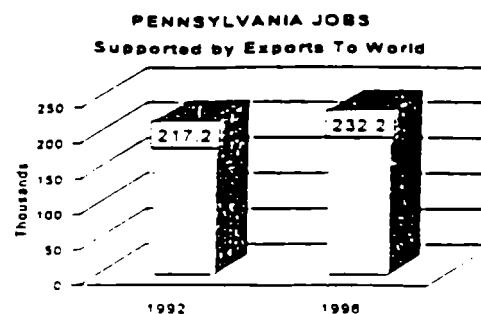
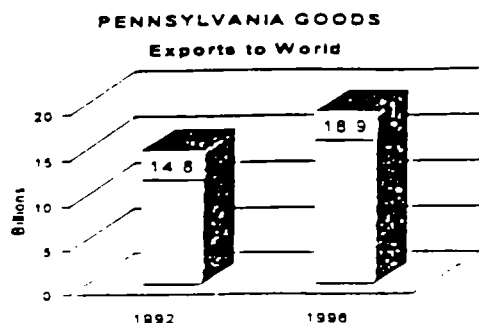


- Oregon recorded goods exports totaling \$9.1 billion in 1996, up 45 percent (\$2.8 billion) from 1992. During 1996, Oregon was the 22nd largest state exporter of goods.
- Oregon's jobs supported by goods exports grew an estimated 22 percent (19,630 jobs) since 1992. Export-related jobs pay 15 to 16 percent higher than the national average.
- In 1991, the latest year available, Oregon exports accounted for 23.1 percent of its manufacturing output and represented 20.9 percent of its total manufacturing employment.
- Oregon's exports of manufactured products were up by 30 percent between 1993 and 1996 (from \$4.2 billion in 1993 to \$5.5 billion in 1996).
- The five largest manufacturing sectors in terms of Oregon's exports were: Electronic and Electric Equipment (\$1.7 billion of exports in 1996), Industrial Machinery and Computers (\$1.4 billion), Lumber and Wood Products (\$563.2 million), Transportation Equipment (\$477.7 million), and Paper Products (\$309.8). These five sectors accounted for 49 percent of the state's total exports in 1996.
- Among Oregon fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Paper Products	\$115.9	\$309.8	167%
Electronic and Electric Equipment	664.0	1,700.0	156
Industrial Machinery and Computers	1,034.2	1,412.8	30
Transportation Equipment	390.9	477.7	22

- Oregon is the country's 26th largest agricultural exporting state, shipping \$686 million in agricultural exports abroad in FY 1996. The largest export categories, wheat and vegetables, accounted for 57 percent of Oregon's agricultural exports in FY 1996.
- Total exports from Oregon to NAFTA countries increased by 3 percent between 1993 (pre-NAFTA) and 1996 (from \$1.10 billion in 1993 to \$1.13 billion in 1996). During 1996 Canada was Oregon's third largest export market, while Mexico was Oregon's 22nd largest export market. Exports to Canada were up by 9 percent (\$90.4 million), from \$985.9 million in 1993 to \$1.1 billion in 1996. Oregon's exports to Mexico were down by 52 percent (\$59 million), to \$55.0 million in 1996.
- During 1996, Japan was Oregon's largest export market. Total exports from Oregon to Japan were up 19 percent (\$246 million), from \$1.3 billion in 1993 to \$1.6 billion in 1996.
- Total exports from Oregon to the European Union were down 11 percent (\$128.8 million), from \$1.1 billion in 1993 to \$1.0 billion in 1996.

PENNSYLVANIA STATE EXPORTS

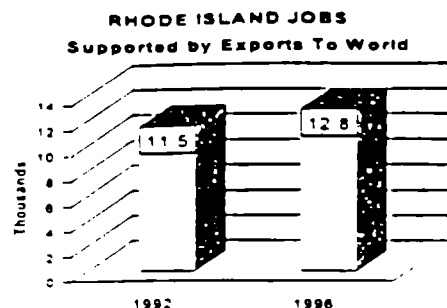
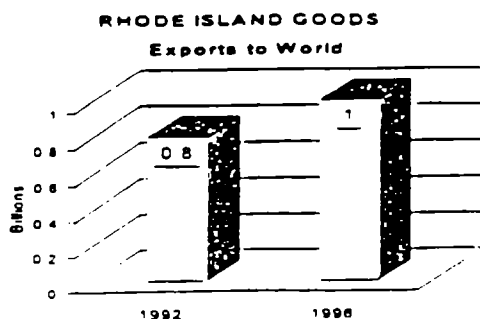


- Pennsylvania recorded goods exports totaling \$18.9 billion in 1996, up 28 percent (\$4.1 billion) from 1992. During 1996, Pennsylvania was the 10th largest state exporter of goods.
- Pennsylvania's jobs supported by goods exports grew an estimated 7 percent (15,059 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Pennsylvania's exports accounted for 16.8 percent of its manufacturing output and represented 17.7 percent of its total manufacturing employment.
- Pennsylvania's exports of manufactured products were up by 30 percent between 1993 and 1996 (from \$13.6 billion in 1993 to \$17.8 billion in 1996).
- The five largest manufacturing sectors in terms of Pennsylvania's exports were: Chemical Products (\$3.6 billion of exports in 1996), Industrial Machinery and Computers (\$3.4 billion), Electronic and Electric Equipment (\$2.6 billion), Primary Metal Industries (\$1.6 billion), and Transportation Equipment (\$1.2 billion). These five sectors accounted for 66 percent of the state's total exports in 1996.
- Among Pennsylvania's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Primary Metal Industries	\$1.0	\$1.6	60%
Chemical Products	2.6	3.6	36
Industrial Machinery and Computers	2.5	3.4	36
Electronic and Electric Equipment	2.0	2.6	31

- Pennsylvania is the country's 27th largest agricultural exporting state, shipping \$557 million in agricultural exports abroad in FY 1996. The three largest export categories, Live Animals and Meat (excluding poultry), Poultry and Other Products (mainly confectionery, nursery and greenhouse, essential oils, beverages, or other miscellaneous animal and vegetable products), accounted for 57 percent of Pennsylvania's agricultural exports in FY 1996.
- Total exports from Pennsylvania to NAFTA countries increased by 19 percent between 1993 (pre-NAFTA) and 1996 (from \$5.2 billion in 1993 to \$6.1 billion in 1996). During 1996, Canada was Pennsylvania's largest export market, while Mexico was Pennsylvania's fourth largest export market. Exports to Canada were up by 15 percent (\$709 million), from \$4.5 billion in 1993 to \$5.2 billion in 1996. Pennsylvania's exports to Mexico were up by 36 percent (\$254 million), from \$710 million to \$964 million in 1996.
- During 1996, Japan was Pennsylvania's third largest export market. Total exports from Pennsylvania to Japan were up 32 percent (\$284 million), from \$893 million in 1993 to \$1.2 billion in 1996.
- Total exports from Pennsylvania to the European Union were up 43 percent (\$1.4 billion), to \$4.7 billion in 1996.

