

FOIA MARKER

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

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Policy Development

Series/Staff Member: Linda Eddleman

Subseries:

OA/ID Number: 10602

FolderID:

Folder Title:

Articles with Fast Track Refereneces

Stack:

S

Row:

100

Section:

2

Shelf:

6

Position:

2

David S. Broder

Fast Track, Heavy Freight

For President Clinton, the big trade vote scheduled later this week represents "Double Jeopardy."

If Clinton fails to win the same "fast track" negotiating authority that previous presidents have carried into international bargaining, it would threaten a central part of his overall economic policy and rattle already jumpy world stock markets. It would signal retreat by the United States from its leadership role for a more open international marketplace and—by the sober judgment of the embassies of at least two key allies—could set off serious trade wars.

Chances are, it won't come to that. The Senate, which is scheduled to vote first, seems likely to approve the fast-track procedure in which trade agreements are voted up or down by Congress but are not subject to amendment. In the House, which is slated to follow on Friday, Clinton faces an uphill struggle, but one he might still win.

The cost of victory may be high, however. By every calculation, more than two-thirds of the affirmative votes will have to come from Republicans. The more Clinton has to turn to Speaker Newt Gingrich and his allies, the higher the price they can extract on other issues. Gingrich, still trying to shore up his own shaky position after last summer's failed coup, simply cannot afford to be altruistic.

The reason Clinton may have to pay a high price is that he has signally failed to persuade his own party of the rightness of his trade policy. In 1993, after a vigorous campaign by Clinton, only 40 percent of House Democrats supported NAFTA—the free trade agreement with Mexico and Canada. "On fast track, he will lose 20 or more

people who voted for NAFTA," House Democratic Whip David Bonior of Michigan, an ardent opponent, told me over the weekend. A key House Democratic supporter conceded that Clinton is unlikely to get many more than 30 percent of the 206 Democrats to go along—a figure low enough that it could prove fatal.

Clinton aides blame the problem on organized labor, which has led the fight against "fast track," just as it did against NAFTA. "This is the most blatant example of the corrupting effect of campaign finances on Washington policy-making I know," one high administration official said.

Even if you accept AFL-CIO lobbyist Peggy Taylor's assurance that "we have not threatened to cut off contributions to anyone," there is no doubt the dependence of most congressional Democrats on unions for their bedrock financing makes them receptive to the arguments Taylor and other labor lobbyists offer.

But there's more than money involved. In the 1994 midterm election, a year after the NAFTA vote, union activists, stung by losing that fight to Clinton and by the president's failure to get a Democratic Congress even to vote on his promised health care reform, deserted their posts. Phone banks went unmanned; the turnout of union families plummeted; 40 percent of those who bothered to vote backed GOP candidates, and the Democrats lost the House for the first time in 40 years.

In 1996, by contrast, labor, under new leadership, targeted Gingrich and the GOP early, boosted its share of the electorate and helped the Democrats

to a 10-seat gain. Understandably, its arguments are heeded.

Labor is less monolithic than it appears, however. The growing unions—notably those representing public employees and service industries—care much less about the trade issue than do the Teamsters or the big industrial unions. Vice President Al Gore, despite his pro-NAFTA and pro-fast-track stance, has at least as many allies among top unionists as his prospective opponent for the 2000 nomination, Minority Leader Dick Gephardt of

Missouri, who is leading the fight for labor.

What Clinton and the White House have been slow to realize is that Gephardt has convinced many of his colleagues that demanding stronger worker and environmental protections as part of future trade agreements is a way of helping their constituents—not undercutting a successful Clinton economic policy. Until very recently, the president let the opposition dominate the public debate.

As a result, Clinton will not get the votes of such thoughtful Democrats as

Rep. Ron Kind, a moderate freshman from a marginal district in Wisconsin, who concedes he is adopting the "parochial concern" of dairy farmers frustrated by their post-NAFTA dealings with Canada. "Very few of us oppose giving the president the authority to negotiate," he said, "but he should have elevated this to a national debate on what the rules of trade should look like in the 21st century. That is what Ronald Reagan would have done."

As a result of that failure, Clinton will pay Gingrich a high price if he is to avoid a truly devastating defeat.



BY OHLSSON

PHOTOCOPY
PRESERVATION

If Clinton Doesn't Get 'Fast Track' Now, He'll ...

DOCUMENT 2 OF 2

J9728900080

Politics & Policy

* If Clinton Doesn't Get 'Fast Track' Now,
He'll Never Get It, Commerce Chief Says

By Jackie Calmes

Staff Reporter of The Wall Street Journal

624 Words

4527 Characters

* 10/16/97

The Wall Street Journal

A24

(Copyright (c) 1997, Dow Jones & Company, Inc.)

- * RIO DE JANEIRO -- If Congress doesn't renew "fast-track" trade authority this fall, President Clinton will have lost that chance for the remainder of his presidency and, with it, the ability to negotiate
- * strategic trade agreements, Commerce Secretary William Daley warned.
- * "If not this year, then not until 2001," said Mr. Daley, who managed Mr. Clinton's hard-won 1993 campaign for congressional approval of the North American Free Trade Agreement. He is among the high-level White House officials traveling with the president on an eight-day, three-nation trip through South America. A major objective of the visit is to whip up Latin American and U.S. support for free trade throughout the hemisphere.
- * Mr. Daley's statement reflects the political pressures against a trade proposal that is vigorously opposed by organized labor, which, in turn, influences many Democrats and some Republicans. The Clinton trade proposal would allow him to seek congressional approval of future trade pacts without lawmakers' amendments -- a bargaining prerequisite for U.S. trading partners who don't want Congress to tamper with any deal.
- * In 1998, Mr. Daley said, the political crosscurrents of a congressional election year "would make it way too difficult" to win passage. "Nobody would want to touch it," he said.
That would remain true in 1999, he added, as politicking for the 2000 presidential election began. Now, three years before the election, a subplot of the current debate is the rivalry between potential Democratic candidates in 2000, Vice President Al Gore and House Minority Leader Richard Gephardt of Missouri. Mr. Gephardt, who is leading the
- * opposition to the pact, will participate in an anti-fast-track rally on Wall Street today.

