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Fast Track: Renewal of Traditional Trading Authority - November 1997

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Fast Track: Renewal of Traditional Trading Authority

November 1997

FAST TRACK:
RENEWAL OF TRADITIONAL TRADING AUTHORITY

1. Fast Track: Why Fast Track Is In The National Interest
   - Fast Track In the Interest of America and American Workers
   - Keeping America And Its Workers The Most Competitive in The World
   - Why America Won't Get Its Fair Share of Jobs without Fast Track
   - Fast Track And American Leadership

2. Endorsements
   - Presidents Bush, Ford and Carter
   - Former U.S. Secretaries of State
   - Former U.S. Secretaries of Treasury
   - Former U.S. Secretaries of Commerce
   - Former U.S. Trade Representatives
   - National Governors Association

   - Governors including: Delaware, Arizona, N. Dakota, Iowa, Illinois, Florida.
   - Mayors including: Philadelphia, Santa Ana, Milwaukee.

   - Business Organizations including: National Small Business United, America Leads on Trade, Emergency Committee for American Trade, The Business Roundtable, American Business Conference, American Farm Bureau, American Automobile Association.

3. Remarks
   - Radio Address by Vice President Gore (11/1).
   - Remarks by President Clinton and Secretary Daley, Palm Beach, Fla. (10/31).
   - Remarks by Secretary of State Albright and Secretary of Treasury Rubin, U.S. Chamber of Commerce (10/23).
   - Remarks by President Clinton, Democratic Leadership Council (10/27).
   - Remarks by President Clinton, AFL-CIO Convention (9/24).
   - Remarks by President Clinton, East Room (9/10).
   - Remarks by Vice President Gore, East Room (9/10).
   - Radio Address by President Clinton (8/23).

4. Newspaper Editorials

5. U.S. Economic and Export Data

FAST TRACK:
IN THE INTEREST OF AMERICA AND AMERICAN WORKERS

"[T]o keep America growing, to continue creating jobs and opportunities, we must continue to expand exports. We must use every tool we have to pry open foreign markets to American-made products. We must act now, to continue our progress so our new economy works for all Americans. America must continue to fight for open trade around the world -- and that means Congress must renew the President's traditional authority to negotiate trade agreements."

-- President Clinton, 9/10/97

Fast Track Will Create More Higher Paying Jobs For America's Workers.
The United States needs fast track to continue to create higher-paying jobs for more of its workers. Without it, America's role as the largest exporter in the world will be put in jeopardy. And with new markets opening around the world, it is more important than ever to give the President traditional trade authority to break down foreign trade barriers. These barriers put American products made by American workers at a disadvantage.

Fast Track Background

Q: *What is fast track?*

A: *Fast track legislation is essentially an agreement between Congress and the President on how Congress will consider trade agreements negotiated by the President. As part of that arrangement, the President agrees to extensively consult and coordinate with Congress throughout trade negotiations. In return, Congress votes on legislation implementing trade agreements on an up or down basis, with no amendments. This ensures that other countries will give us their bottom line best offer. Every President since 1974 has had fast track authority.*

President Clinton Has Helped American Workers...
President Clinton has a strong record of helping the families of American workers. The President's record includes: ensuring low-income families received tax relief in the form of a child tax credit in this year's balanced budget deal; securing a 20% tuition tax credit in the balanced budget agreement; creating a $1,500 HOPE Scholarship to make college universally available; doubling dislocated worker funding; and obtaining the largest Pell Grant increase in two decades.

...And Will Continue To Ensure That All Workers Benefit From Expanded Trade
President Clinton will continue to build on his strong record of supporting American workers and ensuring that all workers benefit from expanded trade by fighting for increased training and education opportunities. The Administration is currently developing a comprehensive plan to help communities and workers who have been affected by trade.

Fast Track Will Ensure America's Role As Global Leader.
The fast track debate is about much more than trade. It is about American leadership in the world. It is a test of whether the United States intends to maintain our half century of leadership -- or retreat and turn inward. And while our economy is currently the envy of the world -- once again the world's most competitive economy -- we cannot afford to take this success for granted. <u>We need to continue to open and expand markets in order to maintain our position as the global economic leader.</u>

Failure To Lead On Trade Will Hurt Our Foreign Policy.
Fast track is a test of our foreign policy. America's failure to lead on trade will have harmful effects on our ability to lead in other areas as well. For example, if Latin America is permitted -- by default in our leadership -- to turn increasingly to Europe and Asia for trade relations, the U.S. relationship with Latin America will weaken. As the sole remaining superpower, the United States has a fundamental interest in aiding both security and prosperity around the world -- particularly in our own hemisphere.

-- Fast Facts --

- Exports support over 11 million American jobs, including one in five manufacturing jobs.
- One third of America's economic growth over the past five years has come from exports.
- The United States is once again the world's most competitive economy; the world's leading exporter; the largest producer of automobiles and semiconductors.
- Export related jobs pay on average 15% more than non-export related jobs.
- Expanding trade is increasingly tied to America's future economic growth; 96% of world's consumers live outside the U.S.

KEEPING AMERICA AND ITS WORKERS THE MOST COMPETITIVE IN THE WORLD

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

AGRICULTURE

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

- **U.S. agricultural exports support nearly a million jobs and this number is rising.** Since 1990, the value of U.S. agricultural exports has increased by $20 billion, or nearly 50%. Each week last year, on average, American producers and processors shipped out more than $1.1 billion in farm and food products to foreign markets.
- **Last year, our agricultural exports were twice the level of our imports -- a claim no other sector can make.** Dollar for dollar, we export more corn than coal, more wheat than steel, more meat than aluminum, and more fruits and vegetables than CDs, records, and tapes. U.S. exports are growing more than three times as fast as domestic demand for foods.
- **U.S. agriculture will pay a high price if fast track is not granted.**
  - ☞ More than 20 bilateral and regional trade agreements are already in place in the Western Hemisphere, and the U.S. is party to only one. While these preferential trade agreements multiply, the U.S. share of the region's total agricultural imports is declining.
  - ☞ Chile has already signed trade agreements with Bolivia, Colombia, Ecuador, Mexico, Venezuela, MERCOSUR and most recently Canada. The U.S. has already lost an estimated $500 million in exports to other countries that have duty preferences in place.
  - ☞ Chilean fresh fruit pays a 2% duty when entering Venezuela (due to the Chile-Venezuela FTA), whereas American producers pay a 15% tariff. The U.S. Embassy estimates that the U.S. market share would grow from its current 39% to 67% if U.S. producers had equivalent access to the Venezuelan market.

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

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

COMMERCIAL SERVICES

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

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

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

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

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

GOVERNMENT PROCUREMENT

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

Civil Aircraft

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

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

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

Energy Equipment

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

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

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

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

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

Environmental Technologies and Services

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

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

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

Medical Equipment

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

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

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

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

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

FAST TRACK AND AMERICAN LEADERSHIP

Overview

- **The fast track debate is about much more than trade. It is about American leadership in the world.** Other governments, particularly those in Latin America, view fast track as a test of whether the United States intends to maintain our half century of leadership -- or retreat and turn inward.

- **A failure of U.S. leadership would be a huge mistake.** For over 50 years, we have led the world toward freer markets -- reducing average tariffs from 40% at the end of World War II to about 5% today. That has led to a 90-fold increase in trade, which has enormously benefitted the U.S. We must not turn our back on that progress.

- **American leadership is not divisible. If we fail to lead on trade, our influence will suffer in other areas.** The patterns of trade developed in the coming decades will create patterns affecting our national security, foreign relations and political interests. If Latin America is permitted -- by default in our leadership -- to turn increasingly to Europe and Asia in its trade relations, it will weaken our relationship with Latin America. Rejecting fast track would also send a terrible signal to emerging markets, undermining the developing world trend toward free market policies and democracy.

Exports and U.S. Growth

- **For the U.S., the case for fast track is clear: if we are to sustain our economic growth, we must export.** Since 1993, one-third of our growth has come from exports. Over the next decade, the economies of Latin America and Asia are expected to grow at three times the rate of the U.S. economy. In a world where 96% of the world's consumers live outside our borders, we must export to grow. It's that simple.

- **We are in a perfect position to compete. Our economy is the envy of the world.** We are once again the world's most competitive economy, the world's largest exporter, the leading producer in key industries like automobiles, semiconductors and pharmaceuticals. It makes no sense to sideline ourselves now.

- **But we cannot afford to take our economic leadership for granted.** Throughout the world, other countries are moving to reach trade deals opening their markets. We can either lead this process -- or watch it proceed without us:
    - In Latin America and Asia alone, other countries have reached more than 20 preferential trade agreements without us. Today every major economy in the hemisphere has a preferential trade deal with Chile, except the U.S.
    - The EU is seeking a preferential trade agreement with MERCOSUR, a market of over 200 million people and a GDP exceeding $1 trillion. President Chirac has declared "the future of the region rests with Europe, not the United States."

Fast track and U.S. Foreign Policy

- **Fast track is a test of our foreign policy.** As the sole remaining superpower, the United States has a fundamental interest in aiding both security and prosperity around the world -- particularly in our own hemisphere. Stable trading relationships are critical to that end. In the post Cold-War world, trade agreements serve some of the same purposes security pacts played during the Cold War: They bind nations together through a set of shared interests and common objectives.

- **If the U.S. fails to lead, we risk losing influence by default. The trade patterns set in coming decades will have enormous strategic importance too.** That is part of the strategy behind FTAA and APEC processes. They are not just economic: they are also intended to reinforce broader U.S. engagement in Latin America and Asia, two regions where U.S. foreign policy strategic and security interests are deeply implicated. Rejecting fast track would signal retreat from these initiatives.

- **That would clearly undermine broader U.S. interests.** Latin America sees trade as the linchpin of a stronger hemispheric relations -- our failure to engage would undermine cooperation on a range of issues including drug interdiction, immigration, environmental protection and corruption. In Asia, the industrialization of 3.5 billion people in the arc from Korea to Pakistan will be perhaps the greatest development of the 21st Century. It is critical to America's economic and security interests that we be deeply engaged in the transformation. Without fast track, we are crippled in that effort.

- **The cause of democracy and free markets would also suffer.** After decades of failed experiments and anti-Americanism, many of the world's emerging markets today are embracing free markets, democracy and other American values. Today -- for the first time in history -- one half of the world's population lives under elected rulers. But this fragile progress will continue only if we continue to press countries to embrace free trade policies, build stronger middle classes and strengthen the building blocks of democracy. Rejecting fast track would send a terrible signal that we are not serious about trade liberalization and reform.

Conclusion

- **The United States faces a critical choice.** We can continue to make our economy the model for the rest of the world, open foreign markets, and reaffirm our global leadership. Or we can convince ourselves that we cannot compete, turn inward, and cede that leadership to others eager to take our place. The choice is that stark -- and that important.

GEORGE BUSH

October 24, 1997

Dear Mr. President:

I am writing to express my strong support for Congressional passage of fast track negotiating authority.

Fast track authority is critical to America's continued economic prosperity. It will enable the United States to lead on important bilateral and multilateral trade negotiations. With fast track authority, the President and Congress can work together to conclude trade agreements which will increase American exports, thus creating additional skilled jobs for American workers.

I strongly believe that fast track authority is also essential to maintaining American leadership on a wide range of issues beyond trade. Indeed, how the Congress votes on this important legislation will send a clear signal to the world about America's continuing ability and willingness to lead on economic, foreign policy and security issues. America has unique global responsibilities which do not permit us to turn our backs on the world. Passage of fast track legislation will send a clear message that the United States will continue to exercise the global role for which it is uniquely equipped, and uniquely trusted by others.

I supported fast track authority when I was in Congress. As Vice President, I worked hard to secure fast track authority for President Reagan. While President, I worked successfully with Congress to renew the authority. Today, I am convinced that it is essential that Congress again provide the President with fast track authority. I believe it is strongly in our national interest that the Congress pass this legislation promptly.

Sincerely,

G Bush

10000 MEMORIAL DRIVE · HOUSTON, TEXAS 77024

OCT 2 1 1997

GERALD R. FORD

'97 OCT 20 PM 1:27

October 10, 1997

Dear Mr. President:

I write to give my strong endorsement for Congressional approval of Fast Track authority. I was the first President to have this negotiating authority and every President since me has used Fast Track to open markets for American products. Congressional passage of Fast Track is deeply in our national interest.

The United States, more than any other nation, will benefit from new market opening trade agreements. We are the most competitive nation on earth and the leading export power. As you know, trade represents over thirty percent of our nation's GDP and over one-third of our job growth. Yet there is a fundamental imbalance in the economic relationship between the United States and many of our key trading partners. Our market is open to their products, yet their markets are closed to ours. Fast Track will enable you and future Presidents to level the playing field for U.S. exports.

It is vital for the Congress to understand Fast Track is also essential for a successful U.S. foreign policy, for American influence is not divisible. America's leadership cannot press countries to stop the flow of narcotics or weapons of mass destruction without engaging with these nations on economic issues. Yet without Fast Track, the United States cannot lead on trade issues. As the only military and economic superpower, the United States must lead the world toward peace and prosperity. Without Fast Track, our hands will be tied.

U.S. trade policy has enjoyed bipartisan support for more than 60 years -- as it should. In this tradition, Congress should expeditiously approve Fast Track on a bipartisan basis.

Sincerely,

Gerald R. Ford

The Honorable William J. Clinton
The President of the United States
The White House
Washington, D.C. 20500

OCT 2 1 1997

THE
CARTER CENTER

October 14, 1997

To President Bill Clinton

I support the Reciprocal Trade Agreements Act of 1997, and urge Congress to approve it so that your Administration can begin to negotiate a Free Trade Area of the Americas, new sectoral agreements, and outstanding issues in the World Trade Organization like procurement and services.

As our country becomes more dependent on world trade, each request for renewing fast-track trade negotiating authority has generated a heated debate between those who are confident that we can compete in the world and those who fear increasing competition. You have spoken eloquently for a confident America, and I commend you for your unwavering support for freer trade.

We both know that freer trade benefits our nation as a whole, but we also know that not every group benefits. For our nation to sustain a freer trade policy, we need to find ways to address the legitimate concerns of working people. Important steps already have been taken in this regard with transitional adjustment assistance, dislocated worker training, the earned-income tax credit, one-stop career centers, and the North American Development Bank. All of these reflect your commitment to working people and to those of us who care about the environment. I encourage you to continue working with the trade unions and environmental groups to find additional ways to show that their interests will not be neglected in future trade talks.

Your trip to South America will show Americans how important the region is to our country. I hope that soon after you return, Congress will approve the trade bill and permit you to implement the promise of the Summit of the Americas in Miami.

Sincerely,

Jimmy Carter

The Honorable Bill Clinton
The President
The White House
Washington, D.C. 20500-2000

LATIN AMERICAN AND CARIBBEAN PROGRAM
ONE COPENHILL · 453 FREEDOM PARKWAY · ATLANTA, GEORGIA 30307 · (404) 420-5175 · FAX (404) 420-5196

Dear President Clinton:

We express our unqualified support for renewal of Fast Track negotiating authority. This critical market opening tool has been available to every President for more than two decades and is essential for continued U.S. economic and foreign policy leadership. Renewal of Fast Track authority would continue a long tradition of bipartisan trade and foreign policy.

For more than five decades, the United States has been the world leader in opening markets around the world. This effort, led by Presidents from both parties, has led to enhanced prosperity and a higher standard of living at home and abroad. Now is not the time to abrogate this role. The United States must continue to lead – if we don't, others will.

We know from experience that no nation will negotiate a trade agreement twice with the United States – first with the executive, next with the Congress. Fast Track creates a partnership between the President and Congress to open markets and reduce barriers to U.S. goods and services throughout the world. The United States has much to gain from this endeavor, because other markets remain closed while ours is already open to foreign products.

Collectively, we served as Secretaries of State over a 23 year period. Each of us worked hard to encourage centralized, state-run economies in Eastern Europe, Latin America and Asia to privatize and undertake real economic reform. This work is now paying off, as more and more countries around the world choose the path of freedom, democracy and prosperity. It would be a tragedy if – precisely when others are heeding our advice – the United States sent a signal of retreat from our historic role as the champion of freedom and openness. Rejecting Fast Track would do just that.

Renewal of Fast Track authority is seen as a litmus test by leaders around the world of the United States' intention to maintain its leadership role. Should we falter, other countries would be quick to fill the void.

Sincerely,

Lawrence Eagleburger

Warren Christopher

George P. Shultz

Cyrus Vance

Alexander Haig

James A. Baker III

William E. Simon
P. O. Box 1913
310 South Street
Morristown, New Jersey 07962-1913
(201) 898-0290

October 22, 1997

The Honorable Bill Clinton
The White House
Washington, D.C. 20500

Dear Mr. President:

As former Secretaries of the Treasury, we strongly support the renewal of Fast Track negotiating authority. This authority has been available to every President for more than two decades and is essential for United States economic leadership in the global economy.

Having trade negotiating authority is essential to our economic and our national security. Promoting open markets and trade not only creates new markets for U.S. products, but increases prosperity around the world and encourages greater international stability. The economic well-being of the United States is integrally linked to the rest of the world and U.S. leadership on global trade is necessary in promoting global growth.

Fast Track authority will enable us to negotiate further trade agreements to open foreign markets to U.S. goods and services. Already, countries around the world are moving ahead to expand trade with each other. There is no question this is going to continue. The only question is whether we will be part of the process of and benefit from integration, or be on the outside looking in.

There is no question that American companies today can compete. Our objective is to make sure that U.S. companies have a level playing field around the world.

Fast Track is about more than one trade agreement or set of trade agreements, however. It is about U.S. leadership in the growing global economy and is an integral part of the strategy tht has put our economy on the right track.

By failing to renew Fast Track authority, we run the risk of losing our ability to shape the future landscape of the global community and compete in the global economy.

Yours faithfully,

William E. Simon

All the other living former Secretaries of the Treasury have endorsed this letter:

James A. Baker, III
Lloyd Bentsen
W. Michael Blumenthal
Nicholas F. Brady
C. Douglas Dillon
Henry H. Fowler
G. William Miller
Donald T. Regan
George P. Shultz

October 20, 1997

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

Dear Mr. President:

As former U.S. Secretaries of Commerce, we are writing to express our strong support for your decision to seek expanded trade negotiating authority, or so-called "fast track."

The United States has been ranked the most competitive nation in the world. The United States is also the world's largest exporter, and U.S. exports have been increasing rapidly over the past few years. By the end of 1996, U.S. exports had reached nearly $850 billion and are increasing in 1997 at a rate of almost 10%. In addition, about 30% of our economy is connected to trade, up from 10% in 1970, and trade supports almost 12 million jobs in the United States.

The vast majority – 96% – of the world's people live outside the United States, and the populations of developing countries are growing significantly faster than their industrialized counterparts. In fact, by 2010, the middle class population in emerging markets will be greater than that in Europe, North America and Japan combined; and the Far East alone will have nearly twice as many middle class citizens as North America and as many as Eastern and Western Europe combined. This means that demand for U.S. goods, services and investment in emerging markets around the world will continue to grow exponentially.

We have the tools to compete and win in the global marketplace. Our companies are the most competitive and our workers the most skilled and productive. Yet we can only compete in key markets around the world if we have access to them. Without this access, we forfeit economic opportunity, jobs and market share to our competitors.

In order to continue to grow the economy and create high-wage jobs for American workers, we must be able to forge market-opening agreements with our trading partners. We therefore strongly support your decision to seek fast track trade negotiating authority.

Sincerely,

Michael Kantor

Barbara Hackman Franklin

Robert A. Mosbacher

Juanita M. Kreps

Elliot L. Richardson

Frederick B. Dent

Peter G. Peterson

Maurice H. Stans

Alexander B. Trowbridge

October 13, 1997

The President
The White House
Washington, DC 20500

Dear Mr. President:

As former U.S. Trade Representatives, we are writing to express our strong support for your decision to seek expanded trade negotiating authority, or so-called "fast track."

The United States is the world's largest exporter and the U.S. economy has become increasingly dependent on trade. In 1970, trade accounted for approximately 10% of U.S. GDP. Today, trade comprises almost one-third of U.S. GDP, and trade's share of our overall economy will continue to grow. Furthermore, almost 12 million American workers owe their jobs to exports, and by the year 2000, approximately 16 million U.S. jobs will be supported by exports. Export-supported jobs are high-wage jobs, paying 13-16% more than the average wage.

With only four percent of the world's population, zero population growth and a mature economy, we must turn to international markets to sell our goods and services and to strengthen our economy. For example, 24% of the world's middle class lives in Asia and the Asian middle class is growing at a rate of 5% a year -- five times as fast as in the developed world.

In order to continue to grow the economy and create high-wage jobs for American workers, we must be able to forge market-opening agreements with our trading partners. There is no question that the United States can compete and win in the global marketplace. Our workers are the most skilled in the world and our businesses are the most productive. However, we can only compete in the fastest growing international markets if we have access to them. Without this access, we cede economic opportunity and market share to our competitors and we fail to live up to our responsibility as the world's only remaining economic superpower.

Every President since Gerald Ford has had fast track authority and has used it to strengthen the U.S. economy and create American jobs. For more than two decades, fast track has enabled Presidents to negotiate in good faith with our trading partners and strike market-opening agreements to the benefit of the United States.

For the sake of the U.S. economy and U.S. jobs, we strongly support your decision to seek fast track trade negotiating authority.

Sincerely,

Carla A. Hills	Mickey Kantor
Clayton Yeutter	Robert S. Strauss
Bill Brock	Reubin Askew

NATIONAL GOVERNORS' ASSOCIATION

George V. Voinovich
Governor of Ohio
Chairman

Thomas R. Carper
Governor of Delaware
Vice Chairman

Raymond C. Scheppach
Executive Director

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

October 1, 1997

The Honorable Trent Lott
Majority Leader
United States Senate
Washington, D.C. 20510

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

Dear Senator Lott and Senator Daschle:

The National Governors' Association (NGA) has consistently supported federal efforts to expand global free trade. Governors played a critical role in the successful passage of the North American Free Trade Agreement (NAFTA) and the Uruguay round negotiations of the General Agreement on Tariffs and Trade. We are now working to ensure reauthorization of fast-track authority. The nation's Governors urge you and your colleagues to work with President Bill Clinton to reach a bipartisan consensus on this critical legislation as soon as possible.

Fast-track trade negotiation authority is an important and effective tool that allows the United States to establish cooperative trade agreements with other nations. We have already seen the negative effects of delayed action on this critical issue. Negotiations with Chile over its accession to NAFTA seem interminably stalled. The rest of Latin America is watching this process and has voiced growing concerns that the United States will be even less able to negotiate effectively on issues related to the creation of the Free Trade Area of the Americas. Competing nations are not waiting for us to resolve internal political disputes over the structure of fast-track authority and are forging ahead with agreements in Asia and Latin America.

Trade agreements signed in the past have helped create the current economic expansion; one third of the growth in gross domestic product in the last four years can be directly attributed to trade agreements negotiated under fast-track authority. Though Governors must rely on the federal government to effectively manage international trade, states and the federal government share responsibility for creating a healthy economy. The Governors ask that the federal government consult with them when a potential trade agreement could impact state law. By working together, states and the federal government can create a thriving economy fueled significantly by international trade.

We are very concerned that legislation to reauthorize fast-track authority will not move forward unless Congress and the White House quickly agree upon a legislative proposal. We recognize that the legislative agenda this session is extraordinarily tight and know that political realities may prevent a vote on this issue next year because of the 1998 elections. We must all work together now if we want to pass legislation before 1999.

We have shared our concerns with the President, and we are fully prepared to actively support efforts to achieve renewal of fast-track authority in this Congress.

Sincerely,

George V. Voinovich

Governor George V. Voinovich
Chair

Tom Carper

Governor Thomas R. Carper
Vice Chair

Attachment: Governors' Principles on International Trade

STATE OF DELAWARE
OFFICE OF THE GOVERNOR

THOMAS R. CARPER
GOVERNOR

October 24, 1997

The Honorable William V. Roth, Jr.
104 Hart Senate Office Building
Washington, DC 20510

Dear Senator Roth:

As the Senate begins to debate President Clinton's request for Fast-Track trade authority, I would like to make you aware of the potential impact Fast-Track has on the State of Delaware. While Fast-Track authority is a necessary mechanism for the United States to reach trade agreements, it also plays an important role in strengthening Delaware's economy.

While the European Union and Canada are negotiating trade agreements with Latin America, Southeast Asia is moving to open its own free trade zone by 2010. The United States needs Fast-Track to remain a leader in the debate on the new global economy. Latin America and Southeast Asia are two of the fastest growing economies in the world, the United States should not be left out of negotiations with these regions.

International trade is important to more than 300 Delaware businesses creating quality jobs and economic growth. Delaware businesses of all sizes are expanding their exports. In 1996, Delaware companies' exports, including chemicals, automobiles, mining equipment, solar cells, computer equipment and poultry, totaled over $4 billion.

One country with which we have a high volume of trade is Chile. Currently, a number of Delaware businesses rely heavily on the Chilean marketplace. As you know, Chile would like to enter into a trade negotiation with the United States, but has not come to the table because the President does not have Fast-Track authority, and therefore can not trust agreements made by the President. The port of Wilmington Chilean trade is critical to the success of the Port of Wilmington. Approximately 24% of the grapes from Chile enter the U.S. through the port of Wilmington. Fast-Track is essential to continuing this relationship with Chile.

TATNALL BUILDING
DOVER, DELAWARE 19901
(302) 739 - 4101
FAX (302) 739 - 2775

CARVEL STATE OFFICE BLDG.
WILMINGTON, DELAWARE 19801
(302) 577 - 3210
FAX (302) 577 - 3118

Fast-Track trade authority gives the President a tool that lets the United States remain a leader in global economic policy and gives both U.S. and Delaware businesses a more competitive position in the global market place. I hope you will support this important legislation.