RHODE ISLAND STATE EXPORTS

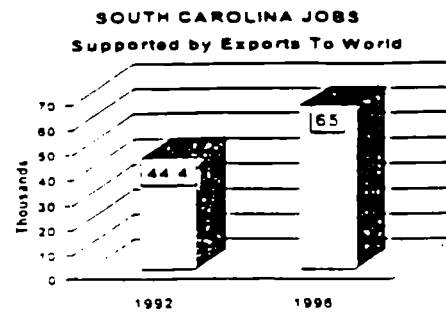
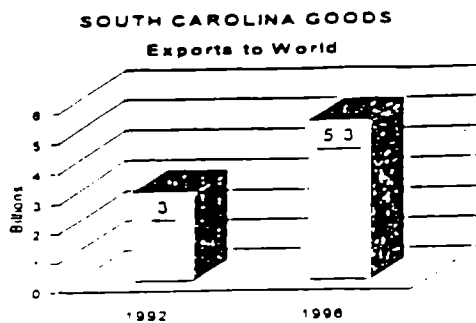


- Rhode Island recorded goods exports totaling \$1.0 billion in 1996, up 34 percent (\$262 million) from 1992. During 1996, Rhode Island was the 42nd largest state exporter of goods.
- Rhode Island's jobs supported by goods exports declined an estimated 12 percent (1,341 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Rhode Island exports accounted for 19.4 percent of its manufacturing output and represented 18.0 percent of its total manufacturing employment.
- Rhode Island's exports of manufactured products were down by 1 percent between 1993 and 1996 (from \$898.8 million in 1993 to \$886.4 million in 1996).
- The five largest manufacturing sectors in terms of Rhode Island's exports were: Industrial Machinery and Computers (\$177.6 million of exports in 1996), Electronic and Electric Equipment (\$161.7 million), Miscellaneous Manufacturing Industries (\$135.8 million), Scientific and Measuring Instruments (\$66.9 million) and Primary Metals (\$66.8 million). These five sectors accounted for over 58 percent of the state's total exports in 1996.
- Among Rhode Island fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Food Products	\$6.6	\$11.3	71%
Textile Products	28.8	41.1	43
Electronic and Electric Equipment	119.5	161.7	35
Scientific and Measuring Instruments	56.1	66.9	19

- Rhode Island is the country's 48th largest agricultural exporting state, shipping \$1.1 million in agricultural exports abroad in FY 1996.
- Total exports from Rhode Island to NAFTA countries increased by 2 percent between 1993 (pre-NAFTA) and 1996 (from \$377 million in 1993 to \$386 million in 1996). During 1996, Canada was Rhode Island's largest export market, while Mexico was Rhode Island's 11th largest export market. Exports to Canada were up by 8 percent (\$27 million) from \$333.8 million in 1993 to \$360.6 million in 1996. Rhode Island's exports to Mexico were down by 42 percent (\$18 million), from \$43.1 million in 1993 to \$25.2 million in 1996.
- During 1996, Japan was Rhode Island's third largest export market. Total exports from Rhode Island to Japan were up 48 percent (\$21.3 million), from \$44.8 million in 1993 to \$66.1 million in 1996.
- Total exports from Rhode Island to the European Union were down 10 percent (\$37 million), to \$33.6 million in 1996.

SOUTH CAROLINA STATE EXPORTS

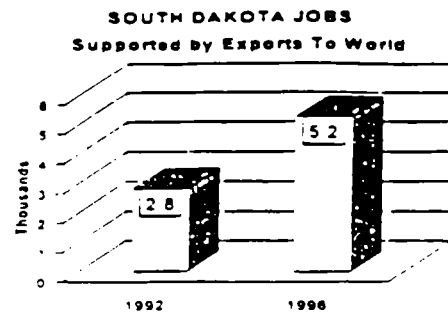
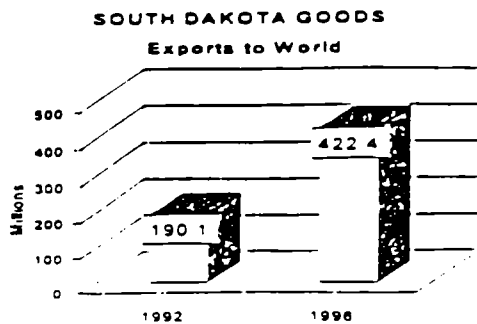


- South Carolina recorded goods exports totaling \$5.3 billion in 1996, up 75 percent (\$2.3 billion) from 1992. During 1996, South Carolina was the 26th largest state exporter of goods.
- South Carolina's jobs supported by goods exports grew an estimated 46 percent (20,603 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, South Carolina exports accounted for 21.4 percent of its manufacturing output and represented 18.0 percent of its total manufacturing employment.
- South Carolina's exports of manufactured products were up by 47 percent between 1993 and 1996 (from \$3.5 billion in 1993 to \$5.2 billion in 1996).
- The five largest manufacturing sectors in terms of South Carolina's exports were: Electronic and Electric Equipment (\$959.0 million of exports in 1996), Transportation Equipment (\$890.6 million), Industrial Machinery and Computers (\$764.3 million), Chemical Products (\$618.8 million), and Textile Mill Products (\$388.9 million). These five sectors accounted for 68 percent of the state's total exports in 1996.
- Among South Carolina's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Transportation Equipment	\$364.3	\$890.6	143%
Chemical Products	377.3	618.8	64
Rubber and Miscellaneous Products	236.2	380.7	61
Electronic and Electric Equipment	630.1	959.0	52

- South Carolina is the country's 34th largest agricultural exporting state, shipping \$348 million in agricultural exports abroad in FY 1996. The two largest export categories, tobacco and cotton and linters, accounted for 53 percent of South Carolina's agricultural exports in FY 1996.
- Total exports from South Carolina to NAFTA countries increased by 47 percent between 1993 (pre-NAFTA) and 1996 (from \$1.6 billion in 1993 to \$2.3 billion in 1996). During 1996, Canada was South Carolina's largest export market, while Mexico was South Carolina's third largest export market. Exports to Canada were up by 25 percent (\$321 million), from \$1.3 billion in 1993 to \$1.6 billion in 1996. South Carolina's exports to Mexico were up by 140 percent (\$421 million), from \$300.3 million in 1993 to \$721.2 million in 1996.
- During 1996, Japan was South Carolina's fifth largest export market. Total exports from South Carolina to Japan were up 33 percent (\$51.7 million), from \$159.1 million in 1993 to \$210.9 million in 1996.
- Total exports from South Carolina to the European Union were up 65 percent (\$609.8 million), from \$369.5 million in 1993 to \$609.8 million in 1996.

SOUTH DAKOTA STATE EXPORTS

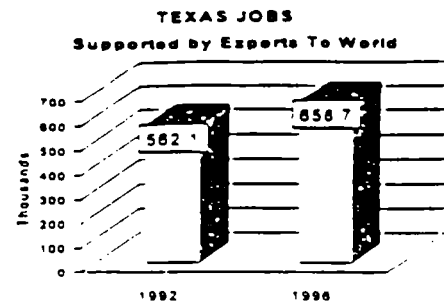
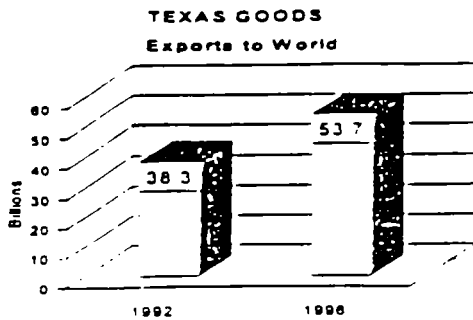


- South Dakota recorded goods exports totaling \$422.4 million in 1996, up 122 percent (\$232 million) from 1992. During 1996, South Dakota was the 47th largest state exporter of goods.
- South Dakota's jobs supported by goods exports grew an estimated 86 percent (2,394 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, South Dakota exports accounted for 13.7 percent of its manufacturing output and represented 16.5 percent of its total manufacturing employment.
- South Dakota's exports of manufactured products were up by 82 percent between 1993 and 1996 (from \$223.7 million in 1993 to \$406.6 million in 1996).
- The five largest manufacturing sectors in terms of South Dakota's exports were: Industrial Machinery and Computers (\$150.1 million of exports in 1996), Primary Metals (\$60.8 million), Scientific and Measuring Instruments (\$55.6 million), Electronic and Electric Equipment (\$42.8 million), and Transportation Equipment (\$29.4 million). These five sectors accounted for over 80 percent of the state's total exports in 1996.
- Among South Dakota's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Industrial Machinery and Computers	\$71.4	\$150.1	110%
Electronic and Electric Equipment	21.9	42.8	95%
Transportation Equipment	13.3	29.4	60%
Scientific and Measuring Instruments	35.8	55.6	55%

- South Dakota is the country's 19th largest agricultural exporting state, shipping \$1.2 billion in agricultural exports abroad or 1.9% of the U.S. total in FY 1996. Large export product categories include wheat, feed grains, and soybeans. These three categories accounted for 74 percent of South Dakota's agricultural exports in FY 1996.
- Total exports from South Dakota to NAFTA countries increased by 41 percent between 1993 (pre-NAFTA) and 1996 (from \$133.1 million in 1993 to \$187.6 million in 1996). During 1996, Canada was South Dakota's largest export market, while Mexico was South Dakota's 10th largest export market. Exports to Canada were up by 39 percent (\$50.4 million), from \$128.7 million in 1993 to \$179.1 million in 1996. South Dakota's exports to Mexico were up by 95 percent (\$4.2 million), from \$4.4 million in 1993 to \$8.6 million in 1996.
- During 1996, Japan was South Dakota's fourth largest export market. Total exports from South Dakota to Japan were up 173 percent (\$18.4 million), from \$10.6 million in 1993 to \$29.1 million in 1996.
- Total exports from South Dakota to the European Union were up 64 percent (\$43.0 million), from \$67.4 million in 1993 to \$110.4 million in 1996.