Also traveling with Mr. Clinton is GOP Rep. David Dreier of California, an ardent free-trader who says GOP House leaders want to see

Mr. Clinton demonstrate that he can deliver more Democratic votes before they schedule a vote on the matter. Other lawmakers with Mr. Clinton in Venezuela, Brazil and Argentina this week are Democratic Reps. James McDermott of Washington, who committed last week to support the
* fast-track plan, and Nydia Velazquez of New York and Ruben Hinojosa of Texas, two undecided Hispanic lawmakers.

"We've heard from a lot of members, 'It's just the politics that are
* killing us, not the policy,'" Mr. Daley said.

Mr. Clinton's national security adviser, Samuel Berger, yesterday reiterated the administration line that the president is merely asking for power accorded other presidents in the past two decades. "If they're bad trade deals, then Congress ought to vote them down. If they're good trade deals, then Congress shouldn't vote them down," Mr. Berger said. "But they shouldn't deprive this president" of a power past presidents enjoyed.

Throughout the trip, Mr. Clinton, who was to go on to Buenos Aires last night, has stressed the economic and social benefits of free trade, as well as the obligation of all nations and their businesses to protect
* workers and the environment, reflecting the demands of fast-track foes back home.

Meanwhile, Mr. Clinton's Rio appearance yesterday illustrated just how far Brazil has to go to "bridge the gap between the haves and the have-nots," as he put it to U.S. and South American business leaders earlier in the day in Sao Paulo. His Rio motorcade passed slums of wretched squalor, with hovels of corrugated metal and scrap wood.

In one of the city's less desperate neighborhoods, Mr. Clinton, along with soccer star Pele, spoke to enthusiastic children at Mangueira School, a sports and academic complex for as many as 7,000 local students that is supported by Xerox Corp. In "the new economy" that is emerging globally, he said, "it is wrong for only a few to reap the benefits of the wonderful changes going on while the many remain mired in poverty."

including Dem. votes?

Q: Ways & Means Chairman Archer has written a letter telling the Administration it must secure 70 Democratic House votes before a House vote will be allowed on fast track? How do you respond?

- From the start, the Administration has acted on a bipartisan basis to secure renewed fast track negotiating authority. We continue to believe we will need both Republicans and Democrats to secure a majority. The President, the Cabinet and the entire Administration have been extremely active in securing the votes needed, ~~particularly Democratic votes.~~
- We do not believe it is helpful to begin setting preconditions to the achievement of our bipartisan goal. The important thing is for all those who support fast track to work together to secure the votes so we can continue to open foreign markets for America's companies and workers.
- The Administration will continue to work in a bipartisan fashion to get the job done. We encourage all those who support fast track to work with us in that effort.

Q: But do you think you can get 70 votes?

- I don't want to get into the number of Democratic or Republican votes possible. I do think we can secure the necessary votes in both the House and the Senate if we continue to make a strong bipartisan effort.

→ (1) Vicki was on her way to a mtg, will have a voice mail w/ comments
She asked that we also check w/ Jay Z

(2) Russell will clean Qs & As w/ Gene.

(3) Jay Z - believes this highlights argument against the Admin effort to date.

LEVEL 1 - 14 OF 250 STORIES

Copyright 1997 U.S. Newswire, Inc.
U.S. Newswire

October 16, 1997 23:04 Eastern Time

SECTION: NATIONAL AND INTERNATIONAL DESKS

LENGTH: 1815 words

HEADLINE: Transcript of Clinton Remarks in Television Town Hall (3 of 5)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, Oct. 16

BODY:

Following is a transcript of remarks made by President Clinton today in a television town hall in Argentina (Part 3 of 5):

MODERATOR: And we're going to go coast to coast, Mr. President. We're going to go back to L.A. now with another question.

MODERATOR: Mr. President, we have here in Los Angeles a person who wants to ask you about free trade. It's from Ricardo Castagno (phonetic.) He is the coordinator for Central American Matters at the William Bilaskis Institute (phonetic) in Los Angeles.

Q Good afternoon, Mr. **President**. Hispanic congressmen here in the United States are against **fast track**, as a result of certain lacks in certain NAFTA programs for retraining workers who have lost their jobs as a result of NAFTA and others to create jobs for those same workers. My question is, don't you think that we need to improve NAFTA before we expand it to South America or before we negotiate any other free trade agreement, before we ask for **fast track** authorization?

THE **PRESIDENT**: Absolutely not. Let's look at the economic facts here. First of all -- and I would be happy to discuss this, but whether you believe NAFTA was a success or a failure -- and I believe we are far better off economically and in our relations with Mexico than we would have been had we not passed NAFTA. But we are the only developed country in the world with a 2,000-mile border with a country that is still developing. We have unique historically, cultural, economic, environmental and other challenges in our relationship.

Our trade with the Americas has grown enormously in the last few years. It has gone up 200 percent since 1990. It's now over \$109 billion. In the last year alone, 70 percent of America's trade growth has come from the Americas.

So should we do something to trade more with Chile, with Argentina, with Brazil, with other countries? Yes, I believe we should. Should we wait while Europeans and others make agreements that help their workers? No, I don't



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

U.S. Newswire, October 16, 1997

believe we should. Are there political benefits as well as economic benefits to our cooperation? Absolutely.

Now, in the case of NAFTA -- let's go back to NAFTA -- we had a couple of rough years with NAFTA because of the peso crisis in Mexico and the recession which followed. But they were not nearly as bad and Mexico bounced back much more quickly than they did when the same thing happened to Mexico in the early '80s and there was no NAFTA, there was no trade.

We have not solved all the environmental problems along the border, but at least we have a financial mechanism and a testing mechanism now and we have shown we have some examples of progress. I think you can rightly say that the North American Development Bank lost two years in the development, in '94 and '95. We've been working since early '96 to get it going. And just recently I reached an agreement with the Hispanic Caucus to dramatically increase the lending capacity of the North American Development Bank to help Americans displaced by NAFTA-related trade.

We've already doubled worker retraining funds. I reached an agreement with the Hispanic Caucus to increase it another \$450 million over the next five years. So I think that we do have to do more to help Americans who are disadvantaged by trade, but that is not an argument against fast track. Fast track is about the future of Latin America and its future economic relations with us. And I think we'd be making a terrible mistake to delay. We should speed up, not delay. The economy down here is on a fast track. I can see it all around me. They're not waiting for us to do this. We just should be a good partner and do it.