Sincerely,

Tom

Thomas R. Carper
Governor

JANE DEE HULL
GOVERNOR
STATE OF ARIZONA

October 17, 1997

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

Dear President Clinton,

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

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

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

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

OCT 21 1997

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

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

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

Sincerely,

Jane Dee Hull

Jane Dee Hull
GOVERNOR

JDH:ja

EDWARD T. SCHAFER
GOVERNOR

State of North Dakota

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

October 14, 1997

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

Mr. President:

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

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

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

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

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

Sincerely,

Ed Schafer

Edward T. Schafer
Governor

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

TERRY E. BRANSTAD
GOVERNOR

September 9, 1997

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

Congressman Boswell,

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

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

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

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

Sincerely,

Terry E. Branstad

TERRY E. BRANSTAD
Governor of Iowa

STATE OF COLORADO

(303) 866-4267

EXECUTIVE CHAMBERS

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

Roy Romer
Governor

Statement by Gov. Roy Romer
September 10, 1997

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

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

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

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

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

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SPRINGFIELD 62706

JIM EDGAR
GOVERNOR

September 17, 1997

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

Dear Representative Crane:

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

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

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

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

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

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

Sincerely,

Jim Edgar

Jim Edgar
GOVERNOR

STATE OF FLORIDA
Office of the Governor
THE CAPITOL
TALLAHASSEE, FLORIDA 32399-0001

LAWTON CHILES
GOVERNOR

October 31, 1997

VIA TELEFAX AND MAIL (7 Pages)

Honorable Dave Weldon, M.C.
Fifteenth Florida District
216 Cannon House Office Building
Washington, DC 20515-0003

Dear Congressman Weldon:

The upcoming Congressional decision on extending "fast track" international trade agreement authority to the President will have a major impact on the ability of Florida businesses to continue to compete successfully for international markets. Recognizing that this issue is a challenging one for our state, Enterprise Florida has developed a common Florida business position on fast track, a position that accommodates the concerns of citrus and winter vegetable commodity producers.

This past Wednesday, the Enterprise Florida Board of Directors unanimously adopted a resolution expressing strong support for passage of fast track authority for the President of the United States, with a proviso that, in all future trade agreements, the U.S. negotiators will give special consideration to the potential impacts of these agreements on citrus and winter vegetable products of Florida. The proviso specifically cites the need to preserve GATT/Uruguay Round tariff agreements and to consider the perishable and seasonal nature of agricultural products. This resolution has been developed by a working group of Enterprise Florida's Board which included leading representatives of the citrus and winter vegetable industries.

As you know well, international trade is essential to Florida's economic future. The value of Florida-produced exports reached a record $25 billion last year, resulting in a 10 percent rise in trade-related jobs. More than 40 percent of all U.S. trade with Latin America flows through Florida ports. Nearly two-thirds of Florida-produced exports are destined for markets within that region.

you in urging this and future administrations to support the fair and equitable treatment of this vital Florida export industry--agriculture.

We hope that you can indeed support granting fast track authority this year and that you find the enclosed resolution helpful.

With kind regards, I am

Sincerely,

LAWTON CHILES

LC/efi

Enclosures

CITY OF PHILADELPHIA

OFFICE OF THE MAYOR
ROOM 215 CITY HALL
PHILADELPHIA, PENNSYLVANIA 19107-3295
(215) 686-2181
FAX (215) 686-2170

EDWARD G. RENDELL
MAYOR

August 25, 1997

Dear Mayor:

Like many mayors, I dedicated much of my time and energy in 1992 to the presidential campaign of then-Governor Bill Clinton and then-Senator Al Gore. I knew that together they could change the direction in which this country was headed.

Well, five years and one reelection campaign later, they proved us right. The economy is booming with more than 12 million new jobs created, inflation under 3% and unemployment under 5% for the first time in a quarter century. Much of that success has come as a result of a dramatic growth in exports during the Clinton-Gore Administration. In fact, one quarter of the new jobs created was due to the increase in exports. These jobs pay some 13 - 15% higher wages than non-export related jobs. The increase in exports and the phenomenal job growth that accompanied that increase are due in large part to the trade agreements that the Administration has negotiated. All over the globe, trade barriers are falling and American companies are able to compete on a level playing field like never before.

Here in Philadelphia, we have benefitted greatly from the expansion in trade during the Clinton/Gore Administration. In the first three years alone, the Philadelphia region saw a $2 billion increase in exports, thanks to the foreign trade policies of the President and Vice President. I imagine that your city experienced growth as well.

It is clear that increased trade means jobs for Philadelphians and jobs in all of America's cities. In order for America to compete, it is crucial that President Clinton and presidents who follow have the authority to negotiate trade agreements that will lead to more jobs for American workers. Fast track authority will give the President the flexibility he or she will need to protect America's vital interests and protect American jobs.

I have attached the Democratic Leadership Council's "Appeal to Congress" for your review. Please join me and other Democratic mayors in signing this appeal to give the President the ability to continue his fine work in bringing good paying jobs to American workers. Please call the DLC's Field Director, Debbie Cox, at (202) 546-0007 to sign this appeal or to ask any questions you may have.

Sincerely,

Ed Rendell

EDWARD G. RENDELL

Santa Ana
Education 1st

CITY OF SANTA ANA
20 CIVIC CENTER PLAZA • P.O. BOX 1988
SANTA ANA, CALIFORNIA 92702

Press Release

Contact: Mayor's Office
Phone: (714) 647-6900

FOR IMMEDIATE RELEASE
September 10, 1997

MAYOR PULIDO SUPPORTS "FAST-TRACK"

Mayor Miguel Pulido today announced his support of the Clinton Administration's efforts to encourage Congress to adopt the "Fast-Track" legislation. "Fast-Track" would give the President the power to negotiate trade pacts and send them to Congress for a prompt vote.

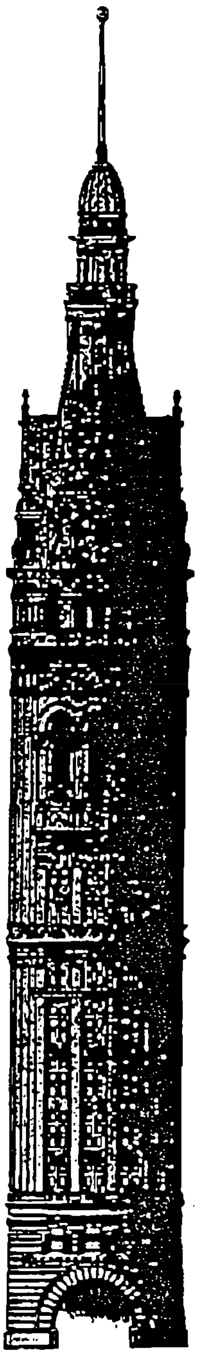
"Southern California businesses, especially those in Santa Ana, will benefit from the quick implementation of future trade agreements," Mayor Pulido said. "Just as NAFTA has improved trade with Mexico, the United States' third largest trading partner, future trade with other countries will help ensure our businesses access to the global economy."

The following Santa Ana businesses support the "Fast-Track" legislation:

Fernando Niebla, CEO, InfoTech Commercial Systems 714/755-7120
John Hall, CEO, Rickenbacker International 714/545-5574

-End-

John O. Norquist
Mayor
City of Milwaukee



Office of the Mayor
City Hall
200 East Wells Street
Milwaukee,
Wisconsin
53202
(414) 286-2200
fax (414) 286-3191

September 17, 1997

The Honorable
Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to give my enthusiastic support for Fast-Track authority to establish improved trade agreements with other nations.

The U.S. position in the global marketplace will be improved by Fast-Track authorization. It would also be a boon to Milwaukee's exporters, their employees, and our port facility, but my major rationale is the promotion of more extensive free trade worldwide.

It is a pleasure to write in support of Fast-Track trade agreement authorization.

Sincerely,

JOHN O. NORQUIST
Mayor

NATIONAL SMALL BUSINESS UNITED
SIXTIETH ANNIVERSARY
1937-1997
1156 15TH STREET, N.W.
SUITE 1100
WASHINGTON, D.C. 20005-1711
202-293-8830
FAX: 202-872-8543
WWW.NSBU.ORG

For Immediate Release:

September 16, 1997
Contact: *Beth Barr* Media/Govt. Affairs Coordinator or *David D'Onofrio*, Director of Govt. & Public Affairs – 202/293-8830

NSBU supports Fast Track Authority

Free-trade means boom for small business

Washington, D.C. – National Small Business United (NSBU), the nation's oldest bipartisan small business advocacy organization announces its support of Fast Track trade legislation. According to NSBU President **Todd McCracken**, the passage of Fast Track is more important now than ever before. "In the ever-expanding global market, small businesses have been thrust into a very competitive arena. Fast Track Authority will help to expedite crucial trade negotiations that will benefit small business exporters, the American economy and American jobs."

While the Constitution authorizes the President to negotiate international agreements, he must submit any treaties to Congress that require changes in domestic laws. The process requires that Congress vote up or down on a trade agreement but without the option to amend. This accelerates what could otherwise prove a lengthy process.

"As the number of small business exporters escalates, small business owners, and the 22 million Americans they employ, stand to gain the most from Fast Track," reported McCracken. "By breaking down the complex trade barriers that hinder American small business expansion into the international market, we are fostering substantial economic growth within our own country."

# # #

NSBU President Todd McCracken is available for additional comment.

NSBU was first organized in 1937. As the nation's oldest bipartisan small business advocacy group, NSBU represents the interests of the 22+ million small businesses. With more than 65,000 members in all 50 states, NSBU has a powerful national network of small business leaders. NSBU celebrates its 60th Anniversary in 1997.

THE BUSINESS ROUNDTABLE

Chairman
Donald V. Fites
Caterpillar

Cochairmen
Ralph S. Larsen
Johnson & Johnson

Walter V. Shipley
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1615 L Street, N W
Suite 1100
Washington, D C. 20036-5610
Tel (202) 872-1260
Fax (202) 466-3509
Web www.brtable.org

Samuel L. Maury
President

Patricia Hanahan Engman
Executive Director

October 28, 1997

The President
The White House
Washington, DC 20500

The Honorable Newt Gingrich
Speaker of the House
2428 Rayburn House Office Building
Washington, DC 20515

The Honorable Trent Lott
Majority Leader
487 Russell Senate Office Building
Washington, DC 20510

The Honorable Thomas A. Daschle
Minority Leader
509 Hart Senate Office Building
Washington, DC 20510

Gentlemen:

We are writing to urge in the strongest possible way that a vote be scheduled on fast track in 1997. We believe it is the responsibility of the Administration and Democrats and Republicans alike in the Congress to act decisively to assure that the United States will continue to maintain its global economic leadership.

The facts are clear. International trade is one of the major reasons why the United States is enjoying the longest period of sustained growth in a generation, with record low unemployment and inflation. Over the last ten years, every state has experienced substantial export growth. If the United States is forced to the sidelines in future international trade negotiations because we do not have fast track, there will undoubtedly be negative economic consequences across the country. We risk being left behind as our trading partners and competitors open up trade and investment for their workers, companies, and farmers while maintaining their barriers against US exports.

We understand and appreciate that you are dealing with other important issues at this time; however, we strongly believe that the country cannot afford to wait any longer for a vote on fast track. We are at risk of having the world move ahead without us. A favorable vote on fast track will allow us to get back on board.

Sincerely,

Joseph T. Gorman
Chairman & CEO
TRW Inc.

Lawrence A. Bossidy
Chairman & CEO
AlliedSignal Inc.

Robert J. Eaton
Chairman, President & CEO
Chrysler Corporation

Christopher B. Galvin
Chief Executive Officer
Motorola Inc.

John A. Luke, Jr.
Chairman & CEO
Westvaco

William J. Hudson, Jr.
President & CEO
AMP Incorporated

Donald V. Fites
Chairman & CEO
Caterpillar Inc.

Maurice R. Greenberg
Chairman & CEO
American International Group, Inc.

D.T. Engen
Chairman, President & CEO
ITT Industries, Inc.

Rand V. Araskog
Chairman & CEO
ITT Corporation

Linda J. Wachner
Chairman, President & CEO
Warnaco

Robert E. Allen
Chairman & CEO
AT&T

William E. Bradford
Chairman & CEO
Dresser Industries, Inc.

Walter Y. Elisha
Chairman & CEO
Springs Industries, Inc.

Ernest S. Micek
Chairman, President & CEO
Cargill, Inc.

George M.C. Fisher
Chairman & CEO
Eastman Kodak Company

John S. Reed
Chairman & CEO
CITICORP

Richard J. Swift
Chairman, President & CEO
Foster Wheeler Corporation

George David
Chairman, President & CEO
United Technologies Corporation

John A. Krol
President & CEO
DuPont Company

Dana G. Mead
Chairman & CEO
Tenneco

Southwood J. Morcott
Chairman & CEO
Dana Corporation

Raymond V. Gilmartin
Chairman, President & CEO
Merck & Co., Inc.

Lewis E. Platt
Chairman, President & CEO
Hewlett-Packard Company

John F. Welch, Jr.
Chairman & CEO
General Electric Company

Duane L. Burnham
Chairman & CEO
Abbott Laboratories

Phillip W. Farmer
Chairman, President & CEO
Harris Corporation

Philip J. Purcell
Chairman & CEO
Morgan Stanley, Dean Witter

Tony L. White
Chairman & CEO
The Perkin-Elmer Corporation

W. Wayne Allen
Chairman & CEO
Phillips Petroleum Company

James P. Kelly
Chairman & CEO
United Parcel Service of America

Curtis H. Barnette
Chairman & CEO
Bethlehem Steel Corporation

Philip M. Condit
Chairman, President & CEO
The Boeing Company

James E. Perrella
Chairman, President & CEO
Ingersoll-Rand Company

Robert B. Shapiro
Chairman & CEO
Monsanto Company

Thomas J. Engibous
President & CEO
Texas Instruments Incorporated

John H. Bryan
Chairman & CEO
Sara Lee Corporation

Peter S. Janson
President & CEO
ABB Inc.

Dick Cheney
President & CEO
Halliburton Company

John W. Snow
President & CEO
CSX Corporation

Walter V. Shipley
Chairman & CEO
The Chase Manhattan Corporation

John F Smith Jr

John F. Smith, Jr.
Chairman, President & CEO
General Motors Corporation

Edward B Rust Jr.

Edward B. Rust, Jr.
Chairman, President & CEO
State Farm Insurance Companies

John E. Pepper, Jr.
Chairman & CEO
The Procter & Gamble Company

Richard D. McCormick

Richard D. McCormick
Chairman, President & CEO
U S West

AMERICA LEADS ON TRADE

1317 F Street, NW Suite 600
Washington, DC 20004
202.347.0911
FAX: 202.628.5035
EMAIL: alot@conx.com

FOR IMMEDIATE RELEASE
SEPTEMBER 17, 1997

CONTACT: CLARE LYNAM
202/739-0259

BUSINESS COMMUNITY LAUNCHES BROAD-BASED COALITION TO SUPPORT RENEWAL OF TRADE NEGOTIATING AUTHORITY

***America Leads on Trade* Launches National Education Effort, Including Paid Advertising, To Educate Members of Congress, Working Americans**

WASHINGTON, D.C. -- *America Leads on Trade*, a national, broad-based business coalition, launched its campaign this week to support Congressional renewal of the President's trade negotiating authority.

The coalition, which is comprised of more than 500 companies, associations, small and medium-sized businesses, organizations and individuals, was established to help win Congressional approval of traditional trade negotiating authority this year.

Following the release this week of the Clinton Administration's legislative proposal to renew trade negotiating authority, the coalition is launching a national advertising campaign to educate Members of Congress, the media and working Americans about the importance of this issue.

The chairman of *America Leads on Trade*, James Christy, said, "The coalition supports the Administration's ability, in consultation with Congress, to fight for and support trade policies that sustain economic growth. The Administration should have the authority to tear down barriers to trade and investment, expand markets for American exports and produce better skilled and higher paying jobs for American workers."

Specifically, the coalition wants traditional trade negotiating authority to be renewed for a substantial amount of time, to include broad objectives for future trade negotiations and to include regular consultations with Congress and the private sector.

"Despite what opponents suggest, trade negotiating power is not blindly ceded to the President without any checks and balances," Christy said. "Rather, the purpose is to give

(more)

the President and our trade negotiators the same authority that every Administration -- Democrat and Republican -- has had for the past 23 years. For the sake of American jobs and the growth of our economy, it's essential that it be restored so the United States has a place at the global negotiating table."

Christy noted that Asian, Latin American and European countries are already pursuing international trade agreements without the involvement of the United States. "These agreements may stifle our nation's economy and hinder job creation, as well as weaken our leadership role in setting the world's trade agenda," he said.

"Renewing this trade negotiating authority will again allow U.S. trade negotiators to remove obstacles to American exports and to boost business opportunities for U.S. companies, small and large," the coalition chairman said. "America cannot lead the rest of the world into the 21st century if we continue to face 20th century impediments to international trade and job creation," said Christy, who is also Vice President of Government Relations at TRW Inc.

"The members of *America Leads on Trade*, while representing diverse industries, are united in their desire to eliminate trade barriers. Our coalition has small, growing companies working with industry giants, and non-profit institutions cooperating with leading investment institutions," he said. "From telecommunications, automobiles, airplanes and pharmaceuticals, to groceries, blue jeans, movies and banking, nearly every sector of the world-wide economy is represented in *America Leads on Trade*.

"It is imperative that America's business community receives the unencumbered access to the world's markets that this traditional trading authority provides," Christy concluded.

America Leads on Trade is a coalition of more than 500 companies, associations, small and medium-sized businesses, organizations and individuals dedicated to securing America's leadership role in the international marketplace through the destruction of trade barriers and the creation of better and more highly-skilled U.S. jobs. The coalition calls upon the Congress and the President to renew trade negotiating authority as swiftly as possible.

The General Chairman of America Leads on Trade is Joseph T. Gorman, who is also Chairman and Chief Executive Officer of Cleveland-based TRW, Inc.

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Press Release

For More Information Call:
Calman J. Cohen
Emergency Committee for American Trade
(202) 659-5147

For Immediate Release
September 10, 1997

ECAT Statement on the Administration's Fast-Track Announcement

Duane L. Burnham, Chairman of the Emergency Committee for American Trade and Chairman and Chief Executive Officer of Abbott Laboratories, made the following statement regarding the Administration's fast-track announcement:

"The Emergency Committee for American Trade (ECAT) is pleased that the President has reaffirmed that he will work with the Congress to renew fast-track trade negotiating authority. The authority is critical to maintaining U.S. global leadership, and we fully support the President's commitment to achieve fast-track reauthorization.

"We believe that the Administration should seek broad, long-term authority to pursue bilateral and multilateral trade agreements. The members of ECAT will have further comment once the Administration decides on the specifics of its proposal."

ECAT is an organization of the heads of leading U.S. international business enterprises representing all major sectors of the American economy. Their annual worldwide sales total over $1 trillion and they employ approximately 4 million persons.

NewsRelease

AmericanBusinessConference

1730 K Street, NW Suite 1200
Washington, DC 20006
(202) 822-9300
FAX (202) 467-4070

For Immediate Release:
September 16, 1997

Contact: Barry Rogstad
(202) 822-9300

Business Group Comments on Fast Track Legislation

Commenting upon the Clinton Administration's issuance of draft fast-track trade negotiating authority, Richard Syron, Chairman of the American Business Conference (ABC) said:

"ABC members congratulate the President for proposing fast-track legislation and for his determination to work in a bipartisan manner to secure its enactment. We are not unmindful of the political pressures on the President and congratulate him for his courage.

"Since the beginning of the Clinton Administration, exports have accounted for one-fourth of the increase in our Gross Domestic Product. Expanding upon that growth depends directly upon our ability to expand upon our trade opportunities. That will take new trade-opening negotiations. Fast-track authority is an essential precondition for the President to enter into new negotiations.

"Protectionist forces in this country have made clear their intention to defeat this new fast-track legislation. We believe they are wrong in their outlook, and wrong in their goal. ABC members will fight them just as hard as we can."

The American Business Conference is a Washington-based coalition of chief executives of fast-growing, midsize American companies. ABC members advocate policies to promote economic growth and a higher standard of living for all Americans.

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FARM BUREAU NEWS

AMERICAN FARM BUREAU FEDERATION
600 Maryland Ave., SW • Suite 800 • Washington, DC 20024 • (202) 484-3600
225 Touhy Ave. • Park Ridge, IL 60068 • (312) 399-5850

Contacts: Don Lipton
202/484-3624
donl@fb.com

Mace Thornton
847/685-8755
macet@fb.com

Farm Bureau to Support Fast-Track Legislation

FOR IMMEDIATE RELEASE

WASHINGTON, October 7, 1997 -- The American Farm Bureau Federation board of directors decided today to support legislation authorizing fast-track trade negotiations.

"We are satisfied that both the administration and the key committees in Congress have improved the fast-track legislation by addressing specific concerns we have raised," said AFBF President Dean Kleckner. Those concerns, he said, include the need to reduce foreign competitors' tariffs and subsidies; to prevent barriers to biotechnology; to reform state-trading enterprises; to eliminate unjustified sanitary and phytosanitary restrictions; and to improve dispute settlement procedures, especially as they relate to perishable commodities.

"The legislation being considered by committees in both houses is not perfect but improvements have been made since its introduction and we will keep working with members of Congress to ensure they are aware of agriculture's concerns," Kleckner asserted.

(more)

Additional concerns discussed by the AFBF board before it voted to support fast-track authority centered on the proposed phase-out of the soil fumigant methyl bromide and the need for additional personnel for both the Foreign Agricultural Service and the Animal and Plant Health Inspection Service here and abroad to ensure that trade conflicts, mostly involving health standards, are resolved more quickly.

Kleckner said that agriculture's trade issues have been recognized in the pending fast-track legislation but emphasized that some current trade disputes are due to enforcement difficulties with existing agreements.

"Our trading partners are carefully watching this process and we must not allow our farmers and ranchers to again be subject to unfair practices that may result in adverse economic consequences," the farm leader said.

"Farm Bureau has always been a strong supporter of free trade. We are urging Congress to keep agriculture in mind as it considers fast-track so that we maintain our position as the world's largest agricultural exporter."

-30-

American Automobile Manufacturers Association

Chrysler Corporation Ford General Motors

ANDREW H. CARD, Jr.
President and Chief Executive Officer

October 24, 1997

The Honorable Robert A. Borski, Jr.
U.S. House of Representatives
Washington, D.C. 20510

Dear Representative Borski:

America's Car Companies urge you to support the President's request for new trade negotiating authority.

Chrysler, Ford, and General Motors have been engines of economic growth during the past decade, evidenced by the steady rise in U.S. exports of cars, trucks, and auto parts. The American auto industry has proven that it can compete anywhere in the world if we can gain access to overseas markets.

However, automotive exports continue to face numerous barriers to trade, even in our own hemisphere. While the duty on passenger cars imported to the U.S. is 2.5 %, the tariffs in many Latin American and Asian countries are many times higher. In addition to high tariffs, many countries maintain a web of other barriers such as high local content requirements that limit access to both their vehicle and parts markets. Meanwhile, U.S. products are further disadvantaged by their exclusion from new regional trade pacts, such as Mercosur and the Canada-Chile agreement. The President must be given the authority, the support, and the clear direction to negotiate new agreements to remove these barriers.

Certain popular myths regarding "fast track" authority also need to be addressed. First, it is anything but fast; negotiations typically take many years. In addition, the process provides for -- and in fact requires -- consultations with Congress before an agreement is finalized. Finally, consumer goods like autos face few impediments coming into the U.S., while our companies must contend with trade barriers overseas. Any new trade initiative thus would create new opportunities for U.S. exports, rather than incentives to import or to manufacture overseas.

This is no time to limit the President's authority or the nation's trade opportunities. America's Car Companies hope you will vote to provide the President with the necessary ability to negotiate new trade agreements for American goods and services. Please contact Jeff Bobeck of AAMA at (202) 326-5535 for more information.

Sincerely,

Andrew H. Card, Jr.

Andrew H. Card, Jr.

HEADQUARTERS
1401 H Street, N.W. Suite 900, Washington, D.C. 20005
202•326•5500 FAX 202•326•5567

DETROIT OFFICE
7430 Second Avenue, Suite 300, Detroit, MI 48202
313•872•4311 FAX 313•872•5400

the Principal Financial Group

Federal Government
Relations Office

15 September 1997

Honorable Charlene Barshefsky
United States Trade Representative
209 Winder Building
600 Seventeenth Street, N.W.
Washington, D.C. 20506

Dear Ambassador Barshefsky:

The Principal Financial Group strongly supports renewal of fast track trade negotiating authority for the President. We have committed our resources to securing enactment of fast track at the earliest possible date in the first session of the 105th Congress.

Not only is fast track's approval important to facilitate the admission of Chile to NAFTA, this trade negotiating authority is equally important in developing a Free Trade Area of the Americas and successfully concluding the WTO's General Agreement on Trade in Services (GATS).

In this regard, we hope the Administration's fast track legislative initiative will not detract from USTR and Treasury's work to secure a meaningful, well-balanced and workable trade agreement on services under WTO's aegis. The 12 December 1997 deadline by which GATS must be concluded is less than three months off; much work remains before agreement on many country insurance and financial services offers can be reached.

We and others in the insurance industry are most encouraged by the fine work of Deputy USTR Jeffrey Lang, Assistant USTR Wendy Cutler, Services Trade Affairs Director Laura Lane, and Dick Self, USTR's attache in Geneva. These officials have been tireless in their efforts to represent the views and concerns of U.S. insurers with overseas business ventures; we especially appreciate their close ongoing communication with industry representatives.