TEXAS STATE EXPORTS

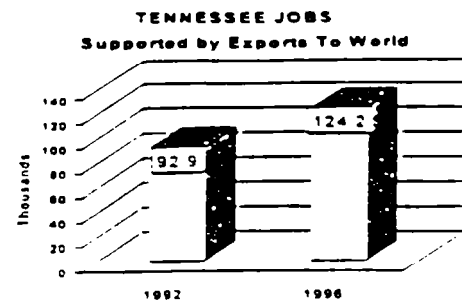
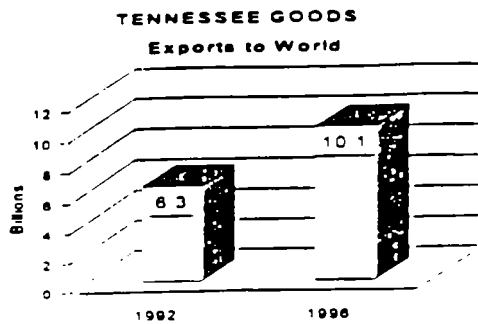


- Texas recorded goods exports totaling \$53.7 billion in 1996, up 40 percent (\$15.4 billion) from 1992. During 1996, Texas was the second largest state exporter of goods.
- Texas' jobs supported by goods exports grew an estimated 17 percent (96,506 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Texas exports accounted for 21.1 percent of its manufacturing output and represented 23.9 percent of its total manufacturing employment.
- Texas' exports of manufactured products were up by 37 percent between 1993 and 1996 (from \$37.4 billion in 1993 to \$51.3 billion in 1996).
- The five largest manufacturing sectors in terms of Texas' exports were: Electronic and Electric Equipment (\$11.2 billion of exports in 1996), Industrial Machinery and Computers (\$11.2 billion), Chemical Products (\$8.6 billion), Transportation Equipment (\$4.4 billion), and Petroleum and Coal Products (\$2.5 billion). These five sectors accounted for 71 percent of the state's total exports in 1996.
- Among Texas fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Fabricated Metal Products	\$1.1	\$2.2	91%
Electronic and Electric Equipment	6.7	11.2	67
Rubber and Plastic Products	0.8	1.3	64
Chemical Products	6.5	8.6	33

- Texas is the country's fourth largest agricultural exporting state, shipping \$3.6 billion in agricultural exports abroad or 6% of the U.S. total in FY 1996. The largest export categories, cotton and linters, live animals and meat (excluding poultry) and feed grains, accounted for 57 percent of Texas' agricultural exports in FY 1996.
- Total exports from Texas to NAFTA countries increased by 33 percent between 1993 (pre-NAFTA) and 1996 (from \$19.0 billion in 1993 to \$25.3 billion in 1996). During 1996, Mexico was Texas' largest export market, while Canada was Texas' second largest export market. Exports to Mexico were up by 25 percent (\$3.6 billion), from \$14.5 billion in 1993 to \$18.2 billion in 1996. Texas' exports to Canada were up by 53 percent (\$2.6 billion), from \$4.5 billion in 1993 to \$7.1 billion in 1996.
- During 1996, Japan was Texas' third largest export market. Total exports from Texas to Japan were up 45 percent (\$679 million), from \$1.5 billion in 1993 to \$2.2 billion in 1996.
- Total exports from Texas to the European Union were up 19 percent (\$938 million), from \$4.8 billion in 1993 to \$5.8 billion in 1996.

TENNESSEE STATE EXPORTS

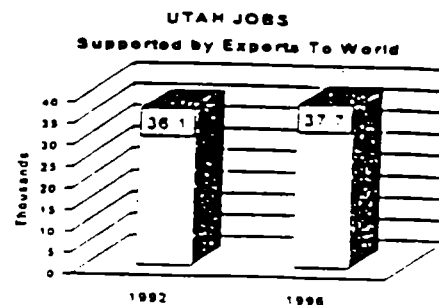
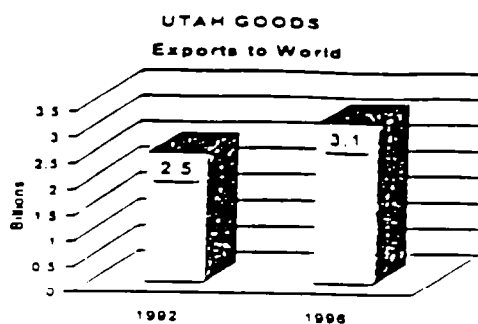


- Tennessee recorded goods exports totaling \$10.1 billion in 1996, up 60 percent (\$3.8 billion) from 1992. During 1996, Tennessee was the 19th largest state exporter of goods.
- Tennessee's jobs supported by goods exports grew an estimated 34 percent (31,267 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Tennessee exports accounted for 17.2 percent of its manufacturing output and represented 15.7 percent of its total manufacturing employment.
- Tennessee's exports of manufactured products were up by 43 percent between 1993 and 1996 (from \$5.6 billion in 1993 to \$8.0 billion in 1996).
- The five largest manufacturing sectors in terms of Tennessee's exports were: Transportation Equipment (\$1.6 billion of exports in 1996), Chemical Products (\$1.5 billion), Industrial Machinery and Computers (\$1.1 billion), Paper Products (\$960 million) and Electronic and Electric Equipment (\$865 million). These five sectors accounted for over 58 percent of the state's total exports in 1996.
- Among Tennessee's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Transportation Equipment	\$0.9	\$1.6	63%
Electronic and Electric Equipment	0.5	0.9	63
Industrial Machinery and Computer Equipment	0.7	1.1	51
Paper Products	0.7	1.0	43

- Tennessee is the country's 28th largest agricultural exporting state, shipping \$514 million in agricultural exports abroad in FY 1996. The largest export categories, soybeans, cotton and linters and tobacco, accounted for 65 percent of Tennessee's agricultural exports in FY 1996.
- Total exports from Tennessee to NAFTA countries increased by 38 percent between 1993 (pre-NAFTA) and 1996 (from \$2.5 billion in 1993 to \$3.5 billion in 1996). During 1996, Canada was Tennessee's largest export market, while Mexico was Tennessee's second largest export market. Exports to Canada were up by 29 percent (\$529 million), from \$1.8 billion in 1993 to \$2.4 billion in 1996. Tennessee's exports to Mexico were up by 63 percent (\$445 million), from \$702.7 million in 1993 to \$1.1 billion in 1996.
- During 1996, Japan was Tennessee's fourth largest export market. Total exports from Tennessee to Japan were up 87 percent (\$352 million), from \$406.3 million in 1993 to \$758.5 million in 1996.
- Total exports from Tennessee to the European Union were up 22 percent (\$362 million), from \$1.6 billion in 1993 to \$2.0 billion in 1996.