MODERATOR: We continue now with the intercontinental dialogue through Univision, where we are getting together almost 500 million people throughout Latin America and our continent. We're going to change subjects now. Here is Fernando Siman (phonetic), a doctor here in Argentina, secretary of the Young Pediatricians Group.

Q Good afternoon.

THE PRESIDENT: Good afternoon.

Q My question has to do with health, and it's this: Access to health care is a basic human right. The United States has many times helped to promote and defend human rights. How do you think the United States can help us now to be able to gain access for the entire population to health care? And how does this work in the United States, immersed as you are in a free market economic system?

THE PRESIDENT: Well, you know, that's a problem that we haven't fully solved. Hillary and I tried in 1994 to devise a system where everyone who could afford it would pay something according to their ability to pay, for themselves and their employees to buy health insurance so everyone would have access to health care. That plan did not pass.

What have we done instead? We have tried to make it possible for health care to be more affordable. We've tried to protect people's health insurance when they have it so that they don't lose it. And we have a network of public health clinics throughout the United States that people can visit if they do not have access to health care. We just passed a law in our country

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

U.S. Newswire, October 16, 1997

with \$24 billion to provide health insurance to another 5 million children over the next five years. So we're trying.

But I think that we should -- from my own point of view, we should support programs through the international financial institutions that help you and through AID, the USAID programs that deal with basic health care. Access to health care is, in my view, right up there with education in terms of what it will take to give every single child in this country and on this continent a chance to participate in the future we're building. And I think the United States should continue to have a high priority on health care and health care abroad.

And thank you for being a pediatrician.

MODERATOR: The next question comes from Maria Rosario Valgare (phonetic). She is from the neighboring country of Uruguay, and she is an English teacher, and she has a degree in international relations.

Your question.

Q Good afternoon, Mr. President. I spent some time studying in the United States. Your universities and your schools in the United States are full of foreign students who seem to have understood the need to culturally interact in this era of globalization. Don't you think that more U.S. young people should be going out to the world in order to get to know it and get to know people and get in touch and not be so unaware of the needs of globalization?

THE PRESIDENT: Yes. Absolutely. You know, one of the reasons I have the attitudes that I have today is that when I was a young man I was given the opportunity to study in another country for two years and travel to other countries. I have strongly supported America maintaining the Fulbright Scholarship program for that reason.

And I believe that we should do all that we can to encourage more students from the United States to take a year or so and study abroad. I'm very glad that we have students from other countries in the U.S. I think there are now 2,000 students from Argentina in the United States. Are there any American students here? Good for you. Well, we have a few here, beating the odds. But I think it's very important.

Let me also say that there is a marked attitudinal change, though, now. Young Americans, Americans under 30 are far more likely to want to be involved with a foreign culture, to want to study overseas, to understand the importance of trade and political cooperation to their own future -- far more likely. So I wouldn't be surprised if we don't see a big upsurge in the number of young Americans now who want to take at least a year and go overseas to learn about another culture, to master another language, to be a part of the world as it is developing.

But you're absolutely right, we should do more of it.

MODERATOR: Now, Mr. President, we're going to move on to another city where we have many people who speak two languages -- English and Spanish -- Miami. They have a question there for you.

MODERATOR: That's right, here's someone from the University of Miami. She's 18 years old and she's president of the Puerto Rican Students Association.



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group

U.S. Newswire, October 16, 1997

Q Thank you. Good afternoon to everyone and good afternoon to you, Mr. President. This is my question: If Puerto Rico were accepted as the 51st state, what assurance could you give the Puerto Rican community that we would be able to keep our traditions, our culture, our language and not lose your Puerto Rican identity.

THE PRESIDENT: Well, first, let me state what my position is. My position is that the status of Puerto Rico should be for the Puerto Rican people themselves to decide. Whether a commonwealth, independence or statehood -- it should be totally up to the people of Puerto Rico.

If Puerto Rico were to become a state, among other things, under our laws the educational system of Puerto Rico would be primarily the constitutional responsibility of the state of Puerto Rico, so that to whatever extent the state wanted to have a cultural support for the native culture, the native customs and the native language would be a decision for the state to pursue that the federal government should not try to undermine.

So that's my position. I don't think you'd have to worry about that. There are complicating questions on both sides of that issue. But I think the preservation of the unique and wonderful culture of Puerto Rico would not be a problem probably in either way. But there may be some specific problems I'm unaware of. But I would say that people should make their decisions about commonwealth and statehood probably based on what they think is best economically, rather than that. I believe that we'll be able to preserve the culture no matter what.

As a matter of fact, if you look at what's happening in Miami, what's happening in Los Angeles, what's happening in Chicago, what's happening in the Fairfax County school district across the river from Washington, D.C., where there are people from 180 different national groups in one school district -- we're going to do a lot of cultural preservation in the years ahead.

LANGUAGE: ENGLISH

LOAD-DATE: October 16, 1997



LEXIS·NEXIS®
A member of the Reed Elsevier plc group



LEXIS·NEXIS®
A member of the Reed Elsevier plc group



LEXIS·NEXIS®
A member of the Reed Elsevier plc group

LEVEL 1 - 16 OF 250 STORIES

Copyright 1997 Agence France Presse
Agence France Presse

October 16, 1997 16:07 GMT

SECTION: International news

LENGTH: 870 words

HEADLINE: Clinton underscores "alliance of values" between US, Argentina

DATELINE: (INCORPORATES Latam-US-Argentina)

BODY:

By Christian Chaise

BUENOS AIRES, Oct 16 (AFP) - US President Bill Clinton applauded "the alliance of values" between the United States and Argentina here Thursday in his latest effort to promote pan-American free trade.

Clinton, here on the last stop of a three-nation South American tour, also called on Argentina to tighten relations with Britain to resolve their conflict over the Falkland Islands, known here as the Malvinas.

The visiting leader, who met with President Carlos Menem at the Casa Rosada presidential residence also expressed his "concern regarding pressures on the press throughout the hemisphere," according to a US official.

Clinton arrived here late Wednesday on the third and final leg of his trip to whip up support of his 1994 proposal to create a Free Trade Area of the Americas by 2005. The president took his free-trade crusade to Venezuela and to Brazil earlier in his visit.