We will continue to work with you and your USTR colleagues and other appropriate Administration officials, to ensure approval of fast track trade negotiating authority and agreement on GATS within the next few months. Please feel free to call on us when you believe we can be of assistance on these two important trade policy matters.

Sincerely,

David J. Drury

David J. Drury
Chairman, President and
Chief Executive Office

Suite 1030, 1350 I Street, N.W., Washington, D.C. 20005-3305, (202) 682-1280/FAX (202) 682-1412
Home Office: Des Moines, Iowa 50392-0001 (515) 247-5111

SALOMON INC

SEVEN WORLD TRADE CENTER, NEW YORK, NEW YORK 10048 212 783-7000

Contacts: Michael Andrews (202) 879-4116
Victoria Harmon (212) 783-6293

SALOMON INC SUPPORTS ADMINISTRATION'S FAST TRACK LEGISLATION

Chairman and CEO Robert E. Denham Urges Timely Bipartisan Approval of the Legislation

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NEW YORK, September 16, 1997 - Salomon Inc Chairman and CEO Robert E. Denham lauds the Administration's Fast Track trade legislation submitted to Congress today and urges Congress to pass the legislation that would grant the executive branch multilateral trade negotiating authority.

Mr. Denham, who testified before the House Ways and Means Committee on the benefits of international trade to the United States earlier this year stated, "Fast Track authority is crucial to the Administration's efforts to further the progress made in the international trade arena. The United States must continue to lead the global effort towards the liberalization of trade-distorting practices – practices that only harm U.S. workers, jobs and consumers.

He continued, "The continued growth, expansion and ability of U.S. workers and companies to compete throughout the world requires new free trade commitments to achieve a level playing field in the global marketplace. Fast Track authority is imperative to continue the momentum."

Robert E. Denham is one of three U.S. representatives to the APEC Business Advisory Council, appointed to that position by President Clinton. ABAC is comprised of senior business leaders from the APEC economies reporting to the Asia-pacific Economic Cooperation forum.

Salomon Inc is the parent company of Salomon Brothers and Phibro. Salomon Brothers, which has offices in 34 offices on five continents, makes markets in securities and provides a broad range of underwriting, research, financial advisory and investment management services to governments, corporations, and institutional investors. Phibro is one of the world's leading commodity trading organizations.

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ENTERPRISEFLORIDA
Government & Business Developing Florida's Economy

MEMORANDUM

TO: Enterprise Florida, Inc. Board of Directors

FROM: John Anderson

DATE: October 28, 1997

SUBJECT: Fast Track Legislation – the "Export Expansion and Reciprocal Trade Agreement Act of 1997" – Urgent EFI Action

At the EFI Board Meeting on June 12, 1997 in Pensacola, the Board passed a resolution supporting Fast Track Legislation at the recommendation of Bob Hendry, ITED board member.

At the ITED Board Meeting, on September 18, 1997 at Cape Canaveral, ITED board member, J. Brantley Schirard, President of Sunbrite Citrus Inc. Ft. Pierce, Florida requested that a sub-committee of ITED be appointed to work on language that would amend EFI's resolution by acknowledging the importance of the citrus industry in Florida and including the concerns of the citrus industry in the EFI resolution.

The ITED Board approved this action. Board vice-chair, Dr. Tony Villamil, appointed a the sub-committee to take action on the resolution and to attempt to craft language that would assuage the citrus industry without weakening EFI's support for Fast Track.

The sub-committee included ITED's Board members:

Bob Hendry, Esq. International Lawyer
Dr. Tony Villamil, President, Washington Economics Group
J. Brantley Schirard, President, Sunbrite Citrus, Inc.
Patricia Arias, Exhibition Manager, Latin Chamber of Commerce

EFI staff:

John Anderson, President & CEO, Enterprise Florida, Inc.
Mike Fitzgerald, President & CEO, ITED
Manny Mencia, Vice President, International Trade, EFI
Susan Vodicka, President of the Florida Partnership for the Americas.

The following experts and industry representatives were invited to join the sub-committee deliberations:

Jeff Gargiulo, Consultant, N.T. Gargiulo
Mike Sparks, Deputy Executive Director, Florida Department of Citrus
Gary Springer, Hemispheric Strategies, Inc.

ORANGE COUNTY
BUSINESS COUNCIL

2 Park Plaza, Suite 100 • Irvine, California 92614
phone: 714.476.2242 • fax: 714.476.9240 • url:www.ocbc.org

October 22, 1997

Letters were sent to members of the Orange County Congressional Delegation

The Honorable Loretta Sanchez
U.S. House of Representatives
Washington, D.C. 20515

Re: *Fast Track - support*

Dear Congresswoman Sanchez:

The Orange County Business Council, a 1,500 member company business organization representing some 350,000 employees in Orange County, strongly encourages your support of Fast Track negotiating authority for the President.

In a recent study of 253 metropolitan areas in the United States, Orange County ranks as the 13th largest exporter. Trends show that growth industries in Orange County's thriving economy will continue to be export-oriented, relying upon global markets to support their enterprises and in turn supporting the economic vitality of this county. Giving the President Fast Track authority will enable the United States to participate effectively in important negotiations to protect U.S. economic interests in the areas of intellectual property, agriculture, trade services, key industry sectors, and emerging economies.

We believe the Fast Track proposal provides an appropriately balanced role for Congress and that it is clearly in Orange County's economic interests. Please support this important proposal to preserve the United States' leadership in the global economy.

Sincerely,

Stan Oftelie

Stan Oftelie
President & CEO

Julie Puentes

Julie Puentes
Executive Vice President
Public Affairs

cc: District Office

lcgis\bills\fasttrack\10/22/97

Northern California Export Council
442 Post Street, Suite 800 • San Francisco, CA 94102 • Tel (415)433-9084 • Fax (415)421-1697
Email: NCALDEC@ix.netcom.com

September 29, 1997

STATE TRADE OFFICERS STRONGLY ENDORSE FAST TRACK AUTHORIZATION

Overwhelming support for Fast Track Authorization (FTA) was revealed in a just-completed survey of international trade professionals in the 50 states, Puerto Rico and Washington DC. These respondents are experts on the potential impact of FTA on jobs, economic opportunity and exports in their own states.

Twenty of the fifty two state contacts have replied - a 38% response rate. Of these, nineteen agree with all three of the survey statements:

"FTA will lead to enhanced exports, economic activity, and jobs in my state."

"Beneficiaries will include many small & medium enterprises."

"NAFTA will, over the long term, have a positive effect in my state."

Only one respondent did not express an opinion. The response rate shows the importance attached to this issue by state trade officers.

Some representative quotes (with permission):

"Fast track will preserve US leadership in international trade, and will position the US competitively in areas of the world such as Latin America that are already building free trade associations internally. By reducing overseas barriers, US companies of all sizes, and across a broad range of industries, will benefit." Sean Randolph, Director of Trade, California

* * *

"Any agreement that lowers or eliminates barriers is healthy for trade in the long term. Historically, protectionism has only served to hinder its own host country. FTA is positive as it will promote free commerce."
Margaret MacLean, Managing Director-International, Illinois

* * *

"Our Governor is fully supportive of providing the President with Fast Track authority." Mac Epps, Director-International Trade Division, Department of Commerce, North Carolina

* * *

"Opening of Mercosur to New Mexico (via Fast Track) with consequent increase in export trade, job creation, retention and expansion." Roberto Castillo, Trade Division Director, New Mexico

* * *

"NAFTA has had a profound positive impact, despite devaluation. With our level of expertise in mining technology, we see tremendous potential in Chile. Exporting has been the key driver of our phenomenal economic growth - anything which facilitates our ability to export will be of great benefit to the companies." Dorothy Bigg, Director-International Trade & Investment, Arizona Department of Commerce

* * *

"We will lose (& have lost) many jobs in a few sectors (most noticeably in the apparel industry), but are picking up new jobs in other export oriented sectors. The net result is positive, but we have to help those whose jobs are lost. The adjustment continues to be a painful one." Kevin Langston, Director, International Trade Division, Department of Industry, Trade & Tourism, Georgia

* * *

"FTA and resulting trade agreements will result in increased export opportunities and greater access to markets for US and specifically (our state) firms." State and respondent confidentiality requested

* * *

"It will enable us to compete for new markets in Latin America." Morgan Smith, Director, Colorado International Trade Office.

* * *

"The outcome of the 'fast track' vote is of more than academic interest to Connecticut. Should free trade be expanded, especially in this hemisphere, Connecticut manufacturers in a broad swath of industries - from electronic components to building materials to industrial machinery - stand to benefit greatly." Dawn Rodriguez, Director, International Division, Department of Economic and Community Development, Connecticut

* * *

The survey was conducted from September 15 to September 29 by the Northern California Export Council, Jerry Levine, Chairman.

Industry Sector/Functional Advisory Committees
for Trade Policy Matters

October 2, 1997

The Honorable William M. Daley
Secretary of Commerce
Washington, D.C. 20230

The Honorable Charlene Barshefsky
United States Trade Representative
Washington, D.C. 20506

Dear Secretary Daley and Ambassador Barshefsky:

We, the Chairs of the Industry Sector and Functional Advisory Committees listed below, are writing to convey our sectors' views on fast track renewal. Many of the industries we represent have been severely disadvantaged, and thus are deeply concerned, over the inability to obtain sectoral balance in trade liberalization. Although we support the concept of fast track, we believe that any renewed trade negotiating authority for the Administration should include at a minimum a negotiating objective to address sectoral needs when the affected U.S. industry sector so requests.

To this end, we recommend that the Administration work with the relevant committees of the Congress to ensure that the Fast Track bill include legislative language identifying the achievement of sectoral parity as a priority negotiating objective when the affected U.S. industry sector so requests. Such language should specify the achievement of agreements to address all barriers to trade and investment, consistent with or exceeding obligations under multilateral or plurilateral agreements affecting the same goods. The agreements should also provide for tariff parity, if such parity does not already exist, on an expedited basis in cases where U.S. industry is disadvantaged.

Thank you for your consideration of our views. As always, we look forward to working with you to support trade expansion and the development of U.S. trade policy.

Sincerely,

Ardon Judd
Capital Goods (ISAC 2)

Geoffrey Gamble
Chemicals and Allied Products (ISAC 3)

Joe Gerard
Consumer Goods (ISAC 4)

Raymond Bragg
Energy (ISAC 6)

Peter Mulloney
Ferrous Ores and Metals (ISAC 7)

John Reichenbach
Building Products (ISAC 9)

Stephen Lovett
Lumber and Wood Products (ISAC 10)

Allan Silber
Nonferrous Ores and Metals (ISAC 11)

Maureen Smith
Paper and Paper Products (ISAC 12)

Julia Hughes
Wholesaling and Retailing (ISAC 17)

Joe Bhatia
Standards (IFAC 2)

OCT-23-'97 16:07 ID:GSA IDRS FT52000

The Americas Foundation

UNITED WE PREVAIL

Founded 1991 501(c)(3) Non-profit

SENT BY FAX TO: 456-6219 **TOTAL PAGES INCLUDING THIS PAGE: 1**

October 21, 1997

URGENT!

The Honorable Bill Clinton
President of the United States of America
Public Liaison
The White House
Washington, D.C.

RE: Fast Track Approval -Strategic Plan

Dear Mr. President:

The Americas Foundation comes in your support, as we have been doing, this time on Fast Track. We have been working on the approval of Fast Track and specifically on achieving the Free Trade Zone of the Americas, since the Summit of the Americas in Miami in 1994.

After considerable study, analysis, and evaluation we have developed a strategic plan to accomplish successfully this major goal. It involves bringing together on a series of on-going meetings, conferences, and conventions all the parties -pro and against, and anyone else with a significant and influential role on the matter. *The Foundation* will sponsor this and other components of the strategic plan, in an independent non-political fashion.

The Foundation calls upon your staff directly involved on Fast Track to communicate with us to explore our proposal. We respectfully remind you that we are Hispanic Americans professionals, US. citizens of South American, Central American, and Caribbean origin thoroughly convinced of the great necessity and urgency for the U.S. Congress to approve Fast Track. We have watched, with great concern and frustration, the lack of Hispanic Americans, U.S. citizens of South American origin, professionals and experts on international trade in your team of advisers. This was also evident on your recent trip to South America. As U.S. citizens, with due respect and for the success of the overall stated program we call upon you for you to correct this serious anomaly right away. We have various solid, innovative, and creative ideas to implement right away to accomplish successfully the job at hand. Please call upon us to serve you and our great country for the benefit of the United States and the peoples of the Americas.

Looking forward to your kind reply,

Sincerely yours,

Victor Pinzon
President & Executive Director, The Americas Foundation

Encl

1115 Massachusetts Avenue, NW, Suite 100, Washington, D.C. 20005
Phones: 202-371-9696 • Faxes: 202-371-9668 • 202-501-1003

National Cotton Council OF AMERICA

1521 New Hampshire Avenue, NW • Washington, DC 20036
(202) 745-7805 • FAX (202) 483-4040

PRODUCERS • GINNERS • WAREHOUSEMEN • MERCHANTS • CRUSHERS • COOPERATIVES • MANUFACTURERS

September 22, 1997

The Honorable Charlene Barshefsky
Office of the United States Trade Representative
The Winder Building, 600 17th Street NW
Washington, DC 20508

Re: Fast Track Trade Negotiating Authority

Dear Ambassador Barshefsky:

The purpose of this letter is to convey the National Cotton Council's recently adopted position concerning proposed legislation that would grant fast-track trade agreement negotiating authority to the President. The National Cotton Council (NCC) is the central organization of the United States cotton industry. Its members include producers, ginners, oilseed crushers, merchants, cooperatives, warehousemen, and textile manufacturers.

At its recent meeting in Memphis, Tennessee, the Board of Directors of the National Cotton Council voted to support the concept of fast-track negotiating authority. Specifically, the Directors adopted the following resolution:

> *Recognizing that trade agreements that expand trade opportunities for U.S cotton, cottonseed, cotton textiles and their products are crucial to the financial well-being of the U.S. cotton industry, and that fast-track negotiating authority is an appropriate means to help achieve such agreements, the Board of Directors of the National Cotton Council favors the concept of fast-track negotiating authority. The Board urges the Administration and Congress to work with the Council to develop fast-track provisions that require consultation with Congress and the private sector and contain negotiating objectives that will lead to trade agreements that will benefit the U.S. cotton, cottonseed, cottonseed products and textile industries.*

International trade and the treaties that govern it are extremely important to U.S. cotton. The United States depends on exports to dispose of approximately 40% of its annual cotton production. It also depends upon a healthy U.S. textile industry as a market for 60% of annual production.

The U.S. cotton industry has benefitted significantly from the North American Free Trade Agreement. Imports of cotton textiles from the NAFTA/Caribbean region are surging as similar imports from China and the Far East are slowing. Approximately 80% of the cotton textiles imported into the U.S. from the NAFTA/CBI region are of U.S. origin, compared to only 20% of cotton textiles imported from the Far East. Carefully crafted trade agreements, particularly those relating to North, Central and South America, can result in increased consumption of U.S. cotton, cottonseed, cotton textiles and their products.

The NCC is in full support of the agricultural negotiating objectives contained in the Administration's proposed fast-track legislation. That language represents a welcome emphasis on agricultural trade barriers and subsidies. We also applaud the strong Congressional and private sector consultation provisions contained in the draft legislation.

The NCC would support stronger language directing our trade negotiators to work to end policies that serve as trade barriers or export subsidies with respect to trade in value-added (manufactured) products. Substantial trade barriers, both transparent and non-transparent, still exist with respect to trade in cotton textiles. Likewise, many developing countries consider the encouragement of cotton textile exports to be a fundamental part of their economic strategy. Our negotiators should work to curb such "encouragement" to the extent it crosses the line into subsidization and results in distortions in international trading patterns to the detriment of the U.S. cotton industry.

Finally, it should be noted that the NCC is on record opposing the inclusion in any future trade agreement language establishing dispute settlement mechanisms that can overrule the actions of U.S. courts.

Thank you for your attention to our views. We look forward to working with you to ensure fast-track negotiating authority is enacted.

Sincerely,

William T. Lovelady
President

THE WHITE HOUSE

Office of the Press Secretary

Embargoed For Release
Until 10:06 A.M. EST
Saturday, November 1, 1997

RADIO ADDRESS
BY THE VICE PRESIDENT
TO THE NATION

The Vice President's Office

THE VICE PRESIDENT: Good morning. This is Vice President Al Gore. This week, our nation faces a stark and important choice: whether to move forward with the economic strategy that has given America the strongest economy in a generation -- or whether instead to turn away from what we must do to meet the challenge and opportunity of the 21st Century.

Congress will decide whether to give President Clinton the power to open foreign markets that are closed to us today -- to tear down barriers to our products, and create new jobs for our people. This is the same "fast track" authority that every President of either party has been given for more than two decades. And this President knows how to use it. He knows how to strike tough and fair trade deals. He knows how to protect labor rights and the environment.

Expanding trade is a key part of our enormously successful economic strategy -- balancing the budget, investing in the future, and opening new markets for our goods and services. Because of that strategy, we have more than 13 million new jobs now, less than five percent unemployment. And yesterday, we learned that the economy has grown at four percent over the past year, the fastest in nearly a decade -- fueled partly by exports that have grown by $125 billion. To keep on creating high-wage jobs, we must reach the 96 percent of the world's consumers who live outside our borders.

Critics oppose giving the President this power. But this much we know for sure: turning our backs on the world won't create a single new job, won't close down a single sweatshop, won't clean up a single toxic waste site. If we want every American to win in the new global economy, we must lead the world, not hide from it.

America must be the leader in bringing democracy and open markets to other nations. For that means stronger democratic partners, more willing to work with us on challenges like international crime, drug trafficking, and environmental degradation. A vote against presidential trading authority is a vote against American leadership in the world -- and a vote for pessimism and retreat.

For decades, America has been unafraid to lead -- and that spirit has crossed the lines of party and politics.

Now, President Carter, President Bush and President Ford have all written to President Clinton, supporting his call for continued authority to negotiate trade agreements. These distinguished public servants have one thing in common: they know that our national interest demands our world economic leadership. President Clinton and I are grateful for their support. And we are pleased that former secretaries of State, Treasury, and Commerce, and former U.S. Trade Representatives of both parties have also joined our call.

This week, America faces a crucial choice -- and Congress faces a critical vote. Will we turn our backs on the world economy, in a vain struggle to turn back the clock? Or will we move into the future boldly, and continue the economic strategy that has brought us new jobs, new hope, new leadership around the world?

That is our choice -- and this is our chance, because it's our future. Together, we must seize it. Thank you for listening.

END

It's simply the same authority that Presidents have had for the last 20-odd years, to negotiate agreements, take them back to Congress and have them vote up or down.

If I go and make an agreement with somebody who lives in a different system of government, they don't understand if -- they can understand if the Congress rejects the agreement, but they don't want to have to negotiate it again with 535 people after they negotiate it with my representatives. So most countries simply won't enter into agreements with us unless I have the authority to make an agreement and say, now, the Congress is the ultimate decider here, they've got to vote up or down; if it's bad for America, they're not going to vote for it.
But at least you won't have it rewritten, we'll vote it up or down. That's all the bill does and that's why Presidents have had it for the last 20-something years.

So I hope you will stick with us. I hope you'll urge the congressmen and senators to vote for it. And I hope you'll tell them that without regard to party, this is an American issue. It's helped to create jobs here at Tropical. It will help to take us into the 21st century. And if they'll stick with you on this, you will stick with them.

Thank you very much. Now I'd like to ask Secretary Daley to come up and say what I wish I had the strength to say.

Secretary Daley.

Thank you and God bless you. (Applause.)

SECRETARY DALEY: Thank you, Mr. President Thank you, ladies and gentlemen for your patience. Even with an unbelievably bad voice, he is better than anyone else who could stand up here, so it is difficult.

I thank you also for not being cheered out, after the great victory by the Marlins and being here. I thank you for putting up with this late substitution. On Halloween, I know you're all expecting quite a treat, but instead you have gotten a trick, and I'm sorry about that. (Laughter.) But I think we could all sympathize with the President. And, Mr. President, I do feel your pain. (Laughter.)

If you'll all bear with me, the President has asked me to read his remarks that he would have given. This is a rather awkward situation for me to stand here in front of him and read his remarks. There's probably only one person in this entire audience who is truly happy that this is occurring, and that's the President's speechwriter, because this will be the first time his entire text has ever been read. (Laughter.) So let me begin.

"Six years ago, when I announced my candidacy for President, I said that America had a vital mission for the 21st century, and that was to keep the American Dream alive for every person responsible enough to work for it; to keep America the world's strongest force for peace, freedom and prosperity; and to bring our people together across all the lines that divide us into one America.

"We started with a new economic policy for the new economy, putting in place a bold three-part strategy to shrink the deficit, invest in our people and lower unfair trade barriers to our goods. And this strategy has succeeded: strong annual growth and low inflation, more than 13 million new jobs, the deficit down 90 percent -- even before the balanced budget law saves a single penny. America is leading the world in auto production once again, and unemployment is below five percent.

"We have made tremendous progress. But we have much more to do to prepare America for the 21st century. And Congress faces a decisive choice, whether to continue with a strategy that has helped give America the strongest economy in a generation. For one week from today, the House of Representatives will decide whether or not to keep America's exports growing with its vote on fast track. I applaud Speaker Gingrich for scheduling this vote and for his commitment to work in a bipartisan basis to enact this most important legislation this year.

"The arithmetic of the new economy is the following: We have 4 percent of the world's population and 20 percent of its income; 96 percent of the world's consumers live outside the United States, and the developing countries are growing three times as fast as the developed countries. So if we want to keep our income with our population base, we have to sell even more to the other 96 percent, especially those who are growing so rapidly.

"The workers here at Tropical Shipping know that more than anyone. And so do the workers throughout this great state of Florida. For the exports from Florida have increased over the past four years by more than 50 percent, to over $30 billion.

And that's one reason why this economy in Florida has been able to create a million new jobs during that same period. And here in West Palm Beach, Boca Raton metropolitan area, exports are up over $200 million since 1993.

"But there is still much, much more to do and many barriers to those American products. So we owe it to the working men and women of America and around our entire country to level the playing field for trade so that when our workers are given a fair chance they can and they do out-compete anyone anyplace in the world."

Congress must take this opportunity -- it must not take this opportunity away from the American people to compete. For more than 20 years, as the President stated, every President, Democrat or Republican, has had this authority. If Congress grants this authority, we can use it to open trade where American firms are leading, such as computer software, medical equipment, environmental technologies. America can use it to open the markets of Chile and other Latin American countries to our goods and also our services.

We all know we must do better to raise the living standards and environmental standards throughout the world. This trade authority will give me the leverage to negotiate agreements that do exactly that.

The bills now waiting for a vote on the floor of the House and Senate offer the most detailed and concrete authority to negotiate these issues which have ever been included in this sort of legislation. And because we know that expanded world trade does not always benefit all Americans equally, we're working with members of Congress to develop new initiative to bring more Americans into this winner's circle. And with these initiatives we will increase our investment in communities that suffer from dislocation, and in those workers who lose their jobs because of trade agreement technology or any other reason.

So let's all be clear. Walking away from this opportunity will not create or save a single American job. It will not help a child in any country of the world come out of a sweatshop. It will not clean up a single toxic site in any nation. Turning away will not expand our economy, it will not enhance our competitiveness, and it will not empower our workers. It will give away markets and it will give away jobs. It will jeopardize America's preeminent role and position in this world.

Fast track is the key to U.S. leadership in the world economy, and now is not the time to raise questions about that leadership. Over the past four and a half years our three-part strategy for security and growth has worked better than anyone had imagined. We have reduced the deficit to the lowest levels since the early 1970s. We have invested in our people with historic new commitments to education and health for all Americans. And we have raised American living standards by opening new markets to quality American goods and services. And thanks to this strategy and the hard work of American people, we stand poised at the threshold of a new century, stronger than ever before.

America must not retreat on the strategy that has brought us to this place of promise. America must not return to a mind-set which is rooted in the past. Instead, America must move forward on all three crucial elements to our strategy. As you are doing here in south Florida, America must boldly seize the opportunities that stand before us into this next great century.

Thank you very much. God bless you and God bless America. (Applause.)

END

12:32 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary
(West Palm Beach, Florida)

For Immediate Release October 31, 1997

REMARKS BY THE PRESIDENT
AND SECRETARY OF COMMERCE BILL DALEY

Tropical Shipping Warehouse
Palm Beach, Florida

12:15 P.M. EST

THE PRESIDENT: Thank you. Thank you very much ladies and gentlemen. As you can see, we are slightly delayed. (Laughter.) When I took off this morning at 6:30 a.m. from the White House it was clear and beautiful. We had our normal 15-minute helicopter ride to Andrews Air Force Base, which was shrouded in fog. We flew around for 20 minutes in the airplane. When we got on the ground it was like being in a sci-fi movie. It took us another 20 minutes to find Air Force One. (Laughter.) You couldn't see your hand before you. And then we sat and sat and sat. So thanks for waiting. And happy Halloween. (Laughter and applause.)

Now, your leader here told me about your normal Halloween dress. And I feel cheated that you didn't wear your costumes this morning. (Laughter.) I used to do that, but since I became President they have relegated me to a small pin. (Laughter.) But I hope you have a good time when we get out of here.

As you can tell, my voice has given out on me, and therefore, most of my remarks are going to be delivered by our fine Secretary of Commerce, Bill Daley, who is from Chicago, my wife's hometown, where they just -- (applause) -- somebody is from Chicago out there. They had a birthday celebration for Hillary's 50th birthday there, and I didn't think anything could make that a pleasant occurrence, but it actually did and she was happy with it. (Laughter.)