UTAH STATE EXPORTS

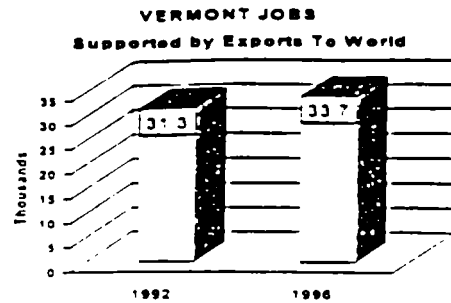
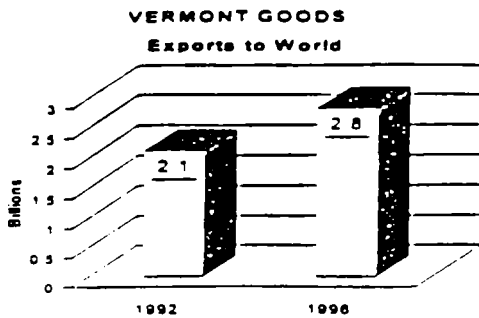


- Utah recorded goods exports totaling \$3.1 billion in 1996, up 25 percent (\$612 million) from 1992. During 1996, Utah was the 31th largest state exporter of goods.
- Utah's jobs supported by goods exports grew an estimated 4 percent (1,598 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Utah exports accounted for 17.2 percent of its manufacturing output and represented 17.7 percent of its total manufacturing employment.
- Utah's exports of manufactured products increased by 31 percent between 1993 and 1996 (from \$2.0 billion in 1993 to \$2.7 billion in 1996).
- The five largest manufacturing sectors in terms of Utah's exports were: Primary Metals (\$560.0 million of exports in 1996), Transportation Equipment (\$482.9), Industrial Machinery and Computers (\$471.7 million), Electronic and Electric Equipment (\$374.4 million), and Chemical Products (\$210.1 million). These five sectors accounted for over 68 percent of the state's total exports in 1996.
- Among Utah's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Chemical Products	\$93.6	\$210.1	124%
Industrial Machinery and Computers	211.3	471.7	123
Transportation Equipment	273.7	482.9	75
Scientific and Measuring Instruments	104.9	155.7	48

- Utah is the country's 36th largest agricultural exporting state, shipping \$147 million in agricultural exports abroad in FY 1996. The largest export categories, live animals and meat, and hides and skins, accounted for 78 percent of Utah's agricultural exports in FY 1996.
- Total exports from Utah to NAFTA countries increased by 28 percent between 1993 (pre-NAFTA) and 1996 (from \$471.8 million in 1993 to \$604.2 million in 1996). During 1996, Canada was Utah's largest export market, while Mexico was Utah's ninth largest export market. Exports to Canada were up by 18 percent (\$80.0 million) from \$439.8 million to \$519.8 million in 1996. Utah's exports to Mexico were up by 163 percent (\$52.3 million), from \$32.0 million in 1993 to \$84.3 million in 1996.
- During 1996, Japan was Utah's second largest export market. Total exports from Utah to Japan were up 86 percent (\$223.4 million), from \$238.6 million in 1993 to \$482.1 million in 1996.
- Total exports from Utah to the European Union were up 108 percent (\$532 million), from \$493.5 million in 1993 to \$1.0 billion in 1996.

VERMONT STATE EXPORTS

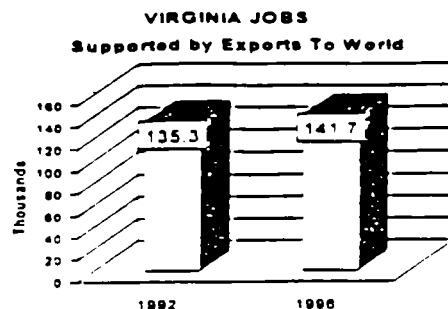
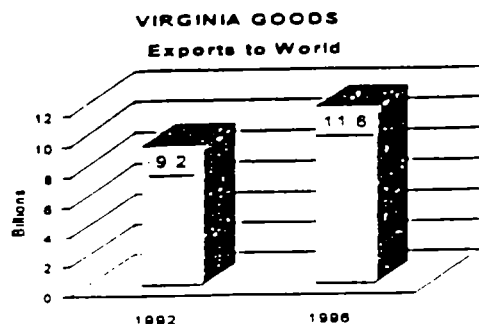


- Vermont recorded goods exports totaling \$2.8 billion in 1996, up 29 percent (\$614 million) from 1992. During 1996, Vermont was the 34th largest state exporter of goods.
- Vermont's jobs supported by goods exports increased an estimated 8 percent (2,399 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Vermont's exports accounted for 20.6 percent of its manufacturing output and represented 18.5 percent of its total manufacturing employment.
- Vermont's exports of manufactured products were up by 3 percent between 1993 and 1996 (from \$2.6 billion in 1993 to \$2.7 billion in 1996).
- The five largest manufacturing sectors in terms of Vermont's exports were: Electronic and Electric Equipment (\$2.1 billion of exports in 1996), Industrial Machinery and Computers (\$127.5 million), Fabricated Metal Products (\$76.5 million), Transportation Equipment (\$38.7 million), and Paper Products (\$38.2 million). These five sectors accounted for over 85 percent of the state's total exports in 1996.
- Among Vermont's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Paper Products	\$23.4	\$38.2	64%
Chemical Products	23.8	35.2	48
Miscellaneous Manufacturing Industries	23.8	33.9	42
Fabricated Metal Products	62.0	76.5	23

- Vermont is the country's 47th largest agricultural exporting state, shipping \$8 million in agricultural exports abroad in FY 1996.
- Total exports from Vermont to NAFTA countries decreased by 1 percent between 1993 (pre-NAFTA) and 1996 (from \$2.52 billion in 1993 to \$2.50 billion in 1996). During 1996, Canada was Vermont's largest export market, while Mexico was Vermont's eleventh largest export market. Exports to Canada were down by 1 percent (\$16 million), from \$2.50 billion in 1993 to \$2.49 billion in 1996. Vermont's exports to Mexico were down by 35 percent (\$5.0 million), to \$9.3 million in 1996.
- During 1996, Japan was Vermont's third largest export market. Total exports from Vermont to Japan were up 139 percent (\$21 million), from \$14.9 million in 1993 to \$35.5 million in 1996.
- Total exports from Vermont to the European Union were up 29 percent (\$23 million), to \$101.7 million in 1996.

VIRGINIA STATE EXPORTS

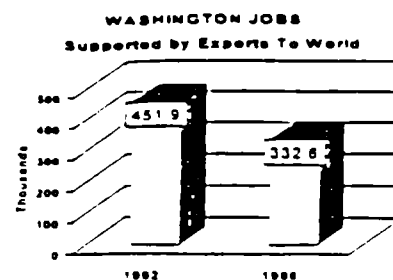


- Virginia recorded goods exports totaling \$11.6 billion in 1996, up 25 percent (\$2.3 billion) from 1992. During 1996, Virginia was the 16th largest state exporter of goods.
- Virginia's jobs supported by goods exports grew an estimated 5 percent (6,427 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Virginia's exports accounted for 17.2 percent of its manufacturing output and represented 14.0 percent of its total manufacturing employment.
- Virginia's exports of manufactured products were up by 34 percent between 1993 and 1996 (from \$7.6 billion in 1993 to \$10.3 billion in 1996).
- The five largest manufacturing sectors in terms of Virginia's exports were: Tobacco (\$3.7 billion of exports in 1996), Industrial Machinery and Computers (\$1.2 billion), Transportation Equipment (\$1.0 billion), Electronic and Electric Equipment (\$808 million) and Chemical Products (\$801 million). These five sectors accounted for 66 percent of the state's total exports in 1996.
- Among Virginia's fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Tobacco	\$2.5	\$3.7	46%
Industrial Machinery and Computers	0.9	1.2	39
Electronic and Electric Equipment	0.6	0.8	36
Chemical Products	0.6	0.8	36

- Virginia is the country's 30th largest agricultural exporting state, shipping \$490 million in agricultural exports abroad in FY 1996. The two largest export categories, poultry and tobacco, accounted for 40 percent of Virginia's agricultural exports in FY 1996.
- Total exports from Virginia to NAFTA countries increased by 17 percent between 1993 (pre-NAFTA) and 1996 (from \$1.7 billion in 1993 to \$1.9 billion in 1996). During 1996, Canada was Virginia's largest export market, while Mexico was Virginia's seventh largest export market. Exports to Canada were up by 19 percent (\$250 million), from \$1.3 billion in 1993 to \$1.6 billion in 1996. Virginia's exports to Mexico were up by 11 percent (\$35 million), from \$329.2 million in 1993 to \$364.6 million in 1996.
- During 1996, Japan was Virginia's second largest export market. Total exports from Virginia to Japan were up 13 percent (\$160 million), from \$1.2 billion in 1993 to \$1.4 billion in 1996.
- Total exports from Virginia to the European Union were up 54 percent (\$1.2 billion), from \$2.3 billion in 1993 to \$3.5 billion in 1996.