He told Menem the United States supports Mercosur -- a customs union comprising Argentina, Brazil, Uruguay and Paraguay -- according to Jim Dobbins, a top Clinton advisor on Latin America.

Clinton had said the same thing to Brazilian President Fernando Henrique Cardoso during an unsuccessful sales pitch for the free trade area earlier this week in Brazil, where protestors showered his limousine in manure.

But unlike its giant neighbor to the north, which is eyeing a bigger role on the global stage, Menem's Argentina has decided to hitch its wagon to the US star, and Clinton appeared keenly aware of the fact.

He used a brief speech here to highlight not just "the alliance of values" between the United States and Argentina but his decision last week to grant Argentina the largely symbolic status of "major non-NATO ally."

The moniker does not reflect a military or strategic alliance but reflects Argentina's "desire to cooperate with the United States," said Dobbins.



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

The two leaders discussed better Argentine-British relations, which must still cope with the thorny issue of sovereignty over the Falklands, over which the two fought a brief but bloody war in 1982 which Britain won.

Clinton "expressed our interest in seeing two of our very best friends continue their dialogue ... and the improvement in their relations," said Jeffrey Davidow, US undersecretary of state for Latin American affairs.

Menem did not ask Clinton for "any type of mediation" on the issue, according to Foreign Minister Guido Di Tella.

Clinton never raised the issue of corruption -- despite Argentine fears and what the White House had indicated prior to the visit -- and never so much as spoke the word, according to Dobbins.

Menem in turn did not bring up Argentine irritation at neighboring Chile's interest in buying two dozen F-16 fighters after Clinton lifted a US embargo on arms sales to South American countries in August.

But Clinton's remarks about freedom of the press was an implicit criticism of Argentina, where threats against journalists have increased, and an appeal to Menem to improve press protections.

The Argentine leader replied that "this was a useful subject for discussions" at the Americas summit in Santiago in April.

Clinton also came out in support of Argentine membership in the OECD but expressed some concern as to intellectual property protection in Argentina, a long-standing sore point for US firms.

The two nations signed five accords to cooperate on bilateral consultation, sustainable development, nuclear energy, protection of national parks and space, the foreign ministry said.

chz/ok/pfm

US Secretary of State Madeleine Albright took some time off for tango lessons while flying with President Bill Clinton from Rio de Janeiro to Buenos Aires, a White House spokesman said.

Clinton and his wife, Hillary, watched in wonder as the 60-year-old Albright took twirls with Republican congressman David Dreier, her tango-teacher, aboard Air Force One, spokesman Michael McCurry said.

The improvised lesson took place Wednesday as Clinton was heading to Argentina after a two-day visit to Brazil.

The Czech-born Albright seems attracted to Argentina and its culture. Weeks ago, during a Washington dinner for visiting Asian foreign ministers, she raised eyebrows by singing "Don't Cry for me Argentina," from the musical "Evita", based on the late Argentine first lady Evita Peron.

Dreier, who after dancing with Albright continued to tango with a Democratic lawmaker, was invited on Clinton's South American tour because he backs congressional approval of "fast track" negotiating procedure for trade pacts,



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

Agence France Presse, October 16, 1997

long sought -- but still out of reach - by the White House.

Clinton arrived late Wednesday in Buenos Aires and before heading for his hotel popped inside a posh restaurant with his wife to try Argentina's famous beef dishes.

McCurry said Brazilian President, Fernando Henrique Cardoso, wrote Clinton a warm, friendly letter thanking him for his visit to Brasilia, Sao Paulo and Rio, which he called a great success.

Clinton's first-ever tour of South America began in Venezuela and will end Saturday, after a two-day rest at Argentina's southwestern Andean resort city of San Carlos de Bariloche.

chz/fgf/db

LANGUAGE: ENGLISH

LOAD-DATE: October 16, 1997



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

LEVEL 1 - 20 OF 250 STORIES

Copyright 1997 The Financial Times Limited
Financial Times (London)

October 16, 1997, Thursday USA EDITION 1

SECTION: NEWS: US AND CANADA; Pg. 05

LENGTH: 337 words

HEADLINE: Lower trade barriers in Americas, says Clinton

BYLINE: By Geoff Dyer in Sao Paulo

DATELINE: Sao Paulo

BODY:

US president Bill Clinton yesterday urged Brazilian business leaders to support moves to reduce trade barriers in the Americas as a means of creating greater economic efficiency and higher growth.

Speaking in Sao Paulo on the fourth day of his first trip to South America, Mr Clinton also called on South American representatives of US companies to put pressure on the US Congress to pass legislation giving the **president** "fast-track" negotiating authority in trade talks.

"I need all the help I can get," said Mr Clinton, adding that he hoped the bill would be passed this year. Without the authority, Congress would have the power to change any trade agreement the president signed.

The absence of **fast-track** approval has meant that little concrete progress has been made during Mr Clinton's trip on discussions about the creation of a 34-country Free Trade Area for the Americas (FTAA) by 2005.

Although the US and Brazil have agreed to begin formal negotiations next year, the two countries have been at loggerheads over how the talks should proceed. The US wants immediate talks about tariff reduction, while Brazil, facing a growing trade deficit, has called for a more gradual approach. However, diplomats say the US will not be able to put any pressure on Brazil until Congress approves the **fast-track** bill.

Instead, Mr Clinton has used his two-day visit to Brazil to try to smooth relations with Latin America's biggest country, which have occasionally become heated over the FTAA issue.

Mr Clinton stressed yesterday that Brazil and the US had the largest populations and economies in the hemisphere and spoke about the need for Brazil to play a strong leadership role in the integration of the Americas.

"We can set a standard of success for the Americas, showing that democracy and free markets deliver," he said.

After visiting a school in a slum neighbourhood of Rio de Janeiro yesterday

US =
pressure
Brazil to
make tariff
reductions
fast track



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

afternoon, Mr Clinton left for Argentina, the last leg of his trip which began in Venezuela.