Secretary Daley just came back from our trip to Latin America with me and he'll have some more to say about fast track. But before I introduce him, and before I completely lose my voice, I want to say that I have worked very hard so that there would be more stories like Deborah Braziel's in this country. And in the last five years, we have vigorously pursued an economic strategy that would move us away from big deficits and move us away from living day by day, to have long-term, stable growth that hard-working Americans could participate in and benefit from.

We've had a commitment to reduce the deficit and balance the budget, to educate and train people and invest more in that and in technology, and to sell more American products and services around the world. That's been our strategy, and it's worked.

And I want to say a special word of thanks to Congressman Foley and Congressman Deutsch here, a Republican and a Democrat, for helping us to pass the historic balanced budget agreement that passed the Congress last summer. We haven't had a balanced budget since 1969, but the deficit has gone from $290 billion to $22.5 billion in the last four years, and now we're going to balance the thing. It's going to be good for us. (Applause.)

We just learned today that over the past year our economy has grown at 4 percent. That's the fastest rate of growth in a decade, and one big reason is $125 billion in new exports. You helped the American economy to grow. You helped the American economy to create over 13 million jobs, and I thank you for it. (Applause.)

This strategy is working, and we have to continue to pursue it all. Yes, we reduced the deficit by 90 percent, but we needed that bill last August to balance the budget because our costs will keep going up if we don't continue to cut. We also need to invest more in education, and we've done more to open the doors of college than ever before, with tax credits and scholarships and better loans and education IRAs. And a lot of your children will now be able to take advantage of that, and maybe some of you will want to take advantage of that.

But it's a three-legged stool; we have got to have the exports. This fast track debate in Washington is totally, I think, off the radar screen for most Americans. I bet if you ask most people what fast track was they'd say it's a new television series, or maybe a new offensive football strategy.

U.S. DEPARTMENT OF STATE
Office of the Spokesman

October 23, 1997

For Immediate Release
(As prepared for delivery)

REMARKS BY
SECRETARY OF STATE MADELEINE K. ALBRIGHT
AT
A JOINT APPEARANCE WITH TREASURY SECRETARY RUBIN
AT THE U.S. CHAMBER OF COMMERCE

Washington, D.C.

October 23, 1997

Fast Track Trade Negotiating Authority

Thank you, Mr. Donohue and good afternoon to you all.

I am pleased to be here, along with Secretary Rubin, to discuss what I consider to be the single most important foreign policy decision Congress will make this year. That decision is whether to approve the Administration's request for renewal of traditional fast track trade negotiating authority for the President.

This vote will signal to a watchful world whether America is approaching the end of the century with well-deserved confidence and pride; or whether our deeper wish is to shrink from the center stage of world affairs.

This afternoon, I would like to explain why I feel so strongly about this issue. I also want to mention at the outset that those of us who favor fast track must realize that we face a determined opposition, inspired by high-minded goals, going all out to make its case. If we are to prevail, as we must for the good of our country, we must respond seriously to the serious concerns of our critics; and we, too, must go all out to win.

Since taking office, I have stressed my belief that the United States has an historic opportunity to help bring the world closer together around basic principles of democracy, open markets, law and a commitment to peace.

If we seize this opportunity, we can ensure that our economy will continue to grow, our workers will have access to better jobs, and our leadership will be felt wherever U.S. interests are engaged.

We will also fuel an expanding global economy and give more countries a stake in the international system, thereby denying nourishment to the forces of extremist violence that feed on deprivation across our planet.

As Secretary Rubin will explain in greater detail, the Administration's efforts to promote the cause of open trade and open economies has done much to fuel the remarkable period of sustained economic growth we have enjoyed these past five years.

But if we are to continue up this ladder, Congress must say "yes" to fast track.

There are many opposed to this step. They argue that free trade creates a bidding war in which foreign countries compete by lowering labor and environmental standards, thereby luring U.S. factories and jobs offshore.

But the truth is that we already have free trade. Unfortunately, that freedom tends to run one way. On the average, U.S. tariffs are far lower than those of other countries. This means that, when we reach a free trade agreement, the other country has to cut tariffs by more than we do. That's not only free trade; that's fair trade--and that's good for America.

Another flaw in the rationale of fast track opponents is that voting down fast track won't accomplish anything for American workers. It won't result in higher labor standards overseas. It won't result in higher environmental standards. These are issues that can only be dealt with through international cooperation and negotiation.

The best course for our nation is not to curse globalization, but to shape it. Because we have the world's most competitive economy and its most productive workforce, we are better positioned than any other nation to do so.

Both the proponents and opponents of fast track want a strong American economy that creates good jobs and rising standards of living for our people.

But we, who support fast track, do not believe that continued economic growth will just happen. We believe it must be helped along by trade agreements that lower tariffs and create access to new markets.

Opponents of fast track appear to suggest that we will be better off if we leave the business of negotiating trade agreements to others. But it is hard to see how.

As others forge agreements and expand trade, we will face barriers, including higher tariffs, that our competitors do not. That's like trying to run the bases in the World Series with the field tilted uphill against us.

I was disturbed--as I believe all Americans should be--to learn of a senior European official boasting recently about Europe's expanded trade with South America, and saying that "We are stomping all over" America's "backyard." That is unacceptable, but it is what happens when the United States engages in unilateral disarmament on trade.

The authority for a President to negotiate tariff reductions goes back to Franklin Roosevelt's first term, when his Administration sought to reduce the damage caused by the Smoot-Hawley Act. Fast track, itself, has been available and used to America's economic benefit by every President for the past two decades.

But the current debate is about more than dollars and cents; fast track is a foreign policy imperative. It is indispensable to U.S. economic leadership and that leadership is indispensable to U.S. influence around the globe.

American prestige is not divisible. If we want our views and interests respected, we cannot sit on the sidelines with a towel over our heads while others make the trade and investment plays that will determine the economic standings of the twenty-first century.

In many capitals, if we have nothing to say on trade, we will find it harder to have productive discussions on other issues of direct importance to American interests.

This was brought home to me, yet again, during my trips with the President this year to South and Central America and the Caribbean. Here, our initiatives on trade are a vital part of a larger process of cooperation that includes the fight against narcotics trafficking, crime, pollution, illegal immigration and other threats to the well-being of our citizens.

We should not forget that for decades during the Cold War, we Americans spread the gospel of competition, free enterprise and open markets. Today, people and governments almost everywhere are converting to that faith.

This trend is paying off in the emergence of large, educated middle classes in many developing nations, leading in turn to new pressure for decent wages, environmental protection and greater democracy. But make no mistake, people around the world will be watching the fast track debate closely to see whether Americans will continue to practice what we have so long preached.

As we plan for the future, we cannot simply assume that the current democratic trends will continue. If we fail to approve fast track, we will embolden opponents of economic reform throughout the world. We will send the message that market freedom is to be feared and avoided.

Rejection of fast track could set in motion a chain reaction of protectionism that would endanger our economic future and halt the spread of political freedom.

If Congress approves fast track, our competitive economy and skilled workforce should ensure that the prosperity we have enjoyed in recent years will be sustained.

But if Congress votes fast track down, we will suffer a major setback to our economic future and a damaging and self-inflicted blow to American influence.

That is why I have joined every living former Secretary of State in asking Congress to be true to America's own philosophy, to approve fast track and to pave the way for continued prosperity at home and leadership abroad.

For more than half a century, the United States has played the leading role within the international system, not as sole arbiter of right and wrong, for that is a responsibility widely shared, but as pathfinder - as the nation able to show the way when others cannot.

Our predecessors had the foresight to forge alliances such as NATO, institutions such as the World Bank and initiatives such as the Marshall Plan to defend freedom and build prosperity. They did so on a bipartisan basis.

Today, under President Clinton, we are constructing a new framework to address the challenges of our time, based on principles that will endure for all time.

This Saturday, on the far side of midnight, those who yearn for days gone by will celebrate the only real opportunity they have this year to turn back the clock.

DEPARTMENT OF THE TREASURY

TREASURY NEWS

OFFICE OF PUBLIC AFFAIRS • 1500 PENNSYLVANIA AVENUE, N.W. • WASHINGTON, D.C. • 20220 • (202) 622-2960

EMBARGOED UNTIL 1:45 PM EDT
Text as Prepared for Delivery
October 23, 1997

FAST TRACK
TREASURY SECRETARY ROBERT E. RUBIN

It is a pleasure to join Secretary Albright today to say a few words about the importance of renewing the President's traditional trade negotiating authority, known as fast track.

Three weeks ago, I was in Hong Kong for meetings of the G-7 group of the largest industrial nations, and for meetings of the World Bank and the International Monetary Fund. As we discussed the many economic issues facing the world community -- including such matters as the financial instability of Southeast Asia -- an underlying refrain was the remarkable economic performance of the United States. At similar meetings in the late 1980s and early 1990s, the other industrialized nations lined up to criticize the United States about the need to get its economic house in order. And, with our large budget deficits and the loss of competitiveness of our private sector in many industries, we were viewed by many as yesterday's economy.

Today we are clearly once again the strongest major economy in the world. We are viewed as a country that has put its economic house in order and other countries look to the United States for leadership in the global economy.

Unemployment has been below 6% for over 2 years and below 5 percent for 5 months, the economy has generated 13 million new jobs, inflation has remained low and real wages are rising.

Many factors have contributed to this success -- including the private sector's restoration of competitiveness in a broad array of industries -- but the key and indispensable factor has been a sound economic strategy grounded in fiscal responsibility, investing in people and opening markets.
RR-2011

Now though, as we look forward, what we must not do is let our strong economy of today mask the challenges we face to maintain this strength in the years and decades ahead. That is why we must maintain our fiscal discipline and work to equip all Americans with the tools they need to prosper in today's economy, through stronger education and training, and effective assistance to successfully reentering the workforce for those who suffer dislocation from the rapid changes of a dynamic economy. And we must also build on our trade record of opening markets abroad to continue to create better jobs and raise standards of living at home.

We are now at a crossroads with respect to the strategy of opening markets around the globe. The question before Congress is whether to grant the President fast track so that we can continue to open markets, expand trade and raise standards of living here at home; or to refuse to grant the President such authority and watch as U.S. workers and businesses lose out in access to the opportunities in the global economy. Without fast track no nation will enter into a serious negotiation with the United States, because of concern that the agreement will be revamped during the Congressional process, and our economic interests will suffer.

There is a vital point here about which we must be clear. Countries around the world are moving ahead to expand trade arrangements with each other. There is no question this is going to continue. The only question is whether we will be on the inside and benefiting, or on the outside looking in. To cite one example, the Mercosur nations of Brazil, Argentina, Paraguay and Uruguay have created a preferential trade arrangement. U.S. exports to these countries in four of our most competitive industries -- road vehicles, metal goods, cosmetics, and electrical equipment -- fell by more than 10 percent in 1996, while our exports of these products to the rest of the world grew by almost 6 percent. U.S. fabric producers have lost sales in Chile to Canadian competitors benefitting from an 11 percent tariff preference. It is also greatly in our interest to influence the shape of world trade agreements and we can't do that unless we join the negotiations that will form the global trading system. We must make sure that U.S. companies have a level playing field as markets of the future open their doors to trade. The alternative is to be on the outside, and that will cost us dearly.

Expanded trade allows us to sell more abroad in the areas where we are most effective and gain from greater competition and more choice at home, raising our living standards overall. A relatively conservative approach to determining the gains to the American people from expanded trade predicts that further trade liberalization helped by fast track could generate at least $200 billion more in total exports by the year 2010. Expanded trade would translate into a significant increase of between $800 and $1600 in income for the average family.

Make no mistake: Fast track is about more than one trade agreement or set of trade agreements. It is about U.S. leadership in the growing global economy, promoting open markets and trade increases our exports, as well as overall prosperity around the world, creating new markets for our products while promoting greater international stability. In the same vein, American support for growth and reform in developing countries – through the less than 2% of our federal budget that goes to support the World Bank, the IMF, bi-lateral foreign aid, and the United Nations – is greatly in our economic self interest, leaving aside any questions of morality and the like, as these developing countries have gone from being economically insignificant decades ago to being the recipients of over 40% of our exports today. In today's global economy, the economic well-being of the United States is integrally linked to the rest of the world and U.S. leadership on global trade and promoting growth in the developing world is necessary in promoting global growth, and so, in increasing jobs and standards of living at home.

At a time when our economy is doing so well and we benefit so much from the opportunities of the global economy, and when the reality is that our economic well-being will be increasingly and greatly affected by our trade relationships and the future health of the global economy, it is deeply troubling that there is so much instinct to retreat from the global economy, a retreat that can only hurt us economically. Anxiety and uncertainty with the pace of change is natural, but we must react, not by turning our backs on opportunity and reality, but by doing what we need to do at home and abroad to take advantage of these opportunities. To do this, to support U.S. leadership in the global economy, to support fast track, we must build an understanding among American business, workers and consumers of the stake we all have in opening markets and promoting growth in the global economy. A critical job for all us – the President, Secretary Albright, myself, and very importantly you in the business community -- is to convey this understanding to the American people; the benefits of integration with the global economy, costs of retreat from that global economy.

There is no question that American companies today can compete. Our objective is to make sure that US companies have a level playing field around the world. With fast track we can create that level playing field and help sustain the economic progress that has occurred over the last five years. Thank you very much.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release October 27, 1997

REMARKS BY THE PRESIDENT
TO THE DEMOCRATIC LEADERSHIP COUNCIL
(excerpt on fast track legislation)

Omni Shoreham Washington, D.C.

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

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

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

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

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

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

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

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

THE WHITE HOUSE

Office of the Press Secretary
(Pittsburgh, Pennsylvania)

For Immediate Release September 24, 1997

REMARKS BY THE PRESIDENT
TO AFL-CIO BIENNIAL CONVENTION
(excerpt on fast track legislation)

David Lawrence Convention Center
Pittsburgh, Pennsylvania

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release September 10, 1997

REMARKS BY THE PRESIDENT ON FAST TRACK AUTHORITY

The East Room

2:28 P.M. EDT

Thank you very much. Mr. Vice President, members of the administration; Mr. Lang, thank you for coming all the way from Iowa; and, Susan, thank you for coming all the way from California. All else fails you can give speaking lessons. (Laughter.)

I also would like to thank the members of Congress who have come. I see Senator Moynihan and Senator Baucus and a significant delegation from the House, including Congressman Matsui and Fazio, who have often been on the forefront of our trade issues. It's nice to see former Chairman Gibbons out there, and former Congressman Carr and Anthony. There may be -- and former Congressman, our Ambassador to Mexico, Jim Jones. There are a lot of other former members perhaps here, but I appreciate all of you being here to support this endeavor today.

These stories that we have heard -- one from a farmer, one from a high-tech small business person -- make it clear that as we approach a new century and a new millennium, we live in a time of profound change and immense possibility. We have worked, as the Vice President said, to take our nation and to lead the world to the edge of this new era in this new economy; to build on a strategy of eliminating the deficit, increasing investments in our people, and expanding our exports -- and to do it in a way that would bolster America's world leadership for peace and freedom and prosperity around the world.

It is true that we have made significant progress with the balanced budget agreement in completing the business of balancing the budget, in making education our genuine top priority, and investing in our people. And it is a good thing that we are moving forward. But we must also recognize that for all the dramatic expansion of trade in the last four and a half years, for all the expansion in our economic opportunities and the enhancement of our world leadership, the world markets are changing so rapidly and growing so quickly; there, too, we must take new action to move forward.

I'm asking the Congress to renew the President's traditional authority to negotiate trade deals, to open more American markets for goods and services from our country, and to restore the partnership between the Congress and the President in the trade arena necessary to keep our economy strong and our leadership strong.

The Vice President said this before, but I want to reemphasize this: We are enjoying now an unemployment rate in the nation of under 5 percent, with over 13 million new jobs in the last five years. We have stable inflation at the lowest level in 30 years. And it appears that after a very good year last year, our economy this year will also grow in excess of 3 percent.

Now, how do we intend to continue to do that if we have 4 percent of the world's people and we already have 20 percent of the world's income? We have to sell to the other 96 percent of the world's people, especially when we know that the developing economies are projected to grow in Latin America and Asia at almost three times the rate of the mature economies over the next 15 to 20 years. And if we do it right, by the way, it will make the world a much better place because 10 to 15 to 20 countries will move from the ranks of being very poor countries into being countries with sustainable incomes for their own people, making them better democratic partners, more likely to be positive contributors to the world of tomorrow, less likely to be trouble spots that will command America's attention to try to keep something bad from happening when we ought to be working with them to make good things happen.

So this is very much the way of the future that America must lead toward. We have worked for four and a half years -- we had over 220 new trade agreements. I compliment our Trade Ambassador, Charlene Barshefsky, and her predecessor, Mickey Kantor. They have worked very hard. Most recently, we had an information technology agreement which will generate hundreds of billions of dollars in income.

We now estimate that of the important growth we've enjoyed in the last four and half years, almost a third of it came because of our expansion of trade. During this period America has once again become the world's number one exporter, our largest producer of automobiles, the world's largest agricultural exporter, the world's largest producer of semiconductors. From the farms of our heartland to the high-tech firms of the future, business is booming in this country. And from specialty steel to telecommunications, America leads the world in a very competitive global marketplace.

But I emphasize again, this is not a static situation. In order for us to continue to create jobs and opportunities for our own people and to maintain our world leadership, we have to continue to expand exports. We have to use every tool we can get to open foreign markets to our goods and services; we have to continue the fight for open, fair and reciprocal trade; we have to continue to stand against unfair trade practices; and we have to act now to continue this progress to make sure our economy will work for all the American people.

Congress, therefore, must renew the President's traditional authority to negotiate trade agreements. That is what we are here to say to the United States and that is what we are here to ask you to help us to do.

Again, let me say this is something that I could not have appreciated the day I took the oath of office the first time back in 1993. This is about more than economics. It is very much about economics and it is very important, but it is about more than economics. It's about whether other countries will continue to look to the United States to lead to a future of peace and freedom and prosperity; about whether the world will be growing together instead of coming apart; about whether our economic ties will lead to cultural ties and ties of partnership, or whether we will be viewed as somehow withdrawn from the world, not interested in leading it, and therefore, not nearly as influential as we might otherwise be for the causes in which we so deeply believe.

Every President of either party has had this authority since 1974 for a very good reason. It strengthens our ability to bread down trade barriers and unfair trade restrictions in areas where we already lead and where our future lies, such as agriculture, telecommunications, medical equipment, environmental technology and the creative power of our entertainment and our software. Every single trade agreement we will reach will tear down barriers to our goods and services, and that is good for America. And I think it is worth emphasizing again.

Virtually without exception -- as far as I know, without any meaningful exception -- the nations with whom we will negotiate agreements have markets that are more open than ours. When we talk about sectoral agreements, in all these sectors our markets are more open -- the markets are more closed than ours. And in these sectoral agreements, all these sectoral agreements involve areas where we are highly competitive, where other markets are more closed than ours. In all the global agreements we would negotiate, we will be dealing with areas where we are already highly competitive. This is a good thing for us economically. And it is absolutely critical for our world leadership.

Now, just look at this information technology agreement. It's a good, representative agreement, even though it's larger in its scope than some others we'll be able to negotiate. We reached it with 42 other nations last December to unshackle trade on $500 billion in computers, semiconductors, and telecommunications equipment. It's the equivalent of a $500-billion cut in tariffs on American products exported to other nations, and it will lead to thousands and thousands and thousands of new high-wage jobs in America. It will also bind us in one of the most critical areas of human endeavor more closely to other countries with whom we want to share a common future in a positive way.

The second thing I'd like to emphasize again is that we want to concentrate on the fastest growing markets in the world in Latin America and Asia. These markets are going to go three times faster than our own and than Europe's in the next decade. They will become very important to our economic future, whether we do this or not. The question is, will it be a positive or a negative importance. Their economies are on a fast track. They are not waiting for us to pass a bill. And we have to face that.

The third point I'd like to make is that if we don't have this authority we will leave the field to our competitors to break down more trade barriers to their own products at our expense. Since 1992, in Latin America and Asia alone, our competitors have negotiated over 20 agreements that don't include the United States. For example, now that Canada has negotiated a trade agreement with Chile, every major economy in this hemisphere has duty-free access to Chilean markets -- every major economy but one -- ours. I don't think that's a very good deal for American business or American workers.

Finally, let me say again, if we want to spread prosperity and open trade to support peace and democracy and freedom and free markets, we must do this. Other countries look at this decision in the United States as a decision about whether we continue to lead the world toward freedom and openness and partnership. And make no mistake about it, it is about more than economics, but increasingly our foreign policy and our economic policy are merging. And what is good for us economically, when it is good for other countries economically, advances the cause of freedom and prosperity and free markets and stability and partnership.

It is a remarkable thing that for the first time in history more than half the world's people live under governments of their own choosing. When I was a boy growing up, I think most people could not have imagined that. Now, unfortunately, many of us take it for granted. I spend a great deal of time every day reviewing the situation in the world, as you might imagine. I can tell you, you cannot take it for granted. It is not certain that 10 years from now or 15 years from now or 20 years from now, more than half the world's people will still live under governments of their own choosing.

The governments have to be able to deliver the goods. They have to be able to show the benefits of freedom and democracy. And the partnerships we have, as I said again it is very much in our own interest, by helping them to elevate their countries will also stabilize freedom and secure a better future.

Now, let me also say that those of us who support opentrade have to acknowledge that the benefits and burdens of the global economy, both in this country and in other countries, will not automatically fall equally upon all shoulders. They never have in any market and they never will. We must acknowledge that the possible effects of global trade on some communities or businesses or workers will not be positive in the short run, even though we know that this agreement will be overwhelmingly positive for the vast majority of Americans in the short run and in the long run.

But because of that, I have worked very hard for the last five years to give more and more Americans the tools to benefit from change. to take the changes that are going to occur anyway and make something good happen, especially giving Americans access to more and to better education.

We have to make sure that all Americans can reap the fruits of the economic growth we have enjoyed as a nation. But we cannot do that by stepping off the path of economic growth. We can only do it by giving all Americans the tools to participate in that growth.

And let me make one final point. As we continue to expand our economy here at home by expanding our leadership in the global economy, I do believe we have an obligation to support and to encourage labor standards and environmental protections abroad; indeed, around the world. Our commitment to workers' rights and environmental protection are, and have long been, reflections of our fundamental values. They also have been a benefit to our own economy, and they will become more a benefit to our economy as we move into the 21st century world where maintaining a clean environment will create more high-wage jobs for working people so that social responsibility and economic markets will merge in their common interests and objectives.

We will continue to seek even further adherence around the globe to fundamental worker rights and environmental protection, as we have for decades. We do not accept the fact that free trade should lower our standards to meet those of other countries'. Indeed, our goals should be to persuade other countries to build on the prosperity that comes with trade to lift their own labor standards, their own people up, and to make a commitment to economic growth with environmental protection -- a commitment we must reaffirm this very year. Trade need not pull standards down; it must lift them up. And we can do that if we'll work at it.

Ladies and gentlemen, for more than 50 years now, we have had a bipartisan consensus on the importance of expanding trade for the American economy and creating a global trading system as a part of America's leadership for peace and freedom. Our prosperity, our leadership, our values, all have been richly rewarded by the efforts we have made. And whenever we have abandoned this course we have done so at our peril, and our interest and our values have paid for it. It is now clearly more important than ever that we get a new consensus on building a new global economy for the 21st century. I am committed to consulting with the Congress to make sure that this fast track legislation receives the full, bipartisan support it deserves and the American people expect.

If the historic budget agreement we reached in July taught us anything, it is that we actually can, and indeed, we must, pull together for the good of the American people and the future of our country. Our trade policy should not be about politics, it ought to be about prosperity and building a new economy for the new millennium. Our workers are the most productive in the world. They can out-compete anyone in the world, and we have to given them that opportunity. It's also about our leadership and the world we want for our children.

Finally, let me say this is very important, especially to the millions and millions of working families, because if we do not continue to expand markets for our country's products and services, there is no way in the world where other economies are growing faster than ours we can maintain our standard of living with 4 percent of the world's people and 20 percent of the world's wealth. The people with the biggest stake in this struggle are those who go to work every day at jobs all across America, jobs of all kind.

I know there are heartfelt concerns that expanding jobs and exports and trade could wind up hurting some Americans. That's why we're moving to shape the changes we face -- change is certain, progress is not. But walking away from this opportunity will not create a single job. No one suggests we should throw up greater barriers in our own marketplace. Walking away from this opportunity will only leave the inequalities that are there now that do not work to the advantage of either American businesses or American workers. Backing away from this responsibility will not make the environment better, it won't clean up a single toxic waste site. Turning away from the effort will not expand our economy, enhance our competitiveness or empower our workers.

I say again, the global economy is on a very fast track to the 21st century. The question is whether we are going to lead the way or follow. Today, this country is at the pinnacle of its influence. Our economy is the strongest in the world. We have been very, very blessed. This is not the time to shrink from the future. This is the time to lead to the future.

We have a special responsibility because we are doing so well now -- a responsibility to think of how our children will do, a responsibility to think of how others around the world will do, a responsibility to think of how this world ought to look like and ought to work like in 20 or 30 years. So I say, the future will not wait for us, but we can shape it. I do not intend to sit on the sidelines, and I'll bet you when the time for counting comes, that Congress won't either.

Thank you very much and God bless you.

END 2:57 P.M. EDT

Remarks by Vice President Al Gore
"Fast Track" Roll-Out
Wednesday, September 10, 1997

Good afternoon, and welcome to the White House. We're gathered here today to celebrate the revitalization of the American Dream and recommit ourselves to continuing our economic success. Four and half years ago, President Clinton and I took office determined to turn our economy around with a new economic strategy -- a three-part strategy to finally rein in those runaway budget deficits; to invest more in our people; and to open up the world's markets to free and fair trade.