WASHINGTON STATE EXPORTS

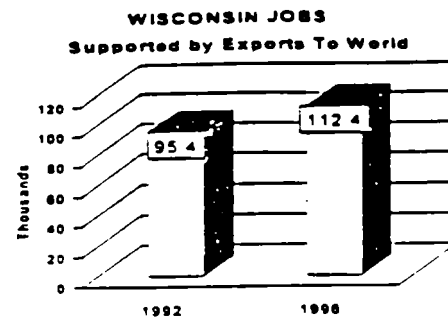
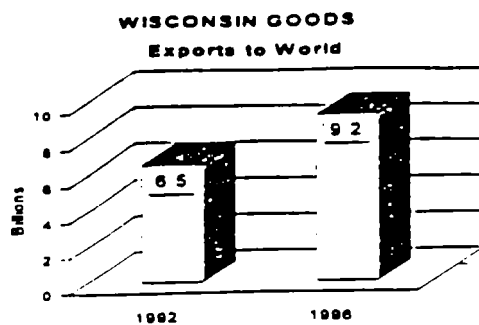


- Washington recorded goods exports totaling \$27.1 billion in 1996, down 12 percent (\$3.7 billion) from 1992. During 1996, Washington was the sixth largest state exporter of goods. This decline was primarily due to the decline in the sales of transportation equipment, mainly aircraft and associated products. With the increased orders for airplanes to Boeing over the past year, an increase in exports for this sector should be expected. Washington's goods exports (not including the sales of transportation equipment) increased by 22 percent (\$2.4 billion) between 1992 and 1996 (from \$10.7 billion in 1993 to \$13.1 billion in 1996).
- Over 330,000 jobs in Washington are supported by goods exports in 1996. This has declined by an estimated 26 percent (119,352 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Washington exports accounted for 43.6 percent of its manufacturing output and represented 31.2 percent of its total manufacturing employment.
- Washington exports of manufactured products were down by 6 percent between 1992 and 1996 (from \$25.7 billion in 1993 to \$24.2 billion in 1996).
- The five largest manufacturing sectors in terms of Washington exports were: Transportation Equipment (\$14.0 billion of exports in 1996), Lumber and Wood Products (\$3.2 billion), Paper Products (\$1.4 billion), Industrial Machinery and Computers (\$1.2 billion), and Food Products (\$1.0 billion). These five sectors accounted for 77 percent of the state's total exports in 1996.
- Among Washington fastest growing manufactured exports (in billions) were:

Sector	1993	1996	Change %
Electronic and Electric Equipment	\$0.6	\$0.9	50%
Paper Products	0.9	1.4	49
Food Products	0.8	1.0	21
Industrial Machinery and Computers	1.0	1.1	13

- Washington is the country's ninth largest agricultural exporting state, shipping \$2.0 billion in agricultural exports abroad or 3.4% of the U.S. total in FY 1996. The largest export categories, wheat, fruits, and vegetables, accounted for 75 percent of Washington's agricultural exports in FY 1996.
- Total exports from Washington to NAFTA countries increased by 42 percent between 1993 (pre-NAFTA) and 1996 (from \$2.1 billion in 1993 to \$2.9 billion in 1996). During 1996, Canada was Washington's second largest export market, while Mexico was Washington's 18th largest export market. Exports to Canada were up by 44 percent (\$813 million), from \$1.9 billion in 1993 to \$2.7 billion in 1996. Washington's exports to Mexico were up by 27 percent (\$58 million), from \$214.8 million in 1993 to \$273.2 million in 1996.
- During 1996, Japan was Washington's largest export market. Total exports from Washington to Japan were down 2.0 percent (\$109.5 million), to \$6.7 billion in 1996.
- Total exports from Washington to the European Union were down 18 percent (\$1.2 billion), to \$5.1 billion in 1996.

WISCONSIN STATE EXPORTS

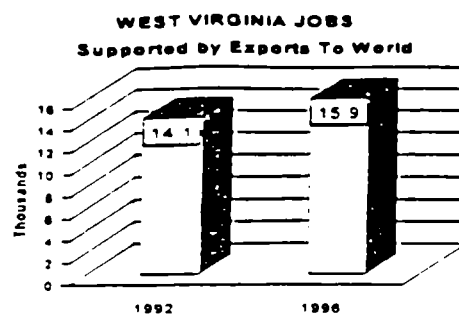


- Wisconsin recorded goods exports totaling \$9.2 billion in 1996, up 41 percent (\$2.7 billion) from 1992. During 1996, Wisconsin was the 21st largest state exporter of goods.
- Wisconsin's jobs supported by goods exports grew an estimated 18 percent (16,956 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Wisconsin exports accounted for 16.2 percent of its manufacturing output and represented 17.3 percent of its total manufacturing employment.
- Wisconsin exports of manufactured products were up by 40 percent between 1993 and 1996 (from \$6.3 billion in 1993 to \$8.8 billion in 1996).
- The five largest manufacturing sectors in terms of Wisconsin's exports were: Industrial Machinery and Computers (\$3.4 billion of exports in 1996), Scientific and Measuring Instruments (\$1.3 billion), Electronic and Electric Equipment (\$812.8 million), Transportation Equipment (\$521.7 million), and Metal Products (\$451.3 million). These five sectors accounted for 71 percent of the state's total exports in 1996.
- Among Wisconsin's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Scientific and Measuring Instruments	\$730.6	\$1,308.7	79%
Food Products	250.9	421.1	68
Electronic and Electric Equipment	554.2	812.8	47
Industrial Machinery and Computers	2,381.2	3,441.2	45

- Wisconsin is the country's 14th largest agricultural exporting state, shipping \$1.4 billion in agricultural exports abroad or 2.3% of the U.S. total in FY 1996. The largest export categories, feed grains, vegetables, and dairy products, accounted for 62 percent of Wisconsin's agricultural exports in FY 1996.
- Total exports from Wisconsin to NAFTA countries increased by 24 percent between 1993 (pre-NAFTA) and 1996 (from \$2.7 billion in 1993 to \$3.3 billion in 1996). During 1996, Canada was Wisconsin's largest export market, while Mexico was Wisconsin's fifth largest export market. Exports to Canada were up by 24 percent (\$575 million), from \$2.4 billion in 1993 to \$2.9 billion in 1996. Wisconsin's exports to Mexico were up by 21 percent (\$66 million), from \$314.4 million in 1993 to \$380.4 million in 1996.
- During 1996, Japan was Wisconsin's second largest export market. Total exports from Wisconsin to Japan were up 130 percent (\$403 million), from \$309.7 million in 1993 to \$712.9 million in 1996.
- Total exports from Wisconsin to the European Union were up 37 percent (\$608 million), from \$1.6 billion in 1993 to \$2.2 billion in 1996.

WEST VIRGINIA STATE EXPORTS

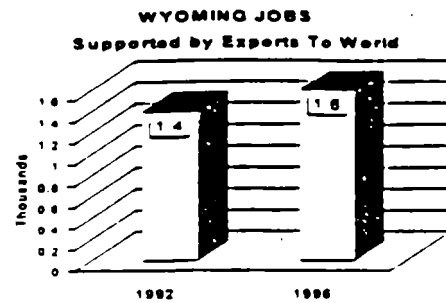
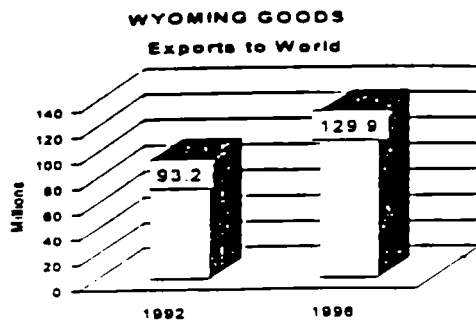