LANGUAGE: ENGLISH

LOAD-DATE: October 16, 1997



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

LEVEL 1 - 26 OF 250 STORIES

Copyright 1997 The State Journal-Register
The State Journal-Register (Springfield, IL)

October 16, 1997, Tuesday, EARLY AND CITY EDITIONS

SECTION: NEWS, Pg. 5

LENGTH: 940 words

HEADLINE: Clinton: Poor must be helped Urges Brail to close gap between 'haves' and 'have-nots'

BYLINE: GEORGE CONDON JR. COPLEY NEWS SERVICE

DATELINE: RIO DE JANIERO, Brazil

BODY:

To the poorest of Brazil's children and the richest of its businessmen, President Clinton Wednesday campaigned for a narrowing of the gap between the hemisphere's "haves" and "have-nots," calling for greater efforts to make sure the poor benefit from improved economies throughout the Americas.

That message was delivered most dramatically when Clinton became the first U.S. president ever to venture into the favelas -- slums -- that hold so much of Brazil's population in the grip of what he called "poverty, relentless deprivation, the daily defeat of hope."

There, in a sweltering 100-degree heat and with shirtless residents watching curiously from the rooftops of the nearby shacks jammed into the hillside, Clinton called for the creation of a stable middle class.

"It is wrong for only a few to reap the benefits of the wonderful changes going on while the many remain mired in poverty," he told an audience made up primarily of children at Mangueira School.

"That is a betrayal of our values of individual integrity and equal opportunity, and in the end, it will erode faith and democracy in free markets. And those who have will do better by giving a hand up to those who deserve their chance, too."

Many of the children fidgeted in the heat and were clearly more excited at the presence of soccer legend Pele -- now a Brazilian government minister -- who preceded Clinton to the stage set up on a soccer field.

But the president's message was not aimed at the children. It was aimed at what U.S. National Security Adviser Sandy Berger called "the new breed of leaders" here who have by and large junked their region's longtime reliance on command economics and begun to follow the U.S. teachings to build market economies.

That shift has improved most Latin economies but the benefits generally have not yet been felt by the poor. It concerns Clinton administration strategists

*Clinton
made
speech
in Brazil
w. family
in money*



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



who fear a continuing rich-poor chasm might undercut their arguments for expanded free trade throughout the hemisphere.

To dramatize that concern, Clinton went to the Mangueira favela rather than to the Brazilian Congress, the favored speech locale for the seven presidents who made earlier trips here.

In the favela, the president stressed the necessity of building "here and elsewhere a great middle class to strengthen democracy and stabilize society."

Earlier, the president was even more pointed, striking the same theme but in a much different setting. In Sao Paulo, Brazil's largest city, he urged a group of well-off, well-dressed business leaders to join his drive to narrow the inequities between rich and poor.

The backdrop -- an air-conditioned modernistic ballroom filled with dark-suited businessmen -- could not have been more different, but the message was the same.

"We must work even harder to bridge the gap between the haves and have-nots, Clinton said, lamenting what he called "the age-old curse of Latin America."

This persistent poverty "has got to be dealt with more seriously, not only by government but by people in the private sector working in partnership with government," he said. "We have to give everyone who will work for it a place in the future we are trying to build."

Clinton pledged American leadership in using expanded free trade to help the poorer countries of the hemisphere "lift themselves into the ranks of middle-income countries."

He linked this goal to his campaign for renewed authority to negotiate trade deals. That authority -- known as "fast track" -- would permit him to hammer out deals that could not be amended by Congress. Instead, Congress would have to accept or reject them in their entirety.

Clinton appealed to members of the audience "representing American companies" to lobby Congress, where the **fast-track** measure faces intense opposition, much of it from members of Clinton's own party.

"Globalization is irreversible," he said. "Protectionism will only make things worse."

(EDITORS: BEGIN OPTIONAL TRIM) But he also touched on criticisms raised by those Democrats who are calling for more protections for worker rights and the environment in all future trade deals.

"While we cannot turn back the winds of change, we can and must do more to harness their force to everyone's advantage and make sure the benefits and burdens of expanding trade are fairly borne," he said.

Berger told reporters the two speeches were added to the trip because the president "recognizes that globalization creates winners and losers, that a rising tide does not lift all the boats equally ... and that we must also pursue strategies to promote social cohesion and to close the (rich-poor) gap. "



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

Berger said this is "what the **fast-track** debate is about."
(EDITORS: END OPTIONAL TRIM)

Clinton also stressed education as a tool for raising the poor from the slums of Brazil and neighboring countries. It was that emphasis that drew him to the Mangueira School, a model program of education and sports that is providing fresh opportunity to poor children.

Supported by a group of corporate sponsors, led by the Xerox Corp., that provide \$ 600,000 a year in contributions, the school provide education and sports and pushes the students onto to higher education.

"If I didn't come here, I think I'd probably be a beggar," said a grateful Jose(cq) Rodrigues, 14, who attended the speech clad in her pink and green school gymnastic uniform.

With her eight brothers and sisters, mother and step-father, she lives in a two-room shanty in the neighborhood visited by Clinton. But because of the program, she hopes to attend college.

TYPE: NEWS

LOAD-DATE: October 17, 1997



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

LEVEL 1 - 30 OF 250 STORIES

Copyright 1997 The Washington Post
The Washington Post

October 16, 1997, Thursday, Final Edition

SECTION: A SECTION; Pg. A21

LENGTH: 951 words

HEADLINE: Clinton Sees Two Sides Of Brazil; Model School Pulls Young From Poverty; Clinton, at Brazilian School, Cites Need to Help Young Rise Out of Poverty

BYLINE: John F. Harris, Washington Post Staff Writer

DATELINE: RIO DE JANEIRO, Oct. 15

BODY:

President Clinton has spent this week in South America preaching a sunny vision of trade and education as the keys to a bright new continent of wealth and opportunity. This afternoon, he ventured into a place that has seen precious little of either, and he acknowledged in blunt terms that reality can be more complicated than the vision.

The setting was Rio's Mangueira community, where the presidential limousine passed rows of dreary shacks and ramshackle tenements before arriving at a school where Clinton assured children growing up in poverty that a world of high-tech riches awaits. But this time his optimism was mixed with admonition.

"It is wrong for only a few to reap the benefits of the wonderful changes going on while the many remain mired in poverty," he declared, in a nation historically riven by some of the continent's starkest inequalities. "Those who have will do better by giving a hand up to those who deserve their chance, too."

This was a day when Clinton saw first-hand the sharp angles of Brazilian life.