Today, that economic plan is working beyond anyone's imagination -- with nearly 13 million new jobs; the lowest unemployment in 24 years; the lowest inflation in a generation; more small businesses in each of the last four years than in any years in history; a stock market that has more than doubled; a standard of living that is rising, a wage gap that's falling. The facts speak for themselves: the American economy is on the right track.

Now is no time for us to turn back. Earlier this summer, we reached a historic bipartisan agreement to balance the budget -- while cutting taxes for families, investing in our people, and honoring our values. Because of all our progress in shrinking the deficit and growing the economy, we were able to make the largest increase in higher education since the G.I. Bill; the largest investment in children's health since the passage of Medicaid; and a real tax cut for hard-working, middle-class families -- all while bringing the deficit down to zero.

Now we need to move forward on the third pillar of our economic strategy -- doing even more to pry open foreign markets, so our workers can compete and win all over the world. One reason our economy is so strong today is that we have had a President who knows that American workers can out-produce, out-smart, out-create, and out-compete workers from anywhere else in the world. He knows that if they're given a fair chance, there is nothing they can't do.

That's why we fought so hard for NAFTA, for GATT, for over 200 job-creating trade agreements -- each and every one knocked down trade barriers for American products, leveled the playing field for American workers, and helped create new jobs. I'm talking about agreements like the one we reached last year -- to eliminate all tariffs on computers, semiconducters, and telecommunications technology by the year 2000 -- an agreement that's working for America's workers. I'm talking about this year's 70-nation telecommunications agreement -- which opens, for the first time ever, 83% of the top telecommunications markets -- an agreement that's working for America's workers. I'm talking about the 30 trade deals we reached with Japan -- from auto parts to medical supplies -- agreements that are working for America's workers. Today, our trade with Japan supports hundreds of thousands of American jobs -- high-wage, better paying jobs for American families. These trade deals are moving America into the 21st Century. Now is no time to turn back.

And we know that we can open markets for American goods while keeping our commitment to labor rights and environmental protection. After all, the real point of any trade deal is to improve the lives and livelihoods of working people -- and we absolutely must do that while protecting the earth, water, and air we all share. So we must convince other countries to lift up their labor and environmental standards, and we must never allow ours to be torn down. As we expand trade around the world, we cannot trade away the values that are the bedrock on which our prosperity is built.

More than 20 years ago, Congress realized that our ability to compete important trade agreements depended on the President's ability to negotiate from a position of strength. That's why they forged a partnership with the President. This partnership gives the President the credibility he needs to negotiate tough trade deals with our trading partners by making clear that Congress is with him. It retains Congress's power to have the final say through an up-or-down vote on the package he brings back. And that partnership means Congress and the President must work hand-in-hand throughout the process. It ensures a better deal for everyone.

Today, we must commit ourselves to renewing this partnership between the President and Congress -- so we can expand exports and strengthen the economy. If we fail to act, we risk the very foundation of American prosperity.

Now it is my pleasure to introduce someone who knows about the promise of the future first-hand. Gene Lang is a corn and soybean farmer from Grinell, Iowa. Gene and his sons operate a 1,300-acre farm, growing corn and soybean from hybrid seeds that are genetically engineered to produce greater yields. Gene estimates that 20% of his corn sales and 30-35% of his soybean sales come from exports. He knows that free trade plants the seeds for a future of prosperity and hope. Ladies and gentleman, Gene Lang...

It's simply the same authority that Presidents have had for the last 20-odd years, to negotiate agreements, take them back to Congress and have them vote up or down.

If I go and make an agreement with somebody who lives in a different system of government, they don't understand if -- they can understand if the Congress rejects the agreement, but they don't want to have to negotiate it again with 535 people after they negotiate it with my representatives. So most countries simply won't enter into agreements with us unless I have the authority to make an agreement and say, now, the Congress is the ultimate decider here, they've got to vote up or down; if it's bad for America, they're not going to vote for it.
But at least you won't have it rewritten, we'll vote it up or down. That's all the bill does and that's why Presidents have had it for the last 20-something years.

So I hope you will stick with us. I hope you'll urge the congressmen and senators to vote for it. And I hope you'll tell them that without regard to party, this is an American issue. It's helped to create jobs here at Tropical. It will help to take us into the 21st century. And if they'll stick with you on this, you will stick with them.

Thank you very much. Now I'd like to ask Secretary Daley to come up and say what I wish I had the strength to say.

Secretary Daley.

Thank you and God bless you. (Applause.)

SECRETARY DALEY: Thank you, Mr. President Thank you, ladies and gentlemen for your patience. Even with an unbelievably bad voice, he is better than anyone else who could stand up here, so it is difficult.

I thank you also for not being cheered out, after the great victory by the Marlins and being here. I thank you for putting up with this late substitution. On Halloween, I know you're all expecting quite a treat, but instead you have gotten a trick, and I'm sorry about that. (Laughter.) But I think we could all sympathize with the President. And, Mr. President, I do feel your pain. (Laughter.)

If you'll all bear with me, the President has asked me to read his remarks that he would have given. This is a rather awkward situation for me to stand here in front of him and read his remarks. There's probably only one person in this entire audience who is truly happy that this is occurring, and that's the President's speechwriter, because this will be the first time his entire text has ever been read. (Laughter.) So let me begin.

"Six years ago, when I announced my candidacy for President, I said that America had a vital mission for the 21st century, and that was to keep the American Dream alive for every person responsible enough to work for it; to keep America the world's strongest force for peace, freedom and prosperity; and to bring our people together across all the lines that divide us into one America.

"We started with a new economic policy for the new economy, putting in place a bold three-part strategy to shrink the deficit, invest in our people and lower unfair trade barriers to our goods. And this strategy has succeeded: strong annual growth and low inflation, more than 13 million new jobs, the deficit down 90 percent -- even before the balanced budget law saves a single penny. America is leading the world in auto production once again, and unemployment is below five percent.

"We have made tremendous progress. But we have much more to do to prepare America for the 21st century. And Congress faces a decisive choice, whether to continue with a strategy that has helped give America the strongest economy in a generation. For one week from today, the House of Representatives will decide whether or not to keep America's exports growing with its vote on fast track. I applaud Speaker Gingrich for scheduling this vote and for his commitment to work in a bipartisan basis to enact this most important legislation this year.

"The arithmetic of the new economy is the following: We have 4 percent of the world's population and 20 percent of its income; 96 percent of the world's consumers live outside the United States, and the developing countries are growing three times as fast as the developed countries. So if we want to keep our income with our population base, we have to sell even more to the other 96 percent, especially those who are growing so rapidly.

"The workers here at Tropical Shipping know that more than anyone. And so do the workers throughout this great state of Florida. For the exports from Florida have increased over the past four years by more than 50 percent, to over $30 billion.

And that's one reason why this economy in Florida has been able to create a million new jobs during that same period. And here in West Palm Beach, Boca Raton metropolitan area, exports are up over $200 million since 1993.

"But there is still much, much more to do and many barriers to those American products. So we owe it to the working men and women of America and around our entire country to level the playing field for trade so that when our workers are given a fair chance they can and they do out-compete anyone anyplace in the world."

Congress must take this opportunity -- it must not take this opportunity away from the American people to compete. For more than 20 years, as the President stated, every President, Democrat or Republican, has had this authority. If Congress grants this authority, we can use it to open trade where American firms are leading, such as computer software, medical equipment, environmental technologies. America can use it to open the markets of Chile and other Latin American countries to our goods and also our services.

We all know we must do better to raise the living standards and environmental standards throughout the world. This trade authority will give me the leverage to negotiate agreements that do exactly that.

The bills now waiting for a vote on the floor of the House and Senate offer the most detailed and concrete authority to negotiate these issues which have ever been included in this sort of legislation. And because we know that expanded world trade does not always benefit all Americans equally, we're working with members of Congress to develop new initiative to bring more Americans into this winner's circle. And with these initiatives we will increase our investment in communities that suffer from dislocation, and in those workers who lose their jobs because of trade agreement technology or any other reason.

So let's all be clear. Walking away from this opportunity will not create or save a single American job. It will not help a child in any country of the world come out of a sweatshop. It will not clean up a single toxic site in any nation. Turning away will not expand our economy, it will not enhance our competitiveness, and it will not empower our workers. It will give away markets and it will give away jobs. It will jeopardize America's preeminent role and position in this world.

Fast track is the key to U.S. leadership in the world economy, and now is not the time to raise questions about that leadership. Over the past four and a half years our three-part strategy for security and growth has worked better than anyone had imagined. We have reduced the deficit to the lowest levels since the early 1970s. We have invested in our people with historic new commitments to education and health for all Americans. And we have raised American living standards by opening new markets to quality American goods and services. And thanks to this strategy and the hard work of American people, we stand poised at the threshold of a new century, stronger than ever before.

America must not retreat on the strategy that has brought us to this place of promise. America must not return to a mind-set which is rooted in the past. Instead, America must move forward on all three crucial elements to our strategy. As you are doing here in south Florida, America must boldly seize the opportunities that stand before us into this next great century.

Thank you very much. God bless you and God bless America. (Applause.)

END

12:32 P.M. EST

U.S. DEPARTMENT OF STATE
Office of the Spokesman

October 23, 1997

For Immediate Release
(As prepared for delivery)

REMARKS BY
SECRETARY OF STATE MADELEINE K. ALBRIGHT
AT
A JOINT APPEARANCE WITH TREASURY SECRETARY RUBIN
AT THE U.S. CHAMBER OF COMMERCE

Washington, D.C.

October 23, 1997

Fast Track Trade Negotiating Authority

Thank you, Mr. Donohue and good afternoon to you all.

I am pleased to be here, along with Secretary Rubin, to discuss what I consider to be the single most important foreign policy decision Congress will make this year. That decision is whether to approve the Administration's request for renewal of traditional fast track trade negotiating authority for the President.

This vote will signal to a watchful world whether America is approaching the end of the century with well-deserved confidence and pride; or whether our deeper wish is to shrink from the center stage of world affairs.

This afternoon, I would like to explain why I feel so strongly about this issue. I also want to mention at the outset that those of us who favor fast track must realize that we face a determined opposition, inspired by high-minded goals, going all out to make its case. If we are to prevail, as we must for the good of our country, we must respond seriously to the serious concerns of our critics; and we, too, must go all out to win.

Since taking office, I have stressed my belief that the United States has an historic opportunity to help bring the world closer together around basic principles of democracy, open markets, law and a commitment to peace.

If we seize this opportunity, we can ensure that our economy will continue to grow, our workers will have access to better jobs, and our leadership will be felt wherever U.S. interests are engaged.

We will also fuel an expanding global economy and give more countries a stake in the international system, thereby denying nourishment to the forces of extremist violence that feed on deprivation across our planet.

As Secretary Rubin will explain in greater detail, the Administration's efforts to promote the cause of open trade and open economies has done much to fuel the remarkable period of sustained economic growth we have enjoyed these past five years.

But if we are to continue up this ladder, Congress must say "yes" to fast track.

There are many opposed to this step. They argue that free trade creates a bidding war in which foreign countries compete by lowering labor and environmental standards, thereby luring U.S. factories and jobs offshore.

But the truth is that we already have free trade. Unfortunately, that freedom tends to run one way. On the average, U.S. tariffs are far lower than those of other countries. This means that, when we reach a free trade agreement, the other country has to cut tariffs by more than we do. That's not only free trade; that's fair trade--and that's good for America.

Another flaw in the rationale of fast track opponents is that voting down fast track won't accomplish anything for American workers. It won't result in higher labor standards overseas. It won't result in higher environmental standards. These are issues that can only be dealt with through international cooperation and negotiation.

The best course for our nation is not to curse globalization, but to shape it. Because we have the world's most competitive economy and its most productive workforce, we are better positioned than any other nation to do so.

Both the proponents and opponents of fast track want a strong American economy that creates good jobs and rising standards of living for our people.

But we, who support fast track, do not believe that continued economic growth will just happen. We believe it must be helped along by trade agreements that lower tariffs and create access to new markets.

Opponents of fast track appear to suggest that we will be better off if we leave the business of negotiating trade agreements to others. But it is hard to see how.

As others forge agreements and expand trade, we will face barriers, including higher tariffs, that our competitors do not. That's like trying to run the bases in the World Series with the field tilted uphill against us.

I was disturbed--as I believe all Americans should be--to learn of a senior European official boasting recently about Europe's expanded trade with South America, and saying that "We are stomping all over" America's "backyard." That is unacceptable, but it is what happens when the United States engages in unilateral disarmament on trade.

The authority for a President to negotiate tariff reductions goes back to Franklin Roosevelt's first term, when his Administration sought to reduce the damage caused by the Smoot-Hawley Act. Fast track, itself, has been available and used to America's economic benefit by every President for the past two decades.

But the current debate is about more than dollars and cents; fast track is a foreign policy imperative. It is indispensable to U.S. economic leadership and that leadership is indispensable to U.S. influence around the globe.

American prestige is not divisible. If we want our views and interests respected, we cannot sit on the sidelines with a towel over our heads while others make the trade and investment plays that will determine the economic standings of the twenty-first century.

In many capitals, if we have nothing to say on trade, we will find it harder to have productive discussions on other issues of direct importance to American interests.

This was brought home to me, yet again, during my trips with the President this year to South and Central America and the Caribbean. Here, our initiatives on trade are a vital part of a larger process of cooperation that includes the fight against narcotics trafficking, crime, pollution, illegal immigration and other threats to the well-being of our citizens.

We should not forget that for decades during the Cold War, we Americans spread the gospel of competition, free enterprise and open markets. Today, people and governments almost everywhere are converting to that faith.

This trend is paying off in the emergence of large, educated middle classes in many developing nations, leading in turn to new pressure for decent wages, environmental protection and greater democracy. But make no mistake, people around the world will be watching the fast track debate closely to see whether Americans will continue to practice what we have so long preached.

As we plan for the future, we cannot simply assume that the current democratic trends will continue. If we fail to approve fast track, we will embolden opponents of economic reform throughout the world. We will send the message that market freedom is to be feared and avoided.

Rejection of fast track could set in motion a chain reaction of protectionism that would endanger our economic future and halt the spread of political freedom.

If Congress approves fast track, our competitive economy and skilled workforce should ensure that the prosperity we have enjoyed in recent years will be sustained.

But if Congress votes fast track down, we will suffer a major setback to our economic future and a damaging and self-inflicted blow to American influence.

That is why I have joined every living former Secretary of State in asking Congress to be true to America's own philosophy, to approve fast track and to pave the way for continued prosperity at home and leadership abroad.

For more than half a century, the United States has played the leading role within the international system, not as sole arbiter of right and wrong, for that is a responsibility widely shared, but as pathfinder - as the nation able to show the way when others cannot.

Our predecessors had the foresight to forge alliances such as NATO, institutions such as the World Bank and initiatives such as the Marshall Plan to defend freedom and build prosperity. They did so on a bipartisan basis.

Today, under President Clinton, we are constructing a new framework to address the challenges of our time, based on principles that will endure for all time.

This Saturday, on the far side of midnight, those who yearn for days gone by will celebrate the only real opportunity they have this year to turn back the clock.

DEPARTMENT OF THE TREASURY

TREASURY NEWS

OFFICE OF PUBLIC AFFAIRS • 1500 PENNSYLVANIA AVENUE, N.W. • WASHINGTON, D.C. • 20220 • (202) 622-2960

EMBARGOED UNTIL 1:45 PM EDT
Text as Prepared for Delivery
October 23, 1997

FAST TRACK
TREASURY SECRETARY ROBERT E. RUBIN

It is a pleasure to join Secretary Albright today to say a few words about the importance of renewing the President's traditional trade negotiating authority, known as fast track.

Three weeks ago, I was in Hong Kong for meetings of the G-7 group of the largest industrial nations, and for meetings of the World Bank and the International Monetary Fund. As we discussed the many economic issues facing the world community -- including such matters as the financial instability of Southeast Asia -- an underlying refrain was the remarkable economic performance of the United States. At similar meetings in the late 1980s and early 1990s, the other industrialized nations lined up to criticize the United States about the need to get its economic house in order. And, with our large budget deficits and the loss of competitiveness of our private sector in many industries, we were viewed by many as yesterday's economy.

Today we are clearly once again the strongest major economy in the world. We are viewed as a country that has put its economic house in order and other countries look to the United States for leadership in the global economy.

Unemployment has been below 6% for over 2 years and below 5 percent for 5 months, the economy has generated 13 million new jobs, inflation has remained low and real wages are rising.

Many factors have contributed to this success -- including the private sector's restoration of competitiveness in a broad array of industries -- but the key and indispensable factor has been a sound economic strategy grounded in fiscal responsibility, investing in people and opening markets.
RR-2011

Now though, as we look forward, what we must not do is let our strong economy of today mask the challenges we face to maintain this strength in the years and decades ahead. That is why we must maintain our fiscal discipline and work to equip all Americans with the tools they need to prosper in today's economy, through stronger education and training, and effective assistance to successfully reentering the workforce for those who suffer dislocation from the rapid changes of a dynamic economy. And we must also build on our trade record of opening markets abroad to continue to create better jobs and raise standards of living at home.

We are now at a crossroads with respect to the strategy of opening markets around the globe. The question before Congress is whether to grant the President fast track so that we can continue to open markets, expand trade and raise standards of living here at home; or to refuse to grant the President such authority and watch as U.S. workers and businesses lose out in access to the opportunities in the global economy. Without fast track no nation will enter into a serious negotiation with the United States, because of concern that the agreement will be revamped during the Congressional process, and our economic interests will suffer.

There is a vital point here about which we must be clear. Countries around the world are moving ahead to expand trade arrangements with each other. There is no question this is going to continue. The only question is whether we will be on the inside and benefiting, or on the outside looking in. To cite one example, the Mercosur nations of Brazil, Argentina, Paraguay and Uruguay have created a preferential trade arrangement. U.S. exports to these countries in four of our most competitive industries -- road vehicles, metal goods, cosmetics, and electrical equipment -- fell by more than 10 percent in 1996, while our exports of these products to the rest of the world grew by almost 6 percent. U.S. fabric producers have lost sales in Chile to Canadian competitors benefitting from an 11 percent tariff preference. It is also greatly in our interest to influence the shape of world trade agreements and we can't do that unless we join the negotiations that will form the global trading system. We must make sure that U.S. companies have a level playing field as markets of the future open their doors to trade. The alternative is to be on the outside, and that will cost us dearly.

Expanded trade allows us to sell more abroad in the areas where we are most effective and gain from greater competition and more choice at home, raising our living standards overall. A relatively conservative approach to determining the gains to the American people from expanded trade predicts that further trade liberalization helped by fast track could generate at least $200 billion more in total exports by the year 2010. Expanded trade would translate into a significant increase of between $800 and $1600 in income for the average family.

Make no mistake: Fast track is about more than one trade agreement or set of trade agreements. It is about U.S. leadership in the growing global economy, promoting open markets and trade increases our exports, as well as overall prosperity around the world, creating new markets for our products while promoting greater international stability. In the same vein, American support for growth and reform in developing countries – through the less than 2% of our federal budget that goes to support the World Bank, the IMF, bi-lateral foreign aid, and the United Nations – is greatly in our economic self interest, leaving aside any questions of morality and the like, as these developing countries have gone from being economically insignificant decades ago to being the recipients of over 40% of our exports today. In today's global economy, the economic well-being of the United States is integrally linked to the rest of the world and U.S. leadership on global trade and promoting growth in the developing world is necessary in promoting global growth, and so, in increasing jobs and standards of living at home.

At a time when our economy is doing so well and we benefit so much from the opportunities of the global economy, and when the reality is that our economic well-being will be increasingly and greatly affected by our trade relationships and the future health of the global economy, it is deeply troubling that there is so much instinct to retreat from the global economy, a retreat that can only hurt us economically. Anxiety and uncertainty with the pace of change is natural, but we must react, not by turning our backs on opportunity and reality, but by doing what we need to do at home and abroad to take advantage of these opportunities. To do this, to support U.S. leadership in the global economy, to support fast track, we must build an understanding among American business, workers and consumers of the stake we all have in opening markets and promoting growth in the global economy. A critical job for all us – the President, Secretary Albright, myself, and very importantly you in the business community – is to convey this understanding to the American people; the benefits of integration with the global economy, costs of retreat from that global economy.

There is no question that American companies today can compete. Our objective is to make sure that US companies have a level playing field around the world. With fast track we can create that level playing field and help sustain the economic progress that has occurred over the last five years. Thank you very much.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release October 27, 1997

REMARKS BY THE PRESIDENT
TO THE DEMOCRATIC LEADERSHIP COUNCIL
(excerpt on fast track legislation)

Omni ShorehamWashington, D.C.

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

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

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

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

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

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

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

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

THE WHITE HOUSE

Office of the Press Secretary
(Pittsburgh, Pennsylvania)

For Immediate Release September 24, 1997

REMARKS BY THE PRESIDENT TO AFL-CIO BIENNIAL CONVENTION (excerpt on fast track legislation)

David Lawrence Convention Center
Pittsburgh, Pennsylvania

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release September 10, 1997

REMARKS BY THE PRESIDENT ON FAST TRACK AUTHORITY

The East Room

2:28 P.M. EDT

Thank you very much. Mr. Vice President, members of the administration; Mr. Lang, thank you for coming all the way from Iowa; and, Susan, thank you for coming all the way from California. All else fails you can give speaking lessons. (Laughter.)

I also would like to thank the members of Congress who have come. I see Senator Moynihan and Senator Baucus and a significant delegation from the House, including Congressman Matsui and Fazio, who have often been on the forefront of our trade issues. It's nice to see former Chairman Gibbons out there, and former Congressman Carr and Anthony. There may be -- and former Congressman, our Ambassador to Mexico, Jim Jones. There are a lot of other former members perhaps here, but I appreciate all of you being here to support this endeavor today.

These stories that we have heard -- one from a farmer, one from a high-tech small business person -- make it clear that as we approach a new century and a new millennium, we live in a time of profound change and immense possibility. We have worked, as the Vice President said, to take our nation and to lead the world to the edge of this new era in this new economy; to build on a strategy of eliminating the deficit, increasing investments in our people, and expanding our exports -- and to do it in a way that would bolster America's world leadership for peace and freedom and prosperity around the world.

It is true that we have made significant progress with the balanced budget agreement in completing the business of balancing the budget, in making education our genuine top priority, and investing in our people. And it is a good thing that we are moving forward. But we must also recognize that for all the dramatic expansion of trade in the last four and a half years, for all the expansion in our economic opportunities and the enhancement of our world leadership, the world markets are changing so rapidly and growing so quickly; there, too, we must take new action to move forward.

I'm asking the Congress to renew the President's traditional authority to negotiate trade deals, to open more American markets for goods and services from our country, and to restore the partnership between the Congress and the President in the trade arena necessary to keep our economy strong and our leadership strong.

The Vice President said this before, but I want to reemphasize this: We are enjoying now an unemployment rate in the nation of under 5 percent, with over 13 million new jobs in the last five years. We have stable inflation at the lowest level in 30 years. And it appears that after a very good year last year, our economy this year will also grow in excess of 3 percent.

Now, how do we intend to continue to do that if we have 4 percent of the world's people and we already have 20 percent of the world's income? We have to sell to the other 96 percent of the world's people, especially when we know that the developing economies are projected to grow in Latin America and Asia at almost three times the rate of the mature economies over the next 15 to 20 years. And if we do it right, by the way, it will make the world a much better place because 10 to 15 to 20 countries will move from the ranks of being very poor countries into being countries with sustainable incomes for their own people, making them better democratic partners, more likely to be positive contributors to the world of tomorrow, less likely to be trouble spots that will command America's attention to try to keep something bad from happening when we ought to be working with them to make good things happen.

So this is very much the way of the future that America must lead toward. We have worked for four and a half years -- we had over 220 new trade agreements. I compliment our Trade Ambassador, Charlene Barshefsky, and her predecessor, Mickey Kantor. They have worked very hard. Most recently, we had an information technology agreement which will generate hundreds of billions of dollars in income.

We now estimate that of the important growth we've enjoyed in the last four and half years, almost a third of it came because of our expansion of trade. During this period America has once again become the world's number one exporter, our largest producer of automobiles, the world's largest agricultural exporter, the world's largest producer of semiconductors. From the farms of our heartland to the high-tech firms of the future, business is booming in this country. And from specialty steel to telecommunications, America leads the world in a very competitive global marketplace.

But I emphasize again, this is not a static situation. In order for us to continue to create jobs and opportunities for our own people and to maintain our world leadership, we have to continue to expand exports. We have to use every tool we can get to open foreign markets to our goods and services; we have to continue the fight for open, fair and reciprocal trade; we have to continue to stand against unfair trade practices; and we have to act now to continue this progress to make sure our economy will work for all the American people.

Congress, therefore, must renew the President's traditional authority to negotiate trade agreements. That is what we are here to say to the United States and that is what we are here to ask you to help us to do.

Again, let me say this is something that I could not have appreciated the day I took the oath of office the first time back in 1993. This is about more than economics. It is very much about economics and it is very important, but it is about more than economics. It's about whether other countries will continue to look to the United States to lead to a future of peace and freedom and prosperity; about whether the world will be growing together instead of coming apart; about whether our economic ties will lead to cultural ties and ties of partnership, or whether we will be viewed as somehow withdrawn from the world, not interested in leading it, and therefore, not nearly as influential as we might otherwise be for the causes in which we so deeply believe.

Every President of either party has had this authority since 1974 for a very good reason. It strengthens our ability to bread down trade barriers and unfair trade restrictions in areas where we already lead and where our future lies, such as agriculture, telecommunications, medical equipment, environmental technology and the creative power of our entertainment and our software. Every single trade agreement we will reach will tear down barriers to our goods and services, and that is good for America. And I think it is worth emphasizing again.