- West Virginia recorded goods exports totaling \$1.3 billion in 1996, up 35 percent (\$336 million) from 1992. During 1996, West Virginia was the 41st largest state exporter of goods.
- West Virginia's jobs supported by goods exports grew an estimated 13 percent (1,811 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, West Virginia exports accounted for 26.2 percent of its manufacturing output and represented 20.2 percent of its total manufacturing employment.
- West Virginia exports of manufactured products were up by 47 percent between 1993 and 1996 (from \$596.0 million in 1993 to \$877.9 million in 1996).
- The five largest manufacturing sectors in terms of West Virginia's exports were: Chemical Products (\$301.3 million of exports in 1996), Primary Metals (\$232.2 million), Industrial Machinery and Computers (\$79.6 million), Transportation Equipment (\$65.8) and Lumber and Wood Products (\$47.9 million). These five sectors accounted for 56 percent of the state's total exports in 1996.
- Among West Virginia's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Stone, Clay and Glass Products	\$6.8	\$34.1	400%
Transportation Equipment	27.5	65.8	139
Primary Metals	124.0	232.2	87
Chemical Products	249.2	301.3	21

- West Virginia is the country's 44th largest agricultural exporting state, shipping \$33 million in agricultural exports abroad in FY 1996.
- Total exports from West Virginia to NAFTA countries increased by 24 percent between 1993 (pre-NAFTA) and 1996 (from \$341.0 million in 1993 to \$421.3 million in 1996). During 1996, Canada was West Virginia's largest export market, while Mexico was West Virginia's 14th largest export market. Exports to Canada were up by 26 percent (\$83 million), from \$317.1 million in 1993 to \$399.9 million in 1996. West Virginia's exports to Mexico were down by 10 percent (\$2.2 million), to \$21.4 million in 1996.
- During 1996, Japan was West Virginia's second largest export market. Total exports from West Virginia to Japan were up 128 percent (\$65 million), from \$51.0 million in 1993 to \$116.4 million in 1996.
- Total exports from West Virginia to the European Union were up 124 percent (\$249 million), from \$201.3 million in 1993 to \$450.4 million in 1996.

WYOMING STATE EXPORTS



- Wyoming recorded goods exports totaling \$129.9 million in 1996, up 40 percent (\$36.8 million) from 1992. During 1996, Wyoming was the smallest state exporter of goods.
- Wyoming's jobs supported by goods exports grew an estimated 17 percent (227 jobs) since 1992. Export-related jobs pay 13 to 16 percent higher than the national average.
- In 1991, the latest year available, Wyoming's exports accounted for 13.3 percent of its manufacturing output and represented 14.3 percent of its total manufacturing employment.
- Wyoming's exports of manufactured products were up by 29 percent between 1993 and 1996 (from \$82.4 billion in 1993 to \$105.9 billion in 1996).
- The five largest manufacturing sectors in terms of Wyoming's exports were: Industrial Machinery and Computers (\$25.0 million of exports in 1996), Chemical Products (\$25.0 million), Food Products (\$15.0 million), Transportation Equipment (\$11.3 million) and Scientific and Measuring Instruments (\$8.6 million). These five sectors accounted for 65 percent of the state's total exports in 1996.
- Among Wyoming's fastest growing manufactured exports (in millions) were:

Sector	1993	1996	Change %
Food Products	\$3.7	\$15.0	301%
Transportation Equipment	6.1	11.3	85
Chemical Products	16.0	25.0	57
Scientific and Measuring Instruments	5.7	8.6	50

- Wyoming is the country's 41st largest agricultural exporting state, shipping \$46 million in agricultural exports abroad in FY 1996.
- Total exports from Wyoming to NAFTA countries increased by 58 percent between 1993 (pre-NAFTA) and 1996 (from \$48.8 million in 1993 to \$77.1 million in 1996). During 1996, Canada was Wyoming's largest export market, while Mexico was Wyoming's fourth largest export market. Exports to Canada were up by 65 percent (\$30 million), from \$43.7 million in 1993 to \$73.5 million in 1996. Wyoming's exports to Mexico were down by 28 percent (\$1.4 million), from \$5.1 million in 1993 to \$3.7 million in 1996.
- During 1996, Japan was Wyoming's second largest state export market. Total exports from Wyoming to Japan were up 294 percent (\$13.9 million), from \$4.7 million in 1993 to \$18.6 million in 1996.
- Total exports from Wyoming to the European Union were up 30 percent (\$4.3 million), from \$14.1 million in 1993 to \$18.4 million in 1996.

SOURCES

Material contained in this packet was prepared by the Office of the U.S. Trade Representative (USTR) and contains information from USTR, the U.S. Department of Commerce (Commerce), the U.S. Department of Agriculture (USDA), and the Massachusetts Institute of Social and Economic Research (MISER).

State trade data totals, manufacturing and specified country details are provided by MISER and are based on the exporter location series from the U.S. Census Bureau. MISER adjusts the Census' series by applying a formula to the Census' "unallocated" data, breaking down the category and assigning export values to individual states and industries within the states. As a result, all U.S. export transactions are attributed to one of the 50 states, the District of Columbia, the Virgin Islands, or Puerto Rico. The series time frame is 1993-1996. Data for overall state trade for 1992 were estimated by USTR. Comparable trade data for 1992 were estimated based on comparisons of the origin of movement state export series with the exporter location state export series for the period 1993-1995. The origin of movement state export series are available for years earlier than 1993.

Jobs supported by goods exports in 1995 and 1996 were estimated by USTR based on a 1996 Commerce analysis, *U.S. Jobs Supported by Goods and Services Exports, 1983-94*. The Commerce analysis reports jobs supported by goods and services exports through 1994. USTR estimated this series through 1996 taking into account productivity and inflation trends affecting export prices. Jobs supported by exports by states sum up to the estimated national total.

Manufacturing output and employment data accounted for by exports are from Commerce's 1991 *Exports from Manufacturing Establishments: 1990 and 1991*. These are the latest available data on this series.

Agricultural state export data are from USDA's *Foreign Agricultural Trade of the United States*. The Economic Research Service of USDA estimates export shares based primarily on a state's production share of exported commodities. State export data are presented on a fiscal year (FY) basis (October-September).

THE WHITE HOUSE

Office of the Press Secretary

(Martha's Vineyard, Massachusetts)

Embargoed For Release
Until 10:06 A.M. EDT
Saturday, August 23, 1997

RADIO ADDRESS OF THE PRESIDENT
TO THE NATION

Martha's Vineyard, Massachusetts

THE PRESIDENT: Good morning. Today I want to talk about the tools we need to keep our economy growing in a way that helps all our people to prosper and advances America's leadership in the world as we move into the 21st century.

For nearly five years now, we have pursued a new economic course for America, with three parts: eliminate the deficit, invest in education and training, and open new markets abroad for America's products and services. It is working. The American people are enjoying the longest period of sustained economic growth in a generation -- with 12 million new jobs, unemployment below five percent, core inflation at a 30-year low. Once again, America is the world's number one exporter, the world's largest producer of semiconductors, the world's largest producer of automobiles. 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. In 1993, we passed an economic plan that cut the deficit 75 percent in four years. And now we have a balanced budget with an historic focus on education and incentives to bring jobs to people and places that still don't have them.

But to keep America growing, to keep America leading, we have to continue to create high-wage jobs, and to do that, we must continue to expand American exports. After all, 95 percent of the world's consumers live beyond our borders. Already, over the last four years, more than 25 percent of our economic growth

has come from overseas trade. Now, that's a big reason more than half our new jobs in the last two years have paid above average wages, because export-related jobs pay, on average, about 15 percent more than non-export jobs. And today, our exports support more than 11 million good, high-paying American jobs, including one in five of our manufacturing jobs.

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 demand 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, our competitors have negotiated 20 trade agreements that do not include the United States.

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. And I'll keep working to strengthen retraining and educational opportunities for workers here. We have to pull together, not apart, to compete and win in the global economy.

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 our businesses are the best in the world, but they can't compete in the slow lane. I look forward to working closely with Congress to keep American prosperity on the fast track.

END

**Testimony of Ambassador Charlene Barshefsky
United States Trade Representative
before the House International Relations Committee
June 10, 1997**

Thank you, Mr. Chairman and Members of the Committee. I am pleased to appear before you today.

I appreciate this opportunity to set forth the Administration's views on the direction of trade policy. When I entered the field of international trade twenty two years ago, trade was really the province of a relatively few academics, trade technicians, and a handful of interested members of Congress. Those days are long past. As trade becomes more central to our economic health and security, it has also gained importance in the views of virtually all members of Congress and the lives of everyday people across this nation. This Administration, and any future Administration, bears the responsibility of explaining our trade policy clearly and building broad political support for it.