He started the day in an air-conditioned auditorium in Sao Paulo, addressing a well-coiffed mix of Brazilian and U.S. businessmen assembled by the chamber of commerce. There, he extolled the "astonishing accomplishment" of Brazil's economic revival in the past five years.

Then he came to Rio and its Mangueira neighborhood, where he stood on a sweltering outdoor stage, warning that a child's "great gift from God, the power to dream . . . can be lost through poverty, relentless deprivation, the daily defeat of hope."

The stop promised to be the most exotic of Clinton's trip to South America, where his schedule has mostly been filled with meetings with government leaders and traditional speeches. While Clinton's remarks here hit some sober notes, the mood of the day was ebullient, and at times seemed a little like a campaign rally.



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

He and first lady Hillary Rodham Clinton shared the stage with the most famous Brazilian of all -- the soccer legend Pele, now the government's minister of sport. When Clinton finished speaking, he and Pele briefly kicked a soccer ball around before Clinton plunged into the crowd of children in their pastel pink-and-green sports uniforms.

These are the colors of the Mangueira School, which Brazilians are promoting as a successful experiment in quelling juvenile delinquency and lifting children out of squalor. Mangueira, while poor, is far from the most downtrodden place in this city. Brazilians say it is a place with special resonance in their culture, a wellspring of artistic achievement that has a reputation like Harlem's in the 1920s.

The neighborhood, for instance, is the place where Brazilian samba music was invented. Jazzy, drum-dominated samba rhythms blared from loudspeakers today.

"If I didn't come here, I'd probably be a beggar, because without school I would be nothing," said a 14-year-old student, Jose Rodrigues.

Clinton's message at the school was an echo of one he utters often at home -- the splendors of a world linked by better education and technological innovations such as the Internet. A computer at the school was linked by the Internet with its sister school, which is in Northern Virginia. Clinton and Brazilian students exchanged typed messages with students at Prince William County's Hylton High School; the computers' mini-cams allowed people at both places to see each other.

At Hylton, junior Sarah Marr, 16, and Brazilian exchange student Luis Macedo, 16, sat at the keyboard, corresponding with their Rio peers, lauding technology, bragging about the Orioles and Redskins, and asking Clinton if he liked Brazil. Clinton leaned over the keyboard to respond -- and was suddenly subject to the world of teenagers.

"He's a slow typer," a girl in the back of the room noted.

But in due course the message went out. "I'm having a wonderful time," he wrote. "I wish all of you could visit Brazil."

The Mangueira School is a project jointly supported by the government and private companies, including the Brazilian branch of Xerox. More a community center than a regular school, it emphasizes athletics and has on-site health-care facilities in addition to a vocational training program. Pele, who helped in its founding, called it one of Brazil's "best examples of social concern and social progress."

The Clinton administration has said the government of Brazilian President Fernando Henrique Cardoso, a former socialist, deserves credit for stabilizing the economy in a way that has reduced the number of Brazil's poor people by 13 million. But that leaves an estimated 40 million still living in poverty -- out of a population of 160 million.

"We must do more, and we must be honest with our children," Clinton said. "We know that education and technology alone will not abolish poverty and



LEXIS·NEXIS[™]

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]

Ⓜ A member of the Reed Elsevier plc group

inequality. But they do give people what they need to lift themselves up, to join the emerging global society and to make the most of their own lives."

The White House national security adviser, Samuel R. "Sandy" Berger, said this message has meaning in the United States as well, particularly in Clinton's uphill battle in Congress to win "fast-track" authority to negotiate free-trade agreements.

"The opponents of fast-track in many ways are opposing trade, and they say really that you have to make a choice between either dealing with the inequities of our society or dealing with open markets and expanding trade," Berger said. "What the president has been saying over these past weeks and months . . . is that we don't have the luxury of that choice."

Staff writer Ann O'Hanlon in Prince William County contributed to this report.

GRAPHIC: Photo, afp/bob pearson, Clinton hugs soccer legend Pele during a visit to a model school in a Rio shantytown.

LANGUAGE: ENGLISH

LOAD-DATE: October 16, 1997



LEXIS·NEXISTM
A member of the Reed Elsevier plc group



LEXIS·NEXISTM
A member of the Reed Elsevier plc group



LEXIS·NEXISTM
A member of the Reed Elsevier plc group

LEVEL 1 - 31 OF 250 STORIES

Copyright 1997 U.S. Newswire, Inc.
U.S. Newswire

October 15, 1997 14:17 Eastern Time

SECTION: NATIONAL AND INTERNATIONAL DESKS

LENGTH: 1867 words

HEADLINE: Transcript of Clinton Remarks to Business Leaders in Brazil Part 1 of 2)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, Oct. 15

BODY:

Following is a transcript of remarks made by President Clinton today to business leaders in Brazil (Part 1 of 2):

Auditorium
Memorial America Latino
Sao Paulo, Brazil

7:30 A.M. (L)

THE PRESIDENT: Thank you very much, Mr. Miller, for your introduction and your statement. Thank you, Governor, for your moving words. And thank you all for coming out this morning. I am delighted to be here and to be joined by a distinguished delegation of Americans, including the Secretary of State, the Secretary of Commerce, the Secretary of Education, the United Nations Ambassador, my Special Envoy to Latin America, the National Security Advisor and four distinguished members of the House of Representatives, Congressman David Dreier, Congressman Jim McDermott, Congresswoman Nydia Velazquez and Congressman Ruben Hiriojosa. We also have the Brazilian Ambassador to the United States here, the Minister of the Brazilian government and the Mayor, and I thank them all for coming.

I think this speaks the importance of the relationship between the United States and Brazil. I'm delighted to be in Sao Paulo, the economic engine of this great nation and the commercial heart of the new Latin America. I often hear it said now that Brazil is the land of the future. I think that in this city, the future is here. I thank you for giving me the opportunity to discuss the partnership that I hope our two nations will forge for the 21st century.

All of you know that over the last decade, a genuine revolution has swept across this hemisphere. As never before, Americas are coming together in the embrace of common goals and common values. We have a special responsibility and a special ability, Brazil and the United States, to work together with the other nations of the Americas to lead this process, with the largest populations and the largest economies, rich natural resources, enormous and fascinating diversity among our peoples. Most important, both of us cherish the same ideals: freedom and equality, respect for the individual and the integrity of the family and community, social justice and peace.