Virtually without exception -- as far as I know, without any meaningful exception -- the nations with whom we will negotiate agreements have markets that are more open than ours. When we talk about sectoral agreements, in all these sectors our markets are more open -- the markets are more closed than ours. And in these sectoral agreements, all these sectoral agreements involve areas where we are highly competitive, where other markets are more closed than ours. In all the global agreements we would negotiate, we will be dealing with areas where we are already highly competitive. This is a good thing for us economically. And it is absolutely critical for our world leadership.

Now, just look at this information technology agreement. It's a good, representative agreement, even though it's larger in its scope than some others we'll be able to negotiate. We reached it with 42 other nations last December to unshackle trade on $500 billion in computers, semiconductors, and telecommunications equipment. It's the equivalent of a $500-billion cut in tariffs on American products exported to other nations, and it will lead to thousands and thousands and thousands of new high-wage jobs in America. It will also bind us in one of the most critical areas of human endeavor more closely to other countries with whom we want to share a common future in a positive way.

The second thing I'd like to emphasize again is that we want to concentrate on the fastest growing markets in the world in Latin America and Asia. These markets are going to go three times faster than our own and than Europe's in the next decade. They will become very important to our economic future, whether we do this or not. The question is, will it be a positive or a negative importance. Their economies are on a fast track. They are not waiting for us to pass a bill. And we have to face that.

The third point I'd like to make is that if we don't have this authority we will leave the field to our competitors to break down more trade barriers to their own products at our expense. Since 1992, in Latin America and Asia alone, our competitors have negotiated over 20 agreements that don't include the United States. For example, now that Canada has negotiated a trade agreement with Chile, every major economy in this hemisphere has duty-free access to Chilean markets -- every major economy but one -- ours. I don't think that's a very good deal for American business or American workers.

Finally, let me say again, if we want to spread prosperity and open trade to support peace and democracy and freedom and free markets, we must do this. Other countries look at this decision in the United States as a decision about whether we continue to lead the world toward freedom and openness and partnership. And make no mistake about it, it is about more than economics, but increasingly our foreign policy and our economic policy are merging. And what is good for us economically, when it is good for other countries economically, advances the cause of freedom and prosperity and free markets and stability and partnership.

It is a remarkable thing that for the first time in history more than half the world's people live under governments of their own choosing. When I was a boy growing up, I think most people could not have imagined that. Now, unfortunately, many of us take it for granted. I spend a great deal of time every day reviewing the situation in the world, as you might imagine. I can tell you, you cannot take it for granted. It is not certain that 10 years from now or 15 years from now or 20 years from now, more than half the world's people will still live under governments of their own choosing.

The governments have to be able to deliver the goods. They have to be able to show the benefits of freedom and democracy. And the partnerships we have, as I said again it is very much in our own interest, by helping them to elevate their countries will also stabilize freedom and secure a better future.

Now, let me also say that those of us who support opentrade have to acknowledge that the benefits and burdens of the global economy, both in this country and in other countries, will not automatically fall equally upon all shoulders. They never have in any market and they never will. We must acknowledge that the possible effects of global trade on some communities or businesses or workers will not be positive in the short run, even though we know that this agreement will be overwhelmingly positive for the vast majority of Americans in the short run and in the long run.

But because of that, I have worked very hard for the last five years to give more and more Americans the tools to benefit from change. to take the changes that are going to occur anyway and make something good happen, especially giving Americans access to more and to better education.

We have to make sure that all Americans can reap the fruits of the economic growth we have enjoyed as a nation. But we cannot do that by stepping off the path of economic growth. We can only do it by giving all Americans the tools to participate in that growth.

And let me make one final point. As we continue to expand our economy here at home by expanding our leadership in the global economy, I do believe we have an obligation to support and to encourage labor standards and environmental protections abroad; indeed, around the world. Our commitment to workers' rights and environmental protection are, and have long been, reflections of our fundamental values. They also have been a benefit to our own economy, and they will become more a benefit to our economy as we move into the 21st century world where maintaining a clean environment will create more high-wage jobs for working people so that social responsibility and economic markets will merge in their common interests and objectives.

We will continue to seek even further adherence around the globe to fundamental worker rights and environmental protection, as we have for decades. We do not accept the fact that free trade should lower our standards to meet those of other countries'. Indeed, our goals should be to persuade other countries to build on the prosperity that comes with trade to lift their own labor standards, their own people up, and to make a commitment to economic growth with environmental protection -- a commitment we must reaffirm this very year. Trade need not pull standards down; it must lift them up. And we can do that if we'll work at it.

Ladies and gentlemen, for more than 50 years now, we have had a bipartisan consensus on the importance of expanding trade for the American economy and creating a global trading system as a part of America's leadership for peace and freedom. Our prosperity, our leadership, our values, all have been richly rewarded by the efforts we have made. And whenever we have abandoned this course we have done so at our peril, and our interest and our values have paid for it. It is now clearly more important than ever that we get a new consensus on building a new global economy for the 21st century. I am committed to consulting with the Congress to make sure that this fast track legislation receives the full, bipartisan support it deserves and the American people expect.

If the historic budget agreement we reached in July taught us anything, it is that we actually can, and indeed, we must, pull together for the good of the American people and the future of our country. Our trade policy should not be about politics, it ought to be about prosperity and building a new economy for the new millennium. Our workers are the most productive in the world. They can out-compete anyone in the world, and we have to given them that opportunity. It's also about our leadership and the world we want for our children.

Finally, let me say this is very important, especially to the millions and millions of working families, because if we do not continue to expand markets for our country's products and services, there is no way in the world where other economies are growing faster than ours we can maintain our standard of living with 4 percent of the world's people and 20 percent of the world's wealth. The people with the biggest stake in this struggle are those who go to work every day at jobs all across America, jobs of all kind.

I know there are heartfelt concerns that expanding jobs and exports and trade could wind up hurting some Americans. That's why we're moving to shape the changes we face -- change is certain, progress is not. But walking away from this opportunity will not create a single job. No one suggests we should throw up greater barriers in our own marketplace. Walking away from this opportunity will only leave the inequalities that are there now that do not work to the advantage of either American businesses or American workers. Backing away from this responsibility will not make the environment better, it won't clean up a single toxic waste site. Turning away from the effort will not expand our economy, enhance our competitiveness or empower our workers.

I say again, the global economy is on a very fast track to the 21st century. The question is whether we are going to lead the way or follow. Today, this country is at the pinnacle of its influence. Our economy is the strongest in the world. We have been very, very blessed. This is not the time to shrink from the future. This is the time to lead to the future.

We have a special responsibility because we are doing so well now -- a responsibility to think of how our children will do, a responsibility to think of how others around the world will do, a responsibility to think of how this world ought to look like and ought to work like in 20 or 30 years. So I say, the future will not wait for us, but we can shape it. I do not intend to sit on the sidelines, and I'll bet you when the time for counting comes, that Congress won't either.

Thank you very much and God bless you.

END 2:57 P.M. EDT

Remarks by Vice President Al Gore
"Fast Track" Roll-Out
Wednesday, September 10, 1997

Good afternoon, and welcome to the White House. We're gathered here today to celebrate the revitalization of the American Dream and recommit ourselves to continuing our economic success. Four and half years ago, President Clinton and I took office determined to turn our economy around with a new economic strategy -- a three-part strategy to finally rein in those runaway budget deficits; to invest more in our people; and to open up the world's markets to free and fair trade.

Today, that economic plan is working beyond anyone's imagination -- with nearly 13 million new jobs; the lowest unemployment in 24 years; the lowest inflation in a generation; more small businesses in each of the last four years than in any years in history; a stock market that has more than doubled; a standard of living that is rising, a wage gap that's falling. The facts speak for themselves: the American economy is on the right track.

Now is no time for us to turn back. Earlier this summer, we reached a historic bipartisan agreement to balance the budget -- while cutting taxes for families, investing in our people, and honoring our values. Because of all our progress in shrinking the deficit and growing the economy, we were able to make the largest increase in higher education since the G.I. Bill; the largest investment in children's health since the passage of Medicaid; and a real tax cut for hard-working, middle-class families -- all while bringing the deficit down to zero.

Now we need to move forward on the third pillar of our economic strategy -- doing even more to pry open foreign markets, so our workers can compete and win all over the world. One reason our economy is so strong today is that we have had a President who knows that American workers can out-produce, out-smart, out-create, and out-compete workers from anywhere else in the world. He knows that if they're given a fair chance, there is nothing they can't do.

That's why we fought so hard for NAFTA, for GATT, for over 200 job-creating trade agreements -- each and every one knocked down trade barriers for American products, leveled the playing field for American workers, and helped create new jobs. I'm talking about agreements like the one we reached last year -- to eliminate all tariffs on computers, semiconducters, and telecommunications technology by the year 2000 -- an agreement that's working for America's workers. I'm talking about this year's 70-nation telecommunications agreement -- which opens, for the first time ever, 83% of the top telecommunications markets -- an agreement that's working for America's workers. I'm talking about the 30 trade deals we reached with Japan -- from auto parts to medical supplies -- agreements that are working for America's workers. Today, our trade with Japan supports hundreds of thousands of American jobs -- high-wage, better paying jobs for American families. These trade deals are moving America into the 21st Century. Now is no time to turn back.

And we know that we can open markets for American goods while keeping our commitment to labor rights and environmental protection. After all, the real point of any trade deal is to improve the lives and livelihoods of working people -- and we absolutely must do that while protecting the earth, water, and air we all share. So we must convince other countries to lift up their labor and environmental standards, and we must never allow ours to be torn down. As we expand trade around the world, we cannot trade away the values that are the bedrock on which our prosperity is built.

More than 20 years ago, Congress realized that our ability to compete important trade agreements depended on the President's ability to negotiate from a position of strength. That's why they forged a partnership with the President. This partnership gives the President the credibility he needs to negotiate tough trade deals with our trading partners by making clear that Congress is with him. It retains Congress's power to have the final say through an up-or-down vote on the package he brings back. And that partnership means Congress and the President must work hand-in-hand throughout the process. It ensures a better deal for everyone.

Today, we must commit ourselves to renewing this partnership between the President and Congress -- so we can expand exports and strengthen the economy. If we fail to act, we risk the very foundation of American prosperity.

Now it is my pleasure to introduce someone who knows about the promise of the future first-hand. Gene Lang is a corn and soybean farmer from Grinell, Iowa. Gene and his sons operate a 1,300-acre farm, growing corn and soybean from hybrid seeds that are genetically engineered to produce greater yields. Gene estimates that 20% of his corn sales and 30-35% of his soybean sales come from exports. He knows that free trade plants the seeds for a future of prosperity and hope. Ladies and gentleman, Gene Lang...

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

The New York Times

9/8/97

Mr. Clinton Deserves 'Fast Track'

President Clinton begins an important battle with Congress this week for renewal of "fast track" authority, the right to submit trade agreements to Congress for a speedy vote without amendments. Without fast-track protection, countries will not negotiate trade accords with Washington for fear of endless revision. Not surprisingly, protectionist forces within both parties would be happy to block the no-amendment rule, even though every President over the past 20 years has used the rule to open up foreign markets and also bring down prices for American consumers.

The Administration needs fast track to complete negotiations within the World Trade Organization on opening markets to foreign-provided services, tightening copyright protections and prying open government contracts to bids by foreign companies. Fast track is also needed to negotiate trade agreements with Chile and other South American countries. They are already negotiating deals with Europe, Mexico and Canada that would give exports from those countries favored access.

Opponents ranging from isolationists to pro-union liberals indict trade pacts with environmentally lax and low-wage countries. The claim is that these countries steal American jobs and drive down living standards of American workers. But trade itself does not create or destroy jobs. The American economy will operate near full employment as long as Federal Reserve and budgetary policies remain sensible. Trade does shift jobs from apparel and other low-paying industries into high-paying export industries. The transition can be rough, but the long-term benefits are substantial.

Nor are low foreign wages the scourge that the forces led by the House majority leader, Richard Gephardt, proclaim. Low wages largely reflect low productivity, providing no net benefit to foreign manufacturers. Nor would higher foreign wages help American companies. Rising production costs would be offset by a falling exchange rate, leaving the net cost of imports to American buyers largely unchanged.

That said, the Administration goes too far in claiming that trade helps everyone. The influx into the United States of clothing and other goods produced with low-skilled labor has modestly pushed the wages of unskilled workers further behind the wages of skilled workers. But rising inequality should not be confused with falling living standards. After taking account of lower prices for imported goods and the availability of jobs in a fully employed economy, very few Americans actually lose.

Though labor and environmental conditions are rarely related directly to trade, the United States should condition trade pacts on a country's willingness to adopt agreements that provide basic international protections, like prohibitions on child labor and rights for union organizers. As in the trade accord with Mexico, Washington ought to insist that countries, like Chile, strictly enforce their own environmental laws.

Bill Archer, chairman of the House Ways and Means Committee, proposes a reasonable compromise that would allow the Administration to incorporate into the text of a fast-track accord labor and environmental conditions that directly affect trade in specific products. The details remain to be worked out, but the Archer plan offers an opportunity to fashion a sensible fast-track plan that can be made acceptable to Democrats.

USA TODAY

9/16/97

Trade barriers, erected in fear, hurt U.S. workers

OUR VIEW Change is inevitable, as the president and the Federal Reserve chairman both pointed out this week.

Globalization. Love it or hate it, it's irreversible.

That's the message delivered a continent apart this week by President Clinton in Brazil and Fed Chairman Alan Greenspan in Washington. Both attacked the same problem — fear of change in doing business globally. But change already is here.

U.S. business already exports $50 billion to Latin American nations, despite tariffs in those countries five times those set here.

Multinational businesses traverse the globe with their investments. A big winner: the United States. It rakes in more foreign investment than any other nation, largely because it boasts the lowest barriers.

Individual investors likewise are globe-trotting. One example: Mutual funds for foreign stocks available in the USA have jumped from 20 in 1987 to more than 400. Their assets have climbed from less than $10 billion to more than $130 billion.

Labor and environmental groups want to slow this flight down. They've called on Congress to reject President Clinton's request for fast-track negotiating authority. Such authority calls for Congress to vote yes or no on trade treaties but not to amend them. Other countries won't negotiate with presidents without it.

Some countries want new controls on outside investments so money can't flee during hard times.

Such protectionism, Clinton and Greenspan noted, solves nothing.

Investors look to international stocks to diversify their portfolios and protect against a domestic economic downturn. But they won't put money where they can't get it out. So investment controls just leave a country strapped for cash.

Consumers, on the other hand, have only so much to spend. If they must pay more for clothes, they may lack money for a more energy-efficient refrigerator. Trade barriers pick their pockets by reducing import competition that keeps prices low.

And workers lose, too. Businesses engaged in trade are usually the most efficient. So their wages average 15% higher than those not involved in international trade. Without foreign markets, those high-wage jobs disappear.

Indeed, the global economy has served the USA well. It has spurred the stock market boom. It has allowed a combination of 2.5% inflation with less than 5% unemployment, an impossible thought in 1990.

There are some losers. But government can help them best, as Clinton told his Sao Paolo audience, by improving education and training for all workers.

As Greenspan said, "We cannot turn back the clock on technology — and we should not try to do so."

America needs to embrace change because there is no place to hide from it.

Who's investing in U.S.

International direct investment here has increased by 40% since 1994, nearly matching U.S. investment abroad in the past three years. Here's where the money has come from (in millions):

Country	1994	1995	1996
Britain	8,076	20,446	18,929
Germany	7,144	10,229	16,283
Japan	6,238	6,591	11,930
France	3,881	4,500	10,928
Canada	4,960	7,080	5,670
Netherlands	-3,174	-1,789	8,225
Australia	1,101	504	2,129
All countries	46,995	69,414	78,828

Where the U.S. invests

Direct investment by U.S. companies and individuals abroad dropped back in 1996 after rising sharply in 1995. Here's where U.S. investment dollars are going:

Country	1994	1995	1996
Britain	7,177	4,515	18,310
Netherlands	6,331	8,420	7,140
Canada	6,760	8,435	6,875
France	2,586	5,726	5,221
Australia	32	6,450	3,789
Brazil	3,517	4,899	3,064
Mexico	3,674	2,955	2,747
All countries	68,272	85,115	65,560

Source: Bureau of Economic Analysis

LOS ANGELES TIMES EDITORIALS

'Fast Track' Is Right Track for U.S. Trade Interest

Congress should vote Clinton that crucial authority

President Clinton intends to ask Congress to grant him "fast track" authority to negotiate trade agreements with other nations. It is in the United States' best interest for him to have that authority.

Without fast track, trade treaties can be endlessly amended and bickered over, usually a fatal process. With fast track, Congress votes up or down, without amendments. That was how the generally successful North American Free Trade Agreement was passed in 1993.

The fast-track procedure was put in place in the mid-1970s, and a number of trade accords were approved under it. But three years ago the authority lapsed. With the economy so strong, now is the time to restore the power and move to lower trade barriers and create markets for U.S. goods, particularly in Latin America.

Our NAFTA partners, Mexico and Canada, have signed trade agreements with Chile and other nations, and five South American nations—Chile, Brazil, Argentina, Uruguay and Paraguay—have created a trade group offering access to a market of 210 million consumers. That alliance has begun trade negotiations with the European Union.

Opposition to Clinton's request comes mainly from within his own party. Richard A. Gephardt, the House minority leader and a likely candidate for the 2000 Democratic nomination, leads the critics, saying trade accords should "place labor rights and environmental protection in the core of every treaty."

By labor rights, Gephardt means in part that the U.S. government should have a decisive say in what wages should be paid to foreign workers. It is hard to imagine how one nation could dictate that to another.

Regarding the environment, Gephardt is concerned with pollution along the U.S.-Mexican border. NAFTA called for stricter enforcement of Mexico's environmental laws, but that provision has been laxly followed. This failure should not derail the present negotiation for fast track, though it should be a reminder that more teeth are needed in environmental agreements that accompany trade pacts.

NAFTA has not been the job generator that its backers promised, but neither has it been the job killer that opponents predicted. There is no good reason to fear free trade. And with global trade having doubled in the last decade, there is every reason to give the president fast track and the ability to negotiate deals that will stick.

The Washington Times

9/9/97

Free the fast track

"Every dollar of increase of price which the protective tariff occasions is a day of slavery, and every hour of unnecessary labor that it requires is stolen from invaluable time of individual responsibilities and duties." So said Rep. Frank Hurd back in 1884. President Clinton ought to keep such "slavery" in mind tomorrow when he is scheduled to unveil an important initiative to expand free trade.

At issue is a plan to deal Chile into the North American Free Trade Agreement through so-called fast-track authority. It would provide, among other things, that the administration could negotiate a trade deal with Chile without fear that lawmakers would subsequently micro-manage it to sweeten the agreement on behalf of one special interest or another, thereby forcing a whole new round of negotiations. Lawmakers would still have their say. They could vote the deal up or down. They just couldn't amend it.

This deal should be a no-brainer. As a matter of principle, the United States should not be in the business of "protecting" American consumers from lower prices for goods and services that come of free trade. To the extent that government restricts worldwide competition among producers through tariffs or other trade barriers, it taxes, in effect, consumers everywhere, including the United States. This is Big Government in an age when Mr. Clinton said its day had passed.

Already consumers are paying the price of Chile's delayed entrance into NAFTA. It was invited to join in 1994, following several years in which it reduced its own tariffs substantially. But now, say economists, its progress has slowed; Chile is concerned that further reductions would mean giving up its bargaining position come the NAFTA negotiations. So its tariffs continue to hover at 15 percent in hopes that the day will come when it can drop the rates still further in exchange for reduced trade levies and greater market access from its future trading partners.

Given the way the U.S. economy is humming along in the wake of the original NAFTA deal, one would have thought opposition to its expansion would have been side-tracked, at the least. The point here is not that NAFTA guaranteed economic growth, just that it helped make it possible.

But there remains significant opposition to granting fast-track authority to the president in both parties. Big Government conservatives want trade barriers in order to protect favored industries and their employees. Big Government liberals want barriers to protect the environment and their union supporters.

Some objections reflect partisan political considerations. House Minority Leader Richard Gephardt no doubt sees trade as a wedge issue with respect to a key Democratic constituency, organized labor. Its support would be critical to him in a presidential nomination fight with Vice President Gore, who has little choice but to stand with Mr. Clinton and free trade. The AFL-CIO is now preparing anti-fast-track TV and radio ads targeted for key congressional districts.

Senate Majority Leader Trent Lott, meanwhile, is threatening to hold up action on fast-track authority if Democrats filibuster on unrelated issues, such as campaign finance reform. Every day such "shenanigans" are played, he said, consideration of fast-track authority will be delayed.

One would hope Mr. Clinton and Mr. Lott understand what's at stake here and why such tactics, on both sides, ought to be avoided. Neither partisan politics nor protectionist sentiments warrant the kind of "slavery" of which Mr. Hurd once spoke. It's time to pass fast-track and free the consumer.

The Washington Post

Congress Winds Down

10/30/97

CONGRESS IS struggling to adjourn for the year, a noble objective. The leadership would like to finish up next Friday. There are certain things you can be pretty sure they'll get done before then, or before they go, and one thing that they won't, though they should. They'll find some way to fund those parts of the government for which they haven't managed to pass appropriations bills; no chunk of the government will be left without some operating funds. In the meantime, they won't pass campaign finance reform legislation, and no matter that both parties claim to want nothing more than to clean up what they variously define as the campaign finance mess. They always claim that, even as they never do it.

There is one other thing of major importance that they can and ought to do do before they quit—and one that they absolutely should not do. They can and should give the president the authority he seeks to negotiate future trade agreements; they are asked not to give up their right to approve such agreements but to bind themselves to consider them on a so-called fast track, meaning to agree to vote them up or down within fixed periods of time without amendment.

House Republicans leaders had said they wouldn't bring up the bill until they were assured of roughly 70 Democratic votes in favor. But Democrats are under heavy pressure from organized labor to vote no, and many who in the end may vote in favor are reluctant to commit to doing so until they're sure the vote will occur. Our sense is that more Republicans than the leadership has estimated will likely vote aye in the end as well. What the speaker and majority leader need to do is force the issue, as it now appears they will. The history of these things is that only then do the votes materialize, as once again they likely will when members are compelled to face the alternative. In the long run, the increased trade that agreements will bring means an increase in prosperity, not the decline that labor predicts.

In the Senate, meanwhile, Minority Leader Tom Daschle says his Democrats can't back off their effort to pass campaign finance reform, meaning that if a trade bill comes up they'll insist on attaching campaign finance reform as an amendment. That would doom the trade bill. But of course they can relent and, given the realities, should on this issue. Then they can go back to the campaign finance issue, on which we otherwise hope they continue to hold firm.

What the president meanwhile ought not do as part of the end-of-session horse trading is give ground on the use of sampling in the year 2000 Census. The Census Bureau says only through the use of sampling can it cure the undercount, mainly of inner-city minority groups, that has increasingly plagued and distorted the census in recent decades. The statistics profession almost unanimously concurs. House Republicans are opposed because they think a more accurate count could cost them seats and perhaps their majority in the next redistricting. They give other reasons, but that's the real one. Their version of the pending Commerce Department appropriations bill would effectively forbid the use of funds to prepare for sampling. There are other such issues in dispute in the remaining appropriations bills, most of them having to do with education or the environment. They all deserve to be fought over, but none of them seems to us to rise to quite the same level—to be as much a matter of basic principle—as this, the question of counting people in order to include them fully in the political process.

A yes on the trade bill, without a cave-in on the Census. Those aren't the only markers for the remainder of the session, but they're the main ones.

USA TODAY

10/22/97

Ford: I had 'fast-track'; Clinton deserves it, too

By Gerald R. Ford

In 1974, a Democratic Congress gave me "fast-track" authority, enabling my administration to negotiate tough new trade agreements to open markets for U.S. exporters. Today the Republican Congress should give that same authority to President Clinton.

One may wonder why a former Republican president is calling for new negotiating authority for a Democratic president. The answer is quite simple: It is the right thing to do for America.

For over 60 years, U.S. trade policy has enjoyed strong bipartisan support — as it should. Indeed, most trade agreements have won solid congressional majorities. The so-called Tokyo Round of the GATT, which started during my administration and concluded during President Carter's, passed the Congress with only 11 votes opposed.

The U.S.-Canada Free Trade Agreement, negotiated during the Reagan administration, passed by 9-1 margins in the House and the Senate. And the Uruguay Round of the GATT, negotiated by the Reagan, Bush and Clinton administrations, passed both houses with majorities from both parties. Congressional approval of the NAFTA was a closer call, but this was the exception rather than the rule. Over the past 25 years, our trade policy has had solid, bipartisan support because open trade is deeply in our national interest. Trade policy has been and should continue to be bipartisan; fast-track should be no exception.

The United States, more than any other nation, will benefit from new market-opening trade agreements. We are the world's largest exporter, with more than 11 million U.S. jobs supported by exports. Exports have consistently accounted for more than one-third of U.S. economic growth. Yet while the U.S. market is open to foreign products, foreign markets remain closed to ours. Tough new trade agreements will level the playing field for U.S. exports.

Moreover, as we debate fast-track, other countries are negotiating their own trade agreements without the United States. Since 1992, over 20 preferential agreements have been signed in this hemisphere and in Asia without the United States. Every major country in this hemisphere has a trade agreement with Chile except the United States. Each one of these agreements allows other countries to pay lower tariffs than we do, putting U.S. companies at a disadvantage. Recently, Europe announced plans to negotiate a free-trade agreement with key countries in Latin America — again, without the United States. The United States should be at the center of these trade agreements. But without fast-track, we don't even have a seat at the table.