Trade and Domestic Prosperity

We should begin by recognizing that our economy is the strongest in the world; that expanded trade has played an important role in building that strength; and that no country in the world is better positioned to take advantage of the enormous opportunities presented by a growing global economy. In fact, we are at a unique moment and we need to seize it now.

Never before have the benefits of trade for Americans been so deep, so diverse, so widespread, and so sustainable. More than 11 million Americans now work in jobs supported by exports; these jobs pay 13%-16% above the national average wage. Those jobs represent the leading edge of the current economic expansion, now in its sixth year, and they cover the spectrum from agriculture to high tech, small businesses to multinationals, blue collar to white collar, and small-town Main Street to Wall Street. Exports have increased dramatically across the country, with 47 of 50 states registering significant export growth over the last 4 years. Exports from California are up 45%, Michigan 68%, Illinois 64%, Ohio, 42%, Texas 40%, Nebraska 54%, North Dakota 76%, Montana 52%. Exports from Florida, Rhode Island, Louisiana, and West Virginia have increased more than 30%. States from New York to Utah also have posted double digit increases.

Export-driven growth is one of the reasons that the American economy today is strong and sound. Over the past four years, we have created nearly 12 million new jobs. Unemployment is at its lowest level in 24 years standing at 4.9% in April. Inflation is down to a low of 2.5% for the period ended April 1997. At the same time, family incomes are up significantly; home ownership has hit a 15-year high; growth of our industrial capacity is at its highest level since 1970; business investment has been stronger than at any time since the 1960s. Our current economic expansion has been investment-led, which establishes a firm footing for an even greater climb.

The best way to continue this prosperity is to give our workers and businesses a full and fair chance

to tap into the global economy. If the momentum of the American economy begins to stall, the world economy can help it recharge. America's growth in trade has been faster than its overall economic growth for years. Our exports increased by more than \$49 billion last year alone; an increase of more than 6 percent. Exports are at record levels across the board. Since 1992, manufactured exports increased 42%; high-tech exports were up 45%; agricultural exports were up 40%, and services exports increased by 26%.

Since the beginning of this Administration, exports have accounted for fully one-fourth of the increase in our GDP. Today, the value of trade (exports plus imports plus investment earnings) totals 30% of the value of GDP, up from 13% in 1970. Increases in GDP combined with a 70% reduction in the federal budget deficit over the last four years, and the balanced budget agreement recently announced, lay the foundation for continued economic expansion, but only if we continue to use all the tools necessary to compete in and shape the global economy.

The Trade Record

Trade policy has contributed significantly to the economic strength of our country today. From the early weeks of the Administration, the President made it clear that we would compete, not retreat behind walls. We would not accept the status quo whereby too often our trading partners took advantage of our open market while maintaining closed markets at home. We have relentlessly pursued an agenda of opening foreign markets, and breaking down foreign market barriers.

We committed to work for a system where trade would be reciprocal; where all trade nations, developed and developing, would adhere to the same set of basic rules. We have made important strides in that regard with the creation of the WTO and elsewhere. We have not yet fully leveled the playing field for U.S. companies, workers and farmers, but we have clearly made progress. The world is generally more open to U.S. exports than it was when the President took office, and far more open than when Congress, on a bipartisan basis, passed the landmark 1988 Trade Act which gave us and our predecessors the clear direction and the tools to open markets around the world.

This Administration has negotiated over 200 trade agreements, all designed to advance our economic and trade interests. In the past four and one-half years:

- We completed the Uruguay Round, the largest trade agreement in world history, which will add \$100-200 billion to GDP annually when fully implemented.
- We completed the NAFTA, which increased our exports to Mexico, and kept Mexican markets open despite the worst economic crisis in Mexican modern history.
- We worked tirelessly to break down market access barriers in Japan, which have presented one of the central trade challenges for the past twenty years, reaching 24 agreements and increasing our exports 43% in four years (with exports covered by these agreements growing roughly twice as fast).

STAYING ON THE FAST TRACK

- Fast track authority is in the overriding national interest of the United States. America's economic strength and standard of living are linked to breaking down trade barriers, exporting our goods and services, and creating more high-skilled jobs.
- This debate is also about American leadership. As the American people prepare for the challenges of the 21st century, we face a critical choice: We can embrace the global economy, write the trade rules, and continue America's economic expansion, or we can turn our back on the world and fail to compete for new markets, new contracts, new business and new job opportunities.
- The President must have the authority to break down foreign trade barriers. Every President since 1974-- Republican and Democratic---has had fast track authority. A bipartisan majority of Congress has consistently supported initiatives to open markets and create jobs. At stake in this debate is both Presidential leadership and a bipartisan consensus on US trade policy.
- Fast track gives the US the credibility to negotiate tough trade deals because our partners know any agreement will not be reopened provision-by-provision by the Congress. Fast track also preserves for the Congress the ultimate decision of whether any potential agreement is good or bad for America. That assurance puts American in the best position to negotiate major trade agreements and maintains a balance that has worked for over 20 years.
- As we increase our trade, the President is committed to raising labor standards and protecting the environment around the world and ensuring through aggressive worker retraining and increased educational opportunities that no American is left out of the global economy

MAINTAINING OUR STANDARD OF LIVING

- Opening markets to US goods and services has been critical to our economic expansion.
- President Clinton's economic strategy of deficit reduction, investing in our people through education and training, and opening markets to our goods and services has created the largest economic expansion in a generation.
- The American people have enjoyed the longest period of sustained growth of all our G-7 partners--seven years as of last March. The US economy has created 12 million new jobs, the unemployment rate is 5%, core inflation is at a 30-year low.
- The United States is once again the world's largest exporter, the largest producer of semiconductors, and the largest producer of automobiles. Independent studies have found America to be the most competitive economy in the world for the past five years.

- The United States exports more products and services than any country in the world and trade provided more than 25% our economic growth over the past four years.
- Over the last four years, American manufacturing exports rose by 42%, high technology exports jumped 46%, service exports climbed 33% and farm exports rose 41%.
- No country is better positioned to compete than the United States. We have every reason to have confidence in our economy, in our companies and workers and in our capacity to compete and win. Fast track is a test of that confidence—and a prerequisite for seizing the trade opportunities before us around the world.

CREATING MORE AMERICAN JOBS

- Over the past four years, more than 25% of our economic growth has come from overseas trade and US exports have created 1.4 million new American jobs. Fast track will give us the chance to continue this trend.
- In addition, 11 million total American jobs are supported by exports, including one in five manufacturing jobs--paying an average of 13-16% more for non-management workers than non-trade related jobs.
- Over the next decade, the global economy is expected to grow at triple the rate of the US economy. Growth will be particularly strong in the world's emerging markets, where demand for American goods and services are taking off.
- In a world where over 96% of the world's consumers live outside of the United States, we must export our goods and services to sustain our standard of living at home. To stay on the global fast track, the President needs fast track authority.

BREAKING DOWN TRADE BARRIERS

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

- Sectoral Agreements: The President would use fast track authority to negotiate agreements in sectors where the US is most competitive. From medical equipment and services, environmental technology and services, telecommunications to high tech computers, the President will tear down more barriers to American exports. For example, the recent Information Technology Agreement eliminated tariffs and unshackled \$500 billion of trade in semiconductors, computers, telecommunications equipment and software, and according to industry estimates, amounts to a \$5 billion tax cut in tariffs on American exports.
- Agriculture: The President would use fast track authority for negotiations to reduce barriers in the \$536 billion global agriculture market that will attack such practices as export subsidies.
- Services: The service sector represent a \$1.2 trillion global market—where US firms exported more than \$220 billion in 1996 with a surplus of \$73 billion. We have the opportunity to open

a wide range of service sectors, including health care, education, entertainment, tourism and business consulting and advertising.