LEXIS·NEXIS™

Ⓢ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓢ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓢ A member of the Reed Elsevier plc group

U.S. Newswire, October 15, 1997

Our partnership is already broad in scope and ambition. We fight drugs and the spread of nuclear weapons together. We work to protect the Rainforest and to explore the Heavens together. We work to help others in our hemisphere turn from conflict to cooperation together. But nowhere can we make a greater difference for our people than by leading all the Americas down the path to prosperity in the new economy of the 21st century.

The United States has worked -- watched with respect and admiration as Brazil has embraced strong reform. With President Cardoso's Real Plan, with the support of the public and the Congress, Brazil has slashed inflation from 2500 percent to five percent in only five years -- a truly astonishing accomplishment. In the course of so doing, 13 million Brazilians have been lifted above the poverty line, growth of more than four percent a year has been achieved. Brazil has become a magnet for billions of dollars of foreign investment, a good deal of it from the United States.

Brazil's growing prosperity is good news for Brazilians, but also good news for Americans. Last year, our bilateral trade totaled more than \$21 billion. The United States is Brazil's largest single trading partner, larger than the Andean Pact, the Central American Common Market, CARICOM and Mercosur combined. We buy about a fifth of Brazil's exports and our exports to Brazil have more than doubled since 1992. As Mr. Miller said, American businesses know that Brazil is a great place to bet on for the future, it's a good place to do business, and today there is, I understand, also in this audience a first-rate trade delegation from Seattle trying to support that proposition.

Our big trade numbers sometimes mask a lot of individual stories -- not always from large companies. The Snider Mold Company of Mequon, Wisconsin sells molds for making water tanks to companies in Brazil. Brazilian firms use the equipment to replace old tanks with safer models, supporting jobs in both countries and providing healthier drinking water for families in Sao Paulo. The lives of real people are changed for the better by this kind of trade.

And in Brazil, we see a large snapshot of what is happening indeed throughout our region, where barriers are falling, trade and investment are booming, trade among Mercosur countries has more than quadrupled since 1990. In that same period, the United States exports to Latin America have grown by more than 100 percent. This all promotes greater efficiency in economic growth in the Americas and brings people better opportunities to build better lives for themselves and their children.

Early in the next century, as open markets continue to spread, 20 nations around the world, home to half the world's population, will lift themselves from the ranks of the poorest countries into the ranks of middle-income countries. Their gain in skills and jobs and wealth will be our gain as well.

I want America to lead the process of economic integration and rising living standards here in our hemisphere and around the world. In the last four and half years we have concluded more than 220 separate trade agreements with expanding trade accounting for one-third of our own strong growth. Now, I'm working to persuade our Congress to renew the **President's fast track** negotiating authority so that we can do more.



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group

U.S. Newswire, October 15, 1997

In the past few weeks, the Senate Finance Committee and the House Ways and Means Committee, on which Congressman Dreier and Congressman McDermott who are here with me sit, have approved this legislation with bipartisan support. And we're going to do all we can to pass the bill this year. I hope, if I might be forgiven this on foreign soil, I hope that those of you representing American companies will urge members of Congress of both parties to support the legislation; I need all the help I can get.

I have also attempted to see that the United States puts special emphasis on Latin America. We hosted the Summit of the Americas in Miami in 1994, I appointed my long-time friend and former Chief of Staff Mack McLarty to be a Special Envoy to Latin America to send a signal to the continent that we are serious about a long-term sustained and comprehensive partnership.

The United States welcomes all constructive efforts by others to bring our hemisphere together, and especially Brazil's leadership role in those efforts. Brazil and Argentina, through their strategic alliance, are providing a decisive impulse for democracy, economic reform and regional security cooperation. Mercosur has expanded trade among its members and with the outside world. It has also bolstered democracy and promoted peace as a growing integration in interdependence make yesterday's hostilities unthinkable today.

We hope every step in the process of hemispheric integration, whether in Mercosur, NAFTA, CARICOM or elsewhere we'll build momentum toward our common goal of a free trade area of the Americas by 2005, first endorsed at the 1994 Summit in Miami.

Our nations are committed to launch comprehensive negotiations at Santiago in April and, as we agreed at the Miami Summit, to achieve concrete progress by the turn of the century. Just imagine the potential of an American market with 800 million people, from Alaska to the southern tip of Argentina, buying each other's goods, spurring each other's creativity, enriching each other's lives, investing in each other's future.

But even as we seize these possibilities, we must also work even harder to bridge the gap between the haves and the have-not. The age-old curse of Latin America, the constant undercurrent of all advanced economies of the last 20 years, has got to be dealt with more seriously not only by government, but by people in the private sector working in partnership with government. We have to give everyone who will work for it a place in the future we are trying to build.

In your country and mine and throughout the hemisphere, many people still question our course: fearing the pressure of competition, feeling as yet no benefit from the changes underway. Knowing that as yet, no nation has found the perfect formula for both embracing the global economy while preserving and extending the social contract. Globalization is irreversible. Protectionism will only make things worse. But while we cannot turn back the winds of change, we can and must do more to harness their force to everyone's advantage and make sure that the benefits and burdens of expanding trade are fairly borne.

That means deepening democracy and the rule of law, including a free press and an independent judiciary. It means insisting on worker protection so

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

U.S. Newswire, October 15, 1997

that trade enhances working conditions and living standards instead of undermining them. It means equipping all our people with the education, training and skills to succeed so that progress is everyone's friend.

Since 1993, we in the United States have been working hard to come to grips with these two competing challenges. We have more than doubled our worker training funds directed at those in the work force who may be displaced by technology or trade. We have established the North American Development Bank to try to make investments in communities that have been displaced by our increasing integration with Canada and Mexico. We have worked to improve joint environmental inspections and enforcement and to jointly agree to stop using some kinds of chemicals and other things which are damaging to the environment.

We have set up special empowerment zones to give our private sector incentives to invest in communities which are not touched by trade one way or the other because their economies have developed so little. All these things have not had perfect results, but they are making a difference, and they show that there is a way to have strong economic growth, an open economy, an openness to trade and investment and still care about extending opportunity so that more and more people who are willing to work have a chance to work and succeed.