Finally, fast-track is essential for continued U.S. leadership on all issues. As the world's only economic and military superpower, the United States must lead the world on issues ranging from narcotics to nuclear proliferation. But if we cannot deal with other countries on economic and trade issues, they will not deal with us on issues like drugs and immigration. The United States must lead the world toward a more open, prosperous global economy. But without fast-track, the United States is relegated to the sidelines.

As president, I spent countless hours pressing leaders from Eastern Europe, Latin America and Asia to privatize state-run economies, open markets to foreign investment and undertake democratic reforms. My successors have consistently pursued similar goals. Other countries are beginning to practice what we have for so long preached. Democracy and open markets are flourishing in Eastern Europe, Asia and our own hemisphere. It would be tragic if — precisely at the moment countries are making these bold reforms — the United States turned inward.

Congress' decision on fast-track is about more than just trade. It is really a question about the future direction of this country. Will we continue to lead the world, or will we hide behind our fears and let others take our place? The world is watching. It is time for Congress — Democrats and Republicans — to stand and deliver.

Gerald R. Ford is former president of the United States.

Bob Dole

Get Back to the Fast Track on Trade

As Congress rushes to complete its work and adjourn this week, I have found myself in the unusual position of urging my former colleagues to stay—at least until they pass legislation giving fast-track trade negotiating authority to President Clinton.

During my tenure in the Senate, I often made the point that we could do more good by going home and listening to our constituents than by staying in Washington. But the decision to give the president fast-track authority is urgent and must be made now. The initial steps already have been taken in both Houses. Now it is up to the president, his administration and congressional leaders to make the case for passage.

Very simply, passing fast track is the right thing to do. Our nation's future prosperity—the good jobs that will provide a living for our children and grandchildren—will be created through international trade. Members have recognized this reality, on a bipartisan basis, for more than 20 years, giving fast-track authority to every president from Gerald Ford to George Bush.

Today it is more apparent than ever that the debate between advocates of free trade and protectionism is over. Global trade is a fact of life rather than a policy position. That is why we cannot cede leadership in developing markets to our competitors through inaction, thereby endangering America's economic future and abandoning our responsibility to lead as the sole remaining superpower.

During Chinese President Jiang Zemin's visit, it has been instructive to look at China's efforts to expand its export markets and international influence, not just in Asia but in our own back yard. China has targeted Argentina, Brazil, Chile, Mexico and Venezuela as "strategic priorities" to develop bilateral trade. While our elected leaders continue to ponder whether we will be fully engaged in the global economy, China is moving forward to reach free-trade agreements giving Chinese goods and services a significant tariff advantage that will eliminate the U.S. edge in productivity and proximity. The European Union also is working with the Mercosur trading block (Argentina, Brazil, Paraguay, Uruguay and associate members Chile and Bolivia) to create a partnership that will exclude the United States and favor European products.

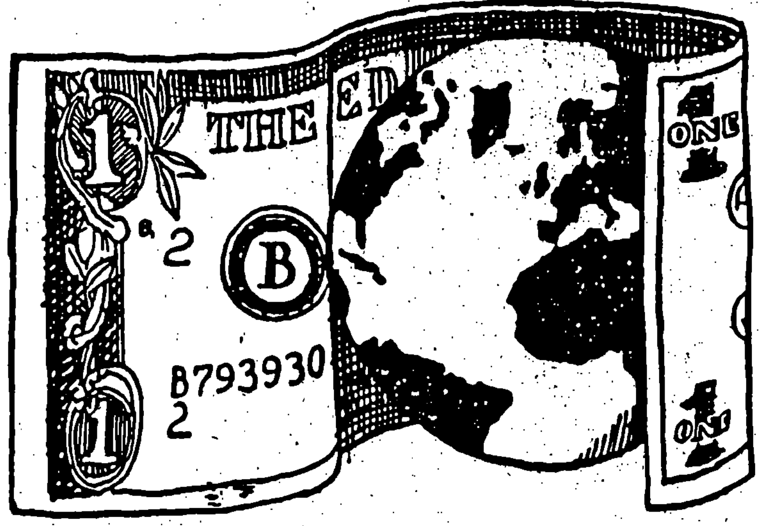
Latin American countries are negotiating bilateral and multilateral agreements at a rate that will make it unnecessary for them to wait for the United States. In a region that is projected to be the United States' largest market in just a few years, exceeding $200 billion in trade by 2002, we are allowing competitors to eliminate our natural advantage. If this trend continues without any action on our part, we will soon need Latin America as a trading partner more than it needs us.

Emboldened by our inaction, French President Jacques Chirac recently declared, "Latin America's essential economic interests . . . lie not with the United States but with Europe." His comments are indicative of the growing belief that the United States lacks the political will to seize the lead in trade with developing nations. We must prove Chirac and others of like mind wrong.

Some may ask why it matters whether other countries beat us in securing trade pacts with developing nations. A better question, however, is: What are we waiting for?

Global leadership has enormous benefits—it increases our security and creates a multiplier effect for our exports. When we lead, the world accepts our way of doing business and our industrial standards, which, in turn, increases U.S. sales abroad. If China or the European Union beat us into developing markets, they will set the rules by which trade is conducted and influence the evolution of industry in fast-growing countries to their benefit.

Given that 96 percent of the world's consumers live outside the United States and that the global economy will grow at three times the rate of the U.S. economy, it is a certainty that many of tomorrow's high-paying American jo will be created through exports. Every $1 billion in new American exports creates 15,000 to 20,000 American jot And, already, more than a quarter of our economic grow and more than 10 million jobs are the direct result of overseas trade.



BY STUART LEEDS

> *"Global trade is a fact of life rather than a policy position."*

In order to honestly and thoroughly consider fast trac each member of Congress must recognize that the presi dent still must consult with Congress in negotiating trad deals and that no agreement will go into effect without b ing passed by a majority in both houses of Congress. Fa: track is a vote on process, not on substance. It would be : travesty for the leader of the greatest nation on earth no be free to negotiate with his counterparts as an equal.

The president also needs to lead on this issue. As the leader of his party, as well as our nation, President Clint must step up his efforts to persuade fellow Democrats t support this initiative. Fast track will not pass the House with a few dozen votes from the minority: We need an all out presidential push. The fate of fast-track legislation th fall may determine whether the president ever will nego ate another trade agreement.

The private sector—the companies that will create new j based on exports—also must make more forcefully the cas the American public and Congress that passing fast-track le islation is vital to America's continued economic growth.

If Congress fails to pass fast-track legislation before adjou ing for the year, the danger is that, because of election-year itics in 1998, it will not pass until the 106th Congress in 1999 or even 2001, after the next presidential election. By then, th working people of America will have lost unnecessarily.

Global trade is inevitable, and presidential fast-track a thority is indispensable if America is to lead the commu ty of nations into the next century.

Now is the time for the president and Congress to wo together and pass fast-track legislation.

The writer is former Senate majority leader and the Republican nominee for president in 1996.

The Washington Times

10/20/97

DONALD LAMBRO

Securing the global economy

If President Clinton's tour of South America's fast-growth economies accomplished anything, it reminded us of how important the global marketplace is to America's long-term economic security.

The president's trip took place a few well-timed weeks before Congress is to vote on fast-track negotiating authority to expand trade relations with economic dynamos like Chile, Argentina and Brazil. These are among the huge, emerging consumer markets whose growing affluence beckons U.S. businesses with goods and services to sell and capital to invest. Every American citizen will benefit directly or indirectly from expanded trade and investment with our neighbors to the south — as workers, consumers or as investors.

But you don't have to explain what this means to millions of ordinary American investors who have been collectively plowing billions of dollars into mutual funds. Nearly half our population — about 125 million people — is now invested in the stock market, including Latin American funds whose value this year alone has grown by more than 50 percent.

The increasing ownership of the American economy by its workers is the most remarkable economic and social development in our nation's history. "This is a great triumph for democratic free market capitalism. Workers have become owners. Karl Marx is dead and wrong," rejoices economist Lawrence Kudlow.

Much has been said of what is at stake in the fast-track vote, but I tend to agree with one of my favorite economic writers, Robert J. Samuelson, that there is less at stake in this year's trade debate than some would have us believe. The debate over free or open trade versus protectionism is really over, and free trade has won hands down. And as Mr. Samuelson says, "there is no going back."

Protectionism and industrial policies are crumbling around the world. Governments have been selling off state-owned enterprises from Great Britain to Australia. Heads of state are traveling the globe in search of foreign investment, trade and new markets for their nation's produce. The nations of the world are opening their borders and lowering their barriers to imports and to capital.

U.S. companies are already piling into Latin America is a big way, taking advantage of new opportunities to sell our products, our technology, and our clothes, cuisine and culture. Wal-Mart has announced plans to open 150 new stores, including 60 in Canada, Asia and Latin America where it will capture a larger share of the global consumer market. McDonald's recently announced that it will invest $1 billion in Latin America in the next three years, half of it in Brazil.

The mighty American economy has outgrown its domestic market and must seek out, capture and develop new world markets

Officials of the largest restaurant chain in the world said the time was now ripe to expand its franchises south of the border because of its growing "economic and political stability and the increase in the purchasing power of the middle class."

We are in a new golden, high-tech, global era where the mighty American economy has outgrown its domestic market and must seek out, capture and develop new world markets in order to keep growing. And more growth and profit means increased capital flow for new investment here and abroad, and new job creation.

The gloom and doom protectionists see such global trends as a zero sum game in which American workers are the losers. In fact, increased market share produces the capital needed to boost pay and benefits here at home, not to mention stock values and dividends for worker pensions. And that is what is happening now, on Main Street as well as Wall Street.

When the American Business Conference, an organization of fast-growth U.S. businesses, surveyed its members this month about their plans for the fourth quarter, the responses were astonishing. A net 48 percent said they planned to increase employment, 52 percent foresaw paying higher wages, and 72 percent forecast increased sales and shipments here and abroad.

America must compete in the world economy or else face a very dismal future of shrinking markets and a weaker economy.

If you want to see what trade protectionism produces, look at Germany and Japan which have become perfect examples of what happens when a country protects its industries from competition and restricts what its consumers can and cannot buy.

Germany's unemployment figures this month have hit a postwar record of almost 5 million people. There is no new job creation, no new business formation. Japan, despite its huge trade surpluses, remains in an economic slump, despite a web of protectionist policies. Job growth is zero.

Poll after poll show Americans understand the importance of the global economy and of free trade to their economic well-being. They want America to be out there selling what we make. And they also want to be free to choose what they buy.

An NBC News-Wall Street Journal poll put this question to Americans: "Which is the more important goal — restricting imports to save jobs or expanding exports to create jobs?" A hefty 72 percent said expanding exports vs. 19 percent who wanted to restrict imports.

The competition in the global economy is tough and sometimes it is even unfair. But with annual sales of U.S. exports nearing $1 trillion, more than any other country in the world, that's never stopped us.

The timid economic nationalists and declinists who preach corporate protectionism and call for setting high government trade tariffs on what we buy are out of a bygone era that is never coming back. America's success in the global economy has defeated them. Congress is going to give Mr. Clinton the fast-track trade authority he wants and that American enterprise needs.

Donald Lambro, chief political correspondent of The Washington Times, is a nationally syndicated columnist.

The New York Times

9/17/97

'Fast Track' Issue Deserves Fast Action

By Bob Dole
and Lloyd Bentsen

WASHINGTON

During more than two decades of divided government, Democrats and Republicans have often set aside their differences to take collective action on matters promoting our nation's interests beyond its borders. The next issue that calls for bipartisan leadership is the passage of legislation granting the President "fast track" authority — a contract between the executive and legislative branches in which the President can negotiate trade deals knowing that the results will receive an up or down vote, without amendments, in return for a commitment that the Administration will consult Congress in the negotiations.

As Senate colleagues from different political parties, we joined in voting to give fast-track authority to every President from Gerald Ford to George Bush. Today, as law firm colleagues, we agree that Congress and the Administration must set aside partisan differences to grant President Clinton this same authority. The United States must act now to take advantage of our status as the most competitive economy in the world to insure our future prosperity. To do that, Congress must decide to compete, not retreat.

The United States is, once again, the world's largest exporter. Our current seven-year period of sustained growth, with extraordinarily low unemployment, has been fueled in large part by international trade. More than a quarter of our economic growth and more than 10 million jobs are the direct result of trade.

Without passage of fast-track legislation, however, our success in selling American products to the world will be at risk. Inaction carries a very high price. Although we are currently well positioned to compete, other countries have recently been negotiating trade agreements that will allow them to move ahead of us into developing markets — even in our own backyard in Latin America.

Since 1992, 20 free trade pacts have been negotiated in Latin America and Asia that exclude the United States. China, for example, has aimed at Argentina, Brazil, Chile, Mexico and Venezuela as "strategic priorities" to develop bilateral trade.

Give the President the power to make trade deals.

Fast-track authority will allow President Clinton to negotiate agreements to break down trade barriers in areas where the United States is most competitive, like agriculture, telecommunications, financial services and medical equipment. It will allow us to retain our leadership in exports by focusing on developing economies, where the bulk of international growth will occur in coming years.

The coalition that passed the North American Free Trade Agreement and the General Agreement on Tariffs and Trade must come together again to pass a fast-track bill this fall. If legislation does not pass in short order, next year's contentious elections may delay passage until the 106th Congress — and 1999 may be too late. If we don't act quickly to shore up trade relationships in Latin America and Asia, other countries will.

Passage of fast-track legislation is critical to insure that our economy continues to grow at its present rate. In fact, the success of this year's budget agreement depends on maintaining steady growth. As much as any other issue, the fate of the fast-track bill in 1997 will determine whether our budget balances in 2002.

While we are the world's largest exporter, we also continue to import more than we export. The best way to shrink the resulting trade deficit is to persuade other countries to eliminate their trade barriers, enabling us to export even more goods, services and agricultural products. That, in turn, will create more and better-paying American jobs.

Given the public's general ambivalence about trade matters, it would be easy for either party to try to score political points by criticizing responsible proponents of free and fair trade. Criticism is easy. Leadership requires hard work. Our leaders must step forward, now, to do what is right for America's future. □

Bob Dole, the 1996 Republican Presidential nominee, is the former Senate majority leader. Lloyd Bentsen, the former Treasury Secretary, is a former Democratic Senator from Texas.

The Washington Post

SUNDAY, SEPTEMBER 14, 1997

Mickey Kantor

A Matter Of Leadership

The Clinton administration and Congress are poised to begin a contentious debate that is routinely misunderstood and rhetorically misstated. The controversial debate surrounding the president's request for strengthened trade negotiating authority—known as "fast track"—is in danger of being trivialized as merely a referendum on the North American Free Trade Agreement (NAFTA). This is misleading at best and potentially dangerous to U.S. foreign policy and economic interests at worst.

In reality, fast track has almost nothing to do with NAFTA and everything to do with asserting U.S. leadership to the economic, political and strategic advantage of all Americans.

Today we live in an interdependent, globalized world. No longer are we self-contained, nor is it in our interest to be so. Driven by technological change, freed of Cold War conflicts and connected by economic and other strategic interests, the era of interdependence demands negotiation, engagement and leadership. This reality is routinely ignored by those who would have us cower behind walls of fear, thus ignoring the world as it is and retreating from competition.

First, we can no longer ignore problems that occur across the border or across the ocean. Terrorism, drug trafficking, control of weapons of mass destruction, environmental concerns and economic progress are now cross-border issues. Interdependence has created an unavoidable necessity to address these and other issues, which have bilateral, regional and multilateral impact.

Second, we cannot afford to overlook foreign markets. With only 4 percent of the world's population, and 21 percent of the world's gross domestic product, the United States has become increasingly dependent upon trade in our pursuit of economic prosperity. Today 32 percent of the U.S. economy is tied to trade, and trade's share of our overall economy will continue to expand.

In fact, legions of U.S. workers and U.S. businesses owe an increasing share of their income to the ability to impact foreign markets. More than 12 million American workers owe their jobs to exports today, and the U.S. Department of Commerce estimates that by the year 2000, 16 million Americans will have export-supported jobs. These are good, high-wage jobs, paying on average 13 percent to 16 percent better than the average wage.

In addition, many politicians decry the amount of goods that the United States imports each year. But imports mean lower prices for American consumers and keep U.S. markets competitive, thereby encouraging companies to be more innovative.

The prophets of doom argue that it's not trade they're against—but *unfair* trade. President Clinton has taken a back seat to no one in the fight against foreign trade barriers. But someone needs to tell these people that the United States has maintained the world's most open economy for 50 years. The only way to move today to a position of greater reciprocity and fairness is by negotiating new trade agreements. As a result of the more than 200 trade agreements that the Clinton administration has negotiated, exports have increased approximately 40 percent since 1993 and are projected to reach $900 billion by the end of 1997. It is projected that the United States will reach its target of $1 trillion in exports well before the year 2000. That progress, however, came only because of fighting it out in the trenches of trade negotiations.

The inability of U.S. negotiators to reach new, balanced and fair market-opening agreements will significantly harm our ability to compete. Other countries are not sitting idly by. In the absence of U.S. leadership, other nations are forging bilateral and regional trade pacts on their own—at the expense of U.S. market share and jobs.

Third, trade is a fundamental component of U.S. foreign policy, and as such, it is an important strategic tool. Through trade agreements, the United States not only can open markets to U.S. goods and services but also develop strategic partners in key areas of the world and demonstrate the leadership that makes us the economic, military and political envy of the world. Should the United States decide to withdraw from the opportunities—and obligations—of leadership by rejecting the granting of fast-track authority, we would be sending a strong message to the world that the United States is willing to shirk its responsibility as a world leader and relinquish its quest to create an ever higher standard of living for the American people.

Let's be clear. The fast-track debate is not about any particular trade agreement, nor is it about partisanship or ideology. It is about U.S. jobs, economic growth and competitiveness. It is about embracing the new global economy and championing it. It is about assuring the world that the United States will continue to be the world leader in this new era of interdependence. In short, it is about rising to the challenges of the 21st century.

If Congress acts quickly to grant the president fast-track negotiating authority, our generation can set the capstone on 50 years of concerted, bipartisan effort to promote open markets and open government. It will enrich our people, and it will promote our security. Or we may snatch defeat from the jaws of victory. If we hesitate on fast track, 1997 may stand as a marker of when the United States, having persuaded the world to follow, ceased to lead.

The writer, the former secretary of commerce and a former U.S. trade representative, is a Washington attorney.

USA TODAY ©

Today's debate: WORLD TRADE 9/11/97

To keep economy on fast track, let Clinton trade

OUR VIEW Congressional dithering over trade agreements is the kiss of death. Let the president negotiate.

Will conflicting trade fears freeze the U.S. out of negotiations to open markets?

This week, President Clinton again delayed legislation to renew his fast-track authority for trade negotiations, which lapsed in 1994. He hopes to placate Democratic factions fearful of trade — unions and environmental groups — that demand stringent labor and ecological standards as part of any talks. But he can't make those matters central to the process without alienating Republicans and foreign nations, which fear standards will become trade barriers.

Fast track allows Congress to vote up or down on trade deals but not amend them. It was granted first to President Ford in 1974 after European nations refused to further negotiate with the U.S. because congressional meddling made deals worthless.

The danger now is that the U.S. will be frozen out again. Without fast track, Clinton can't pursue his initiatives to eliminate trade barriers in Latin America and the Pacific or for information and agriculture.

That would be a big blow to the U.S. economy. Nearly all of the 30 companies that make up the Dow Jones industrial average are heavily involved in trade. Without growth in trade, their prospects for earnings would diminish. Indeed, thousands of U.S. businesses, with $800 billion in exports and more than 12 million jobs, are counting on foreign sales for growth.

Other nations aren't waiting as the U.S. dithers over giving the president authority to negotiate deals that would lower their trade barriers far more than our own, which are the lowest in the world.

Europe and China are looking at deals with Brazil, Argentina, Paraguay and Uruguay, which have formed a South American free-trade bloc of 200 million. India is creating one among Asian nations.

Canada and Mexico already have joined with Chile to remove barriers. One result: Quaker Fabric Co. of Massachusetts lost a $1.8 million contract to a Mexican firm, and Canada's Northern Telecom won contracts over U.S. telecom companies.

Critics of free trade contend that dealing with such developing nations costs the U.S. jobs. They point to the free-trade deal with Mexico, which U.S. trade officials admit has cost about 130,000 U.S. jobs.

But it also has created about 300,000 in export industries. And export jobs pay 10%-15% more on average than other jobs.

Moreover, import competition has forced U.S. firms to innovate. That has led to an export-driven rebirth in manufacturing, where jobs are rising for the first time since the '70s. Trade has helped to lower U.S. inflation and unemployment to their lowest levels since the 1960s, while spurring the stock market to record highs.

Now is no time to stop. To keep the U.S. economy, jobs and stocks on the fast track, Clinton needs fast-track authority to bring trade barriers down.

Key U.S. exports

Some of the biggest U.S. exports (figures in billions):

Computer hardware, telecom equipment and electronic components	$90.9
Automotive vehicles and parts	65.2
Agriculture	60.0
Civil aircraft and parts	29.0
Energy equipment	15.5
Environmental technology	14.5
Medical devices	11.0
Pharmaceuticals	8.9

Source: The White House

The Journal of Commerce

10/2/97

It's the (fast-track) economy, stupid

BY THOMAS J. DONOHUE

The so-called fast-track legislation now before Congress would probably get more attention if it didn't sound like something to do with railroads. In reality, it has nothing to do with railroads and everything to do with whether our small businesses can continue to create millions of new, high-paying jobs.

This is a matter of critical importance to everybody. Our economy is doing great right now mainly because small business is on a tear.

We all know unemployment is the lowest it's been in more than 20 years. What a lot of people don't know is that almost all of the net job creation in the 1990s has come from small business. In the 1992-1996 period, firms with 100 or fewer employees created 85% of the net gain in new jobs. Firms with 1-19 employees expanded employment at an astounding 11.4% clip during that time.

But to keep doing what they've been doing, small businesses need greater access to foreign markets because that is where most of the growth potential is. Between 1994 and 1996, the number of small and medium-sized businesses that get at least 10% of their sales from exports has doubled to almost 50% of all business. Further, these small firms doing business overseas pay 5%-15% higher wages, generate more new jobs and are 9% less likely to go out of business than those not engaged in international trade.

That's where fast track comes in. Fast track is a shorthand phrase that describes the president's ability to negotiate trade agreements with other countries. Simply put, fast track means that once our negotiators have hammered out an agreement with a foreign country, Congress must either vote it up or down on its merits.

What Congress cannot do at that point under fast track is start nitpicking the agreement, adding provisions and requirements here and there that would have the effect of sending the negotiators back to the drawing board. Congress has a natural tendency to do that, and it simply doesn't work when complex agreements with other countries are involved.

Fast track has long been a basic feature of our trade policy, which is a big reason our economy is doing so well, but fast track expired in March 1994 and has not been renewed.

Since then, our government has been seriously handicapped in trade negotiations. Our foreign competitors are taking the reins and granting trade preferences to one another, while U.S. interests are being left out.

If this continues, U.S. companies and workers will be the big losers as we forfeit our long-held trade advantage in Latin America and other regions to European and Asian interests.

President Clinton wants fast track renewed, and the majority in Congress is inclined to go along, but there is tough resistance from labor unions and environmental groups that want to use trade negotiations as a level to dictate labor and environmental policies to other countries. This approach to international trade doesn't work. In fact, last August trade ministers from 14 Latin American countries issued a joint statement rejecting such a linkage.

Fast track is key to the future of America's small businesses and their employees and deserves close cooperation and prompt action from the president and Congress.

Thomas J. Donohue is president and chief executive of the U.S. Chamber of Commerce.

Boston Globe
September 23, 1997
Page C4

PUBLIC FORUM
Richard L. Huber

Sidetracking US on world trade

EVERYBODY KNOWS THAT IN COMPETITION, the race goes to the fastest, strongest, and most able. So why is it that with global competition intensifying, we want to sidetrack ourselves in international trade negotiations? The answer is obvious: Proposed legislation giving the president fast-track authority on trade issues deserves quick approval from Capitol Hill.

Earlier this month, I was in Argentina, Brazil, Chile, and Paraguay on a visit to Aetna subsidiaries. In these countries, I could see the enormous success of Mercosur, the Latin American common market organization. Mercosur is like a giant locomotive of its four member countries: Argentina, Brazil, Paraguay, and Uruguay. And now the freight cars of Chile and Bolivia are hooking on as associate members, and the European Union is joining as well. The momentum of this economic train is tremendous, and last month its demand for European imports outpaced the demand for US imports. Unless the United States is on board with Mercosur, we will continue to see US imports to Latin America decline, as other nations meet the growing need for imported goods and services. Without fast-track authority, American access to Latin America and other growing markets is truly in jeopardy.

As the world's number one exporter, the United States has more than 12 million Americans supported by industries serving overseas markets. Within two years, 16 million Americans are expected to work in export-related businesses. Fast-track authority is not about American leadership in world trade, it's about sustaining our ability to compete.

To strike successful accords, both sides in a deal must gain mutual respect and trust. That will never happen if every aspect of a presidential negotiation is subject to congressional approval. And who will suffer? The American people.

Failure to renew negotiating authority only will encourage competitors to cut America out of new accords. Right now, trade negotiations are under way around the world, and we run the risk of being excluded. In recent years, 22 trade agreements have been signed without the United States.

It seems foolish to lose export opportunities because our competitors are more nimble and politically unified on economic policy. Today, the United States exports one-eighth of all goods and services it produces; the dollar value of exports continues to grow at nearly double-digit annual rates. Here in New England, exports topped $8 billion in the first quarter of 1997 alone.