Regional Free Trade Agreements

- Asia: Asia has one of the fastest growing economies in the world, with nearly 3 billion consumers. Forecasters expect real growth of 6-7% annually for the next 15 years. With our APEC partners, the President is working to reach agreement in key sectors that could open these dynamic markets to America's goods and services and keep the free trade process going.
- Latin America/Caribbean: The Latin American market including Mexico is the fastest growing area for US exports. If this trend continues, Latin America and the Caribbean will exceed the European Union as a market by 2000 and exceed Japan and the EU combined by 2010. The President is committed to moving forward toward a Free Trade Area of the Americas by 2005. Negotiating a free trade agreement with Chile is the next critical step in this process.
- Africa: Working with Congress, the President recently launched an African trade initiative to foster stronger economic prosperity in Africa and create new markets to American products. Africa's nations are joining the march toward freedom and open markets--Sub-Saharan Africa alone has 700 million potential consumers. Yet the United States currently supplies only 7% of Africa's imports.

AMERICAN LEADERSHIP IN THE WORLD

- Half a century of determined American leadership has led to a 90-fold increase in global trade and helped bring down global barriers to America's products--falling from an average 40% at the end of World War II to about 5% today. Our leadership of the global economy has served America's interest—and the world's.
- As the sole remaining superpower, the United States has a fundamental national interest in contributing to stability and security around the world. A more prosperous world will be a more peaceful world—a world more hospitable to American interests and ideals. By opening markets, fast track authority will contribute to global as well as American prosperity—it will reinforce the common interest that diverse countries and regions share in sustaining that prosperity.
- America's failure to participate in shaping the global trading system will allow our competitors to negotiate preferential trade arrangements, form strategic relationships excluding the United States, and create new exclusive trade alliances. The United States cannot abdicate its global leadership to the detriment of the American economy.
- This debate must not be about the past but about the opportunities for the future. Fast track authority will allow the President to knock down trade barriers and negotiate a broad array of trade agreements--from sectoral agreements on medical equipment and telecommunications to regional agreements in Asia, Africa and Latin American to eliminating global barriers in the

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

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

THE PRICE OF INACTION

- Other countries are breaking down trade barriers and moving forward in creating competitive trading relationships to the disadvantage of US companies and workers. It is in the national interest of the American people to stay engaged in the global economy.
- Since 1992, in Latin America and Asia alone, our competitors have negotiated 20 free trade agreements that exclude the United States.
- Today every major economy in this hemisphere has a preferential trade deal with Chile except the United States. This gives our competitors an 11% across-the-board tariff advantage for their products, which means American companies must sell to Chile with an immediate 11% cost disadvantage.
- For example, Canada's Northern Telecom recently won a \$180 million telecommunications contract in Chile over three US companies in part to avoid paying \$20 million worth of tariffs.
- Similarly, US corn producers are at a competitive disadvantage in Chile compared to Argentinean corn producers because of a preferential agreement which gives Argentina a 3.3% tariff preference which will soon increase to 11%.
- MERCOSUR (Argentina, Brazil, Paraguay, Uruguay) wants to expand its agreements to include all of South America a move which would disadvantage American businesses.
- China has targeted Mexico, Argentina, Brazil, Chile and Venezuela as "strategic priorities" to expand bilateral trade in Latin America
- The EU has begun a process to reach a free trade agreement with Brazil, Argentina and other MERCOSUR countries. President Chirac recently declared "Latin America's essential economic interests...lie not with the United States but with Europe."

Fast Track: In the National Interest of the United States

FAST TRACK MEANS: IMPROVING OUR STANDARD OF LIVING

- **Keeping the Economy on the Fast Track.** By breaking down trade barriers and creating new jobs, the President will use fast track authority to keep America's economic expansion on the global fast track.
- **The Economy Is Strong.** The President's three-part economic strategy of cutting the deficit, investing in education and training, and opening markets abroad is working. America has enjoyed the longest period of sustained growth in a generation— more than 25% coming from overseas trade. The result: 12 million new jobs, unemployment at 5%, inflation the lowest in a generation.
- **Our Future Prosperity Depends on Trade.** 96% of the world's consumers live outside the United States. The global economy will grow at three times the rate of the US economy. America needs fast track to seize opportunities to negotiate fair new trade agreements that will keep us competitive, expand our exports, create more jobs, and raise our standard of living.

FAST TRACK MEANS: CREATING MORE JOBS

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

FAST TRACK MEANS: MAINTAINING AMERICA'S GLOBAL LEADERSHIP

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

FAST TRACK AND INFORMATION TECHNOLOGY INDUSTRIES

The information technology industries are vital to the U.S. economy

- U.S. information technology companies have operations in all 50 states and generate over 3.5 million domestic jobs directly and indirectly; this sector provides predominantly high-wage employment.
- Information technology industries have become the back-bone of the U.S. and global economy. Information technology has become integrated into all modern business transactions and is an engine of growth in global trade.
- In 1996, U.S. shipments for computer hardware, telecom equipment and electronic components was \$166.4 billion.

U.S. manufacturers are global leaders

- Through diligent efforts to improve competitiveness, U.S. industry has taken back leadership in global market share, including: semiconductors, semiconductor manufacturing equipment, and printed circuit board production.
- Computer software alone, is the third largest manufacturing industry in the U.S. economy in terms of value-added and was estimated to be worth approximately \$66.8 billion in 1996.
- In 1996, U.S. telecom equipment shipments were valued at \$56 billion, accounting for one-third of world-wide shipments. One reason that U.S. telecommunications technology is so competitive is that the United States was the first country to open its market to competition in 1984.

Exports are an essential component of info-tech companies market strategy

- U.S. computer hardware, telecom equipment and electronic component companies exported an estimated \$90.9 billion in 1996. Info-tech companies as a whole export over one third of their production.
- Due to dramatic growth in technology markets world-wide, U.S. IT companies are becoming export dependent; thus, exports are vital to U.S. competitiveness.

Access to developing countries is critical to this strategy

- Emerging markets are the engine for future growth. Asia and Latin America technology markets, in particular, will continue to experience double digit growth rates, at least double the rate of U.S. and European markets.

- The fastest growing markets for U.S. information technology products include China, ASEAN, India, Brazil, South Korea, and Mexico.
- Brazil has the largest telecom sector in Latin America with a market worth nearly \$ 8 billion in 1996, however, tariff rates are up to 32 percent.

Tariffs and non-tariff measures block access to emerging markets

- Export growth would be greatly enhanced for all information technology products if tariff and non-tariff measures were reduced among U.S. trading partners through the broadening of agreements such as the recent Information Technology Agreement and/or regional agreements under APEC or the FTAA.
- Non-tariff measures (NTMs) are the most significant barriers to export growth of U.S. information technology products. The NTMs of principal concern to U.S. industry are:
 - Forced technology transfer requirements;
 - Intellectual property rights protection;
 - Local content requirements;
 - Import licensing quotas;
 - Value-added taxes;
 - Burdensome equipment certification requirements;
 - All discriminatory procurement practices by foreign governments, especially, practices by state-owned enterprises and/or formerly state-owned enterprises which remain subject to de facto state control
- Tariff levels globally for information technology products range from 4-10 percent—with the exception of tariffs of up to 50 percent on imports of satellites and large satellite components for assembly in Ukraine and Russia. Removal of tariffs represents significant savings to all info-tech producers, since margins between production costs and market prices are notoriously slim in most product segments.

Fast track will reduce trade barriers to expanding international markets which is key to maintaining U.S. competitiveness and innovation

- To combat these problems, U.S. government and industry are attempting to pursue these issues in existing multilateral and regional fora, including the WTO, APEC, ASEAN Dialogue, and by enforcing U.S. trade laws.
- U.S. info-tech companies place high priority on the implementation of tariff elimination under ITA-I. Additionally, they strongly support new and expanded coverage under ITA-II, such as expansion of product coverage and country signatories, and addressing the removal of NTMs.

Competition doesn't wait for U.S. leadership

- Since the Mercosur countries chose not to join the Information Technology Agreement, the FTAA is very important to U.S. IT companies. U.S. competitors are targeting Latin America as a market priority. Already, the European Union has signed a framework agreement with the Mercosur partners, which could give advantages to European products in the key emerging markets of Latin America.
- **U.S. firms are reporting difficulties in overcoming preferences granted in Central Europe to the European Union under its association agreements. These preferences arise in several countries and the situation could worsen once they are fully phased in. This can be particularly difficult in the technology sector, where for example, tariff preferences can be as high as 15 percent.**