Moreover, fast-track authority possibly allows reducing trade barriers in some of the world's fastest-growing markets, where economies are expected to grow at almost three times the rate of mature economies in the next two decades. Such growth creates tremendous demand for US goods and services.

My own company is fulfilling the burgeoning demand for insurance, pension, and health care products and services in Latin America and Asia. Through our success in Chile, Taiwan, Mexico, and Brazil, we see very clearly how robust growth in these and other emerging markets causes a rapid increase in per capita income, and with it the formation of an expanding middle class that fosters economic and political stability. We've worked in Chile for more than 15 years, and we've seen a country of only 14 million people transform itself into a regional economic powerhouse. We expect to see the same dynamic growth in Brazil.

Like Aetna, thousands of US companies stand ready to meet the demands of foreign customers. With only 5 percent of the world's population, the United States depends on new markets for continued growth. Access to those markets is good for everybody, spurring economic growth here and abroad. Swift passage of fast-track legislation is essential for keeping US trade on track.

Richard Huber is president and chief executive of Aetna Inc.

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U.S. Exporters to Latin America Need Fast-Track

The Americas

By Robert Mosbacher

When President George Bush unveiled his Enterprise of the Americas Initiative in the early 1990s, many thought the emergent free trade bloc would develop according to a "hub-and-spoke" model. As the "hub" of hemispheric trade, the U.S. would form a series of inter-locking bilateral free trade agreements with the "spoke" nations of Latin America and the Caribbean until these agreements could be melded into a single free trade accord. That vision is slipping away.

President Clinton promised Wednesday to put trade expansion back on the front-burner. He plans to ask Congress to renew fast-track legislation, which would authorize the president to negotiate international trade agreements on which Congress would vote up or down. If he fails to secure fast-track authority, however, the U.S. will be relegated to "spoke" status in the emerging hemispheric trading order, leaving many U.S. businesses at a disadvantage. Furthermore, fast-track authority should be clean—that is, it must not be weighted down with requirements that trade agreements also mandate environmental and labor regulations.

Since the promising 1994 Miami summit, when the proposed trade initiative was renamed the Free Trade Area of the Americas, the U.S. has withdrawn from its leadership role on liberalized trade. Instead, inter-locking trade relationships have been forming around the southern cone customs union—Mercosur—comprising Brazil, Argentina, Uruguay and Paraguay.

Last year, while Washington dithered, Mercosur took decisive action, offering Chile and Bolivia associate membership. This created a market of 220 million potential consumers with a combined gross domestic product of about $1 trillion—more than twice the economic output of Asean, the Association of Southeast Asian Nations.

This year, while still waiting for the president to lead on fast-track, Mercosur is planning free trade talks with Colombia, Venezuela, Ecuador and Peru. Mercosur might soon realize its goal of establishing a South America Free Trade Area, which could serve as a counterweight to Nafta, the North American Free Trade Agreement, in hemispheric free trade talks. Mercosur has already been approached by the European Union about a free trade alliance and will also soon begin free trade talks with Mexico, Canada and the Central American Common Market.

One of the consequences of Mercosur's expansion and the American retrenchment is that the U.S. is losing leverage in hemispheric free trade talks. While official negotiations are not scheduled to begin until 1998, the failure of the U.S. to secure fast-track leaves open the distinct possibility that the agenda and timetable for these talks will be dominated by other countries.

Lack of fast-track is also hurting U.S. companies seeking access to the region's dynamic consumer markets. American wine producers are losing market share in Venezuela to Chilean producers, not because Venezuelans prefer Chilean Merlot to Napa Valley Cabernet Sauvignon, but because Chile has a free trade agreement with Venezuela that allows its wines to enter the country tariff free. American wines, by contrast, carry a hefty 20% duty. If the duty were to be eliminated, industry experts believe that U.S. wine producers could see their share of the Venezuelan market jump from the current 5% to well over 30%.

While California wine producers cannot pull up their vines and move to more hospitable commercial climates, other industries are less restricted. Caterpillar Inc., based in Peoria, Ill., recently announced plans to produce bulldozers, excavators and off-road trucks in Brazil for export to Chile. The decision to build the equipment on foreign rather than U.S. soil was based on tariff considerations. U.S. exports to Chile face an average 11% tariff, while tariffs on Brazilian exports are being phased out under Mercosur. Other companies that may follow Caterpillar's lead include General Electric and Eastman Kodak.

Several major U.S.-based multinationals with joint ventures in Chile—including

> *While still waiting for President Clinton to lead on fast-track, Mercosur is planning free trade talks with Colombia, Venezuela, Ecuador and Peru.*

IBM, Southwestern Bell and McDonald's—have announced plans to source millions of dollars in equipment in Canada and Mexico rather than in the U.S. The reason, again, is that Canada and Mexico have bilateral free trade accords with Chile that permit their goods to enter the South American country tariff-free, while U.S. goods face prohibitive duties. According to the U.S. Chamber of Commerce, the loss of opportunity for U.S. exports to Chile is $480 million a year and climbing.

Those who question the need for deeper economic integration should consider the benefits of Nafta. Notwithstanding the 1994 peso devaluation—which halved the price of Mexico's exports to the U.S.—U.S. exports to Mexico and Canada have grown 34% since the pact took effect in 1994. They now outstrip total U.S. exports to either the Pacific Rim or Europe.

According to a Council of the Americas study of 21 U.S. states, nine states have witnessed 40% plus growth in exports to Mexico and Canada since 1993 and another seven have seen those export markets grow by more than 30% during that time. In 1996, California exported to Mexico more than $9 billion in goods and services. The California World Trade Commission estimates that exports to Mexico support more than 125,000 jobs in the Golden State, with almost 25,000 of these jobs resulting from export growth in 1995 alone.

Nafta has also helped promote U.S. interests in Mexico by helping stabilize the country in the aftermath of the peso crisis. After Mexico's 1982 peso devaluation, it took seven years before the country showed signs of recovery. By contrast, Mexico's economy touched bottom and began to turn around less than 12 months after the December 1994 devaluation. There is also little doubt that the climate of openness fostered by Nafta raised political consciousness and contributed to the July 6 electoral shakeup that ended 70 years of political dominance by the Institutional Revolutionary Party.

An activist American trade policy made possible by fast-track negotiating authority will keep the U.S. economy strong and guarantee that future generations enjoy rising living standards. That said, the importance of fast-track transcends economic issues. As Rep. Lee Hamilton (D., Ind.) recently said, "Fast-track is not just about trade, it is about U.S. leadership and influence in the world. And a president without fast-track is a president without power to promote U.S. interests abroad." We ignore this reality at our own peril.

Mr. Mosbacher is chairman of the Council of the Americas, a business organization based in New York.

The Washington Post

8/31/97

Trade Should Be Put on the Fast Track

The Trendlines column by Paul Blustein ["'Son of NAFTA': Soon to Be Playing to . . . Yawns," Business, Aug. 14] conveys a misleading perception that the coming debate over fast-track legislation is only about U.S. trade relations with Latin America. In fact, as President Clinton has stated clearly on a number of occasions, fast track is about advancing a broad trade agenda to ensure that U.S. workers and companies have the opportunity to compete on a level playing field in the world economy. Opening markets in Latin America is only one part of the president's overall strategy.

The president's trade agenda is focused on seizing opportunities in which our workers and companies are the most competitive in the world. This agenda is reflected in our most recent trade agreements—the Information Technology Agreement (ITA) and the global telecommunications agreement. As the result of American leadership, these two trade pacts together opened world markets in a trillion-dollar sector of global trade. For U.S. workers and companies, these agreements were critical to the future of our high-tech industries, as we lead the world in technology exports, and more than 3 million well-paying U.S. jobs depend on high-tech manufacturing and services.

In addition, the president has said that we need to complete the built-in agenda of the World Trade Organization—including government procurement, intellectual property, agriculture and trade in services. All four are areas in which the United States is the most competitive economy in the world. Last year, for example, our services exports totaled $225 billion, and our surplus exceeded $73 billion even though our trading partners have higher trade barriers to services than we do. Negotiations to further reduce barriers to trade in agriculture are critical to our long-term interests as the world's leading agricultural exporter. The same is true of government procurement and intellectual property, sectors in which the United States more than any other party stands to benefit from reducing trade barriers.

The president has spoken also of the need to use APEC, the Asian-Pacific Economic Cooperation Forum, to continue trade liberalization in sectors of great importance to the U.S. economy. These include a second ITA, with broader product coverage and attention to nontariff barriers, energy technology, environmental technology, medical equipment, wood and paper, and automotive parts.

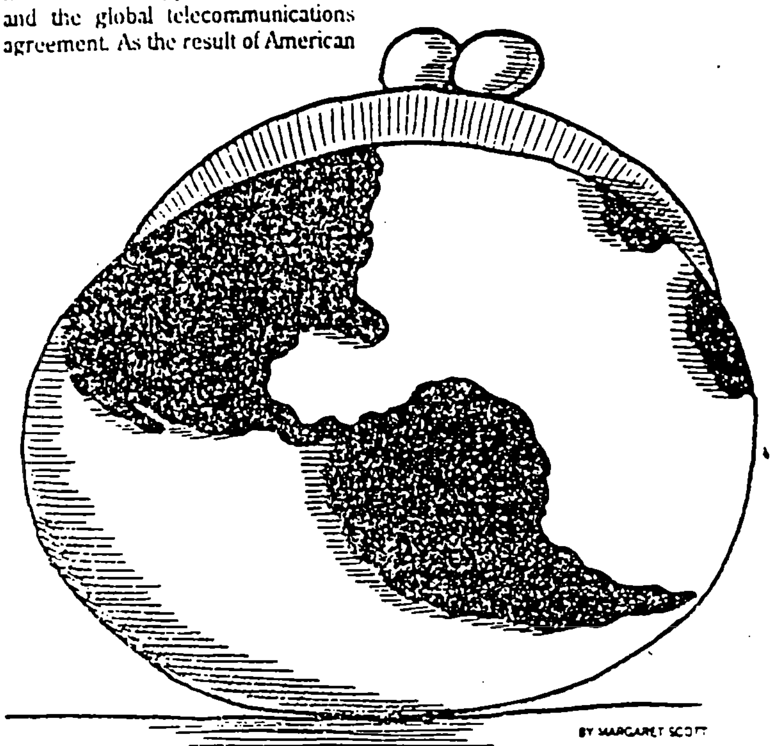
This is an ambitious trade agenda, going well beyond what Mr. Blustein has described, and its focus is on advancing U.S. economic interests in areas in which we are the most competitive nation in the world. We have the most compelling interest of any nation in shaping the rules of trade in these areas. We should not waste this opportunity to advance our interests—and in order to do so, the president needs fast-track negotiating authority.

We have an ambitious trade agenda because expanding trade is critical to our economic future. Since 1993, our exports have accounted for one-third of our overall economic growth. We currently are positioned as the most competitive economy in the world. To give the president the authority to continue to tear down foreign trade barriers and open foreign markets is in our national interest, and fast track is the most important tool he has for negotiating these agreements.

We cannot afford to sit on the sidelines because that means falling behind. We need fast track to advance our own global trade agenda.

JASON BERMAN
Washington

The writer is special counselor to the president for fast track.



BY MARGARET SCOTT

PERFORMANCE OF THE U.S. ECONOMY, 10/31/97

<u>GDP</u>: **Real GDP** up 3.8% in last year (1st 3 quarters '96 to 1st 3 quarters '97). Expansion in its 7th year. At 2.8% per year since '92, U.S. growth nearly twice as fast on average as **other G-7 countries** (1.5%).

<u>EMPLOYMENT/JOB GROWTH</u>: **Unemployment rate** is 4.9% (Sept. '97). Rates are **lowest in 24 years**. Rates in **France** 12%, **Germany** 10% and **EU** 11%. U.S. **employment** is up 13.2 million (13,171 million) since 1992. **Manufacturing jobs** are up nearly half a million (437 thousand). Overall job growth in **other G-7**: roughly one half million. According to CEA, two-thirds if job growth occurred in the **higher paying job categories** (Feb '94 to Feb '96).

<u>INFLATION</u>: **Consumer prices** up by 2.2% over last year (9/96 to 9/97). **Producer price index** declined 0.2% past twelve months. At roughly 7%, **the misery index** (unemployment + inflation) is lowest of any major economy and the lowest index in the U.S. since the 1960's.

<u>INDUSTRIAL PRODUCTION/PRODUCTIVITY</u>: **Industrial production** 21.3% higher than in '92. Compares to 8% gain in **Japan** and 47% gain in **Germany**. Strong investment has expanded **industrial capacity** at 3.5% a year, fastest rate since '70's. Since '92, **manufacturing productivity** up nearly 3% per **year. Total private sector productivity gains**, modest earlier in recovery (0.2%) have picked up, growing 1.6% annually (last 2 years), fueling recent **wage gains**.

<u>EARNINGS/INCOME</u>: **Real weekly earnings** up 2.0% over last 12 months (to 8/97). **Real hourly earnings** up 1.5%. Gains may be understated by possible inflation overstatement. After 14 years, largest percentage income gains since '93 went to **lowest income quintile**. Between '93 and '95 (most recent), **poverty rate fell** from 15.1% to 13.8%. **Long-term unemployment** trended down this year. **U.S. per capita real income** world's highest: 22% above **Japan**, 33% above **Germany**.

<u>DOMESTIC INVESTMENT</u>: **Total domestic investment** in 1997 is estimated to reach nearly $1.3 trillion. **Real business fixed investment** up by 9.9% in '94, 9.5% in '95, and an additional 7.3% in '96 and 10% so far in '97 (and now more than 7.6% of GDP-- highest level since 1950s).

<u>FOREIGN DIRECT INVESTMENT:</u> U.S. **is world's largest recipient of FDI in '96** ($85 billion). Over **4.9 million U.S. jobs** supported by foreign affiliates in the U.S. in 1995 (44% of this in manufacturing). **U.S. MNCs** accounted for 66 % of total U.S. **exports** in 1994 and 38% of U.S. **imports**. Two thirds of the $797 billion stock of U.S. FDI abroad is in industrialized countries.

<u>BUDGET DEFICIT</u>: $22.6 billion for FY97 or 0.3% of GDP. 1997 deficit ($22.6 billion) is the smallest share of economy since 1970, first time in 50 years deficit declined five years in a row.

<u>CONSUMER CONFIDENCE</u>: index at Oct. (123.3), more than twice level in '92.

<u>TRADE DEFICIT</u>: **Goods and services deficit** (1.5% of GDP in '96; 3.3% in '87). **Goods alone** (2.5% in '96; 3.4% in '87). U.S. ranked **world's most competitive economy** for past 4 years by the World Economic Forum and **world's most competitive country** for past five years by Intl. Institute for Management Development. ***With U.S. economy at/near full employment, its recent growth record unmatched by other major countries; with domestic investment and employment booming, recent increases in trade deficit are more a sign of strength than source of weakness.***

EXPORT PERFORMANCE, 10/21/97

- From **1992 through 1997** (annualized from the first 8 months), **U.S. goods and service exports** are up 51% to a level of $933 billion.
  -- **Goods** alone are up 54% to $678 billion (annualized 1997).
  -- **Services** are up 43% to $254 billion.

- **In the first 8 months of 1997 alone**, U.S. **goods exports** are up 10.8%, **services** up 7.4% and **goods and services** together are up 9.9%.

- Since 1992, exports have accounted for a little over **one third of U.S. economic growth**.

- **Jobs supported by exports** in 1996 were 11.5 million, up 1.7 million from 1992. (**Through annualized 1997**, such jobs estimated at 12.1 million, 2.2 million higher than 1992.) 1992 to1996, exports accounted for 1 in 7 new jobs. Also, **1 in 5 manufacturing jobs** are supported by U.S. exports.

- **1992 to 1997** annualized, exports of **manufactured products** are up 61% to $591 billion; exports of **high tech products** are up 67% to $179 billion and **agricultural** exports are up 29% to $55 billion.
  -- In the **first 8 months of 1997** (compared to a year earlier), **manufactured** exports are up 12.7%, **high tech** up 15.7% and **agriculture** <u>down</u> 8.6%.

- Exports to **NAFTA** partners up 70% to $222 billion (1992 to annualized 1997). They account for 48.6% of total U.S. export growth so far in 1997 (Canada, 27% and Mexico, 21.6%)

  -- Exports to **Mexico** are up 75% (1992 to annualized 1997). In the first 8 months of 1997 they are up 25% from a year earlier (up 23% in 1996). **In 1997 Year to Date, Mexico displaced Japan as the U.S.'s 2nd largest export market.** 1997 exports to Mexico: $71 billion annualized.

  -- Exports to **Canada** are up 68% (1992 to annualized 1997). In the first 8 months of 1997 they are up 13% to an annualized level for the year of $151 billion.

- Exports to **Latin America, excluding Mexico** are up 78% (1992 to annualized 1997). In the first 8 months of 1997 they are up 19% from a year earlier to an annualized level of $63 billion for the year.

- Exports to **Japan** are up 38% (1992 to annualized 1997). In the first 8 months of 1997 they are <u>down</u> 2.6% to an annualized level of $66 billion.

- Exports to **China** are up 68% (1992 to annualized 1997). In the first 8 months of 1997 they are up 4.9% to an annualized level of $12.6 billion. **In April through August 1997, however, export growth accelerated,** averaging a near 18% increase from a year earlier levels in each of the 5 months.

- Exports to **Pacific Rim, excluding Japan and China** are up 69% (1992 to annualized 1997). In the first 8 months of 1997, exports are up 7.6% to a level of $117 billion.

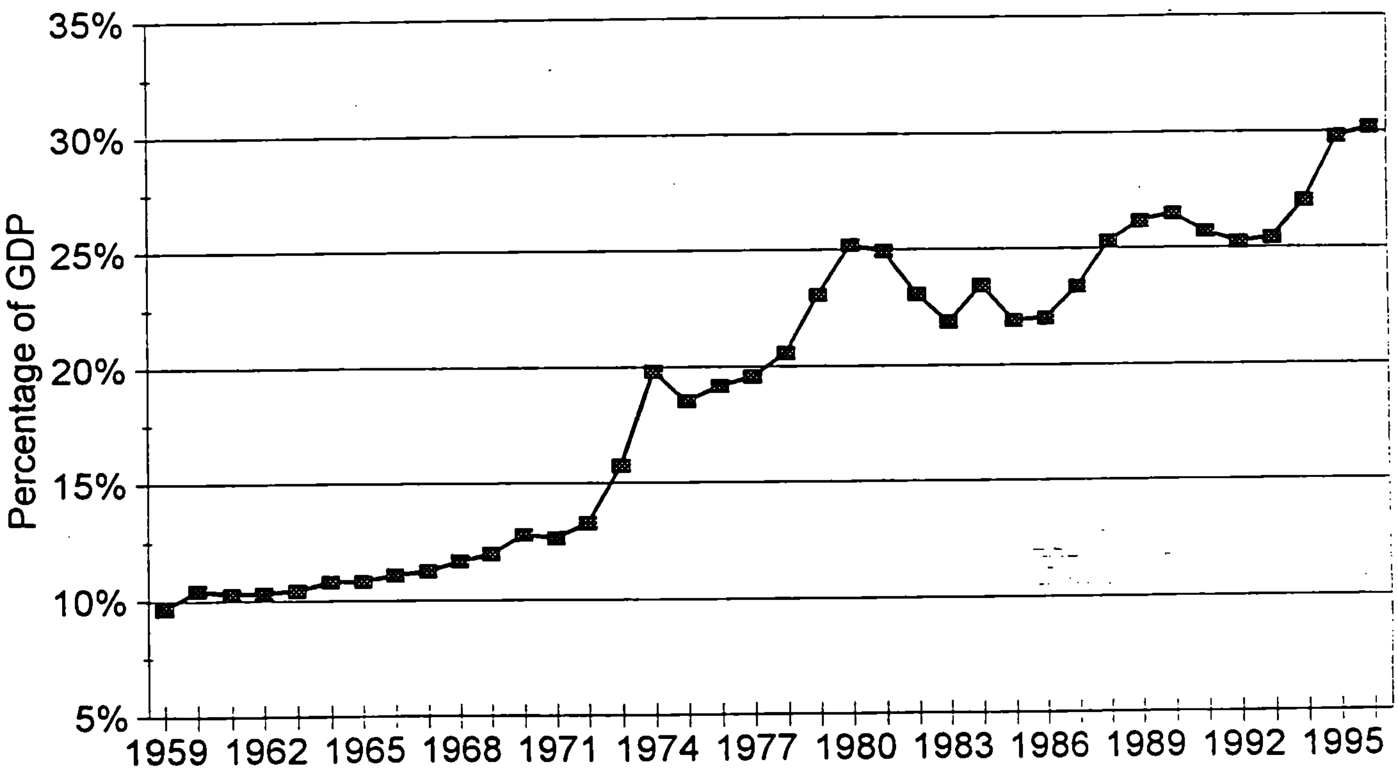
- Exports to the **E.U.** are up 29% (1992 to annualized 1997). In the first 8 months of 1997 exports are up 9% from a year earlier to a level of $139 billion.

- **FOR NOTE:** *The **goods and services deficit** is up 3.2% ($111.0 billion in 1996 to $114.5 in 1997 annualized); the **goods deficit alone** is up 4.9% ($191.2 billion to $200.6 billion); the **services surplus** is up 7.5% ($80.2 billion to $86.1 billion).*

Figure 1

Growing Importance of Trade* in the U.S. Economy

Total exports and imports as a percentage of the value of U.S. GDP



*Goods, services and factor income

U.S. TRADE DATA --- THROUGH AUGUST 1997

(In Billions of Dollars)

Date of September Release: Thursday - November 20, 1997

GOODS & SERVICES (BOP)

WORLD	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	($38.3)	($111.0)	($114.5)	($3.5)	($76.3)
Exports	$617.7	$848.8	$932.6	9.9%	51.0%
Imports	$655.9	$959.9	$1,047.1	9.1%	59.6%

GOODS ALONE (BOP) WORLD

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	($96.1)	($191.2)	($200.6)	($9.5)	($104.5)
Exports	$440.2	$612.1	$678.3	10.8%	54.1%
Imports	$536.3	$803.2	$879.0	9.4%	63.9%

SERVICES ALONE WORLD

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	$57.8	$80.1	$86.1	$5.9	$28.3
Exports	$177.3	$236.8	$254.2	7.4%	43.4%
Imports	$119.5	$156.6	$168.2	7.4%	40.7%

MANUFACTURING

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	($66.1)	($134.1)	($129.7)	$4.4	($63.6)
Exports	$368.2	$524.7	$591.2	12.7%	60.6%
Imports	$434.3	$658.8	$720.9	9.4%	66.0%

HIGH TECH

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	$35.2	$24.5	$35.1	$10.5	($0.1)
Exports	$107.1	$154.9	$179.2	15.7%	67.3%
Imports	$71.9	$130.4	$144.1	10.5%	100.5%

AGRICULTURE

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	$19.7	$28.1	$20.1	($8.0)	$0.4
Exports	$43.1	$60.6	$55.4	-8.6%	28.5%
Imports	$23.4	$32.6	$35.3	8.5%	50.7%

JAPAN

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	($49.4)	($47.6)	($55.2)	($7.7)	($5.8)
Exports	$47.8	$67.6	$65.8	-2.6%	37.9%
Imports	$97.2	$115.2	$121.1	5.1%	24.6%

CHINA

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	($18.2)	($39.5)	($50.6)	($11.0)	($32.4)
Exports	$7.5	$12.0	$12.6	4.9%	68.3%
Imports	$25.7	$51.5	$63.1	22.6%	145.9%

PACIFIC RIM

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	($15.8)	($14.7)	($12.2)	$2.5	$3.6
Exports	$69.2	$108.6	$116.9	7.6%	68.8%
Imports	$85.1	$123.3	$129.1	4.7%	51.8%

CANADA

	1992	1996	1997*	Change vs 1996	Change vs 1992	Change vs 1993
Balance	($8.3)	($21.7)	($16.4)	$5.3	($8.1)	($5.6)
Exports	$90.2	$134.2	$151.1	12.6%	67.6%	50.4%
Imports	$98.5	$155.9	$167.5	7.5%	70.1%	50.6%

MEXICO

	1992	1996	1997*	Change vs 1996	Change vs 1992	Change vs 1993
Balance	$5.4	($17.5)	($14.6)	$2.9	($20.0)	($16.2)
Exports	$40.6	$56.8	$70.8	24.7%	74.5%	70.3%
Imports	$35.2	$74.3	$85.4	15.0%	142.7%	114.0%

NAFTA

	1992	1996	1997*	Change vs 1996	Change vs 1992	Change vs 1993
Balance	($2.9)	($39.2)	($31.0)	$8.2	($28.1)	($21.9)
Exports	$130.8	$191.0	$221.9	16.2%	69.7%	56.3%
Imports	$133.7	$230.2	$252.9	9.9%	89.2%	67.4%

APEC

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	($88.4)	($142.4)	($150.2)	($7.7)	($61.8)
Exports	$262.1	$390.6	$414.4	6.1%	58.1%
Imports	$350.5	$533.0	$564.5	5.9%	61.1%

EU15

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	$6.5	($15.2)	($16.6)	($1.4)	($23.1)
Exports	$107.7	$127.7	$139.4	9.2%	29.4%
Imports	$101.3	$142.9	$156.1	9.2%	54.1%

LATIN AMERICA

	1992	1996	1997*	Change vs 1996	Change vs 1992
Balance	$1.6	$3.1	$7.1	$4.1	$5.5
Exports	$35.1	$52.6	$62.6	19.0%	78.2%
Imports	$33.5	$49.5	$55.5	12.0%	65.5%

Note: Latin America does not include Mexico; Pacific Rim does not include Japan or China

* 1997 is annualized based on the first eight months of data