We must also do more to protect natural resources and the environment. The United States rejects the false choice between economic growth and environmental protection. We believe in sustainable development, making sure that today's progress does not come at tomorrow's expense. Trade-driven growth need not bring environmental quality down; indeed, trade must maintain and improve the quality of our environment.

LANGUAGE: ENGLISH

LOAD-DATE: October 15, 1997



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

LEVEL 1 - 37 OF 250 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

October 15, 1997, Wednesday, AM cycle

SECTION: Business News

LENGTH: 537 words

HEADLINE: Rubin pushes for fast-track authority

BYLINE: By DENNIS GALE, Associated Press Writer

DATELINE: SIOUX FALLS, S.D.

BODY:

Treasury Secretary Robert Rubin on Tuesday pressed **President Clinton's** case for **fast-track** trade authority, saying that without it the United States will be left behind while other nations forge alliances.

Clinton's fast-track authority expired in 1994. If re-established, it would allow the **president** to negotiate free-trade agreements under a process that requires quick congressional consideration and a yes-or-no vote without the chance for amendments.

In a speech to the Sioux Falls Chamber of Commerce, Rubin said other nations are making their own deals.

"There is no question these kinds of trade agreements are going to continue to develop around the world," Rubin said. "The only question is, will we be part of the process or will we be on the outside looking in."

To be part of future trade agreements, "the **president** must have **fast-track** authority," Rubin said. He said if Congress doesn't grant it this year, the next real chance won't come until 2001.

Earlier Tuesday, Rubin told reporters that consumer interest rates should remain in check. Clinton's deficit reduction program of 1993 resulted in lower interest rates, Rubin said.

"That's what drove the economic recovery we now have," he said. "Ever since then, interest rates have been relatively low and consistent with the continued growth. I think they'll stay there."

Rubin also said the United States needs to open markets abroad but must protect its interests "in countries where there are unfair trade impediments."

That's especially important in agriculture, he said. The United States has a



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

The Associated Press, October 15, 1997

large trade surplus and is "very competitive" in that sector of the world economy, Rubin said.

He said Senate Minority Leader Tom Daschle of South Dakota has introduced legislation that will let the administration deal with unfair barriers to U.S. agricultural exports. "That is legislation that we very strongly support," Rubin said.

Daschle, who accompanied Rubin, said the administration's endorsement for the legislation he proposed earlier this year makes it likely the bill will become law.

Agriculture faces more trade barriers than any other sector of the economy and has the most compliance problems of any sector in international agreements, he said.

Daschle said his legislation gives top priority to agriculture in all future U.S. trade negotiations. It's a goal long sought by the U.S. agricultural community, he said.

The United States and Japan have concluded the second annual review of a five-year auto trade pact. U.S. trade officials have said they are not happy with the progress Japan is making toward implementing the agreement.

Nations that participate in the world's markets must have fair trade as well as free trade, Rubin said, adding that the United States is committed to removing any trade impediments.

"The Japanese auto talks are one very good example," Rubin said. "Japan has serious impediments to the export of our automobiles and auto parts to Japan, and we're committed to try and remove those impediments."

Trade officials have said they were concerned about a decline in the foreign share of Japan's auto market and a downward trend in the number of new dealerships offering U.S. cars.

LANGUAGE: ENGLISH

LOAD-DATE: October 15, 1997



LEXIS·NEXIS®

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS®

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS®

Ⓜ A member of the Reed Elsevier plc group

LEVEL 1 - 41 OF 250 STORIES

Copyright 1997 Copley News Service
Copley News Service

October 15, 1997, Wednesday 16:37 Eastern Time

SECTION: Washington - general news

LENGTH: 1178 words

HEADLINE: Clinton calls for narrowing haves/have-nots gap in visit to Shantytown

BYLINE: George E. Condon Jr.

DATELINE: RIO DE JANEIRO, Brazil

BODY:

To the poorest of Brazil's children and the richest of its businessmen, President Clinton Wednesday campaigned for a narrowing of the gap between the hemisphere's 'haves' and 'have-nots,' calling for greater efforts to make sure the poor benefit from improved economies throughout the Americas.

That message was delivered most dramatically when Clinton became the first U.S. president ever to venture into the favelas slums that hold so much of Brazil's population in the grip of what he called 'poverty, relentless deprivation, the daily defeat of hope.'

There, in a sweltering 100-degree heat and with shirtless residents watching curiously from the rooftops of the nearby shacks jammed into the hillside, Clinton called for the creation of a stable middle class.

'It is wrong for only a few to reap the benefits of the wonderful changes going on while the many remain mired in poverty,' he told an audience made up primarily of children at Mangueira School.

'That is a betrayal of our values of individual integrity and equal opportunity, and in the end, it will erode faith and democracy in free markets. And those who have will do better by giving a hand up to those who deserve their chance, too.'

Many of the children fidgeted in the heat and were clearly more excited at the presence of soccer legend Pele now a Brazilian government minister who preceded Clinton to the stage set up on a soccer field.

But the president's message was not aimed at the children. It was aimed at what U.S. National Security Adviser Sandy Berger called 'the new breed of leaders' here who have by and large junked their region's longtime reliance on command economics and begun to follow the U.S. teachings to build market economies.

That shift has improved most Latin economies but the benefits generally have not yet been felt by the poor. It concerns Clinton administration strategists who fear a continuing rich-poor chasm might undercut their arguments for

LEXIS·NEXISTM

A member of the Reed Elsevier plc group

LEXIS·NEXISTM

A member of the Reed Elsevier plc group

LEXIS·NEXISTM

A member of the Reed Elsevier plc group

expanded free trade throughout the hemisphere.

To dramatize that concern, Clinton went to the Mangueira favela rather than to the Brazilian Congress, the favored speech locale for the seven presidents who made earlier trips here.

In the favela, the president stressed the necessity of building 'here and elsewhere a great middle class to strengthen democracy and stabilize society.'

Earlier, the president was even more pointed, striking the same theme but in a much different setting. In Sao Paulo, Brazil's largest city, he urged a group of well-off, well-dressed business leaders to join his drive to narrow the inequities between rich and poor.

The backdrop an air-conditioned modernistic ballroom filled with dark-suited businessmen could not have been more different, but the message was the same.

'We must work even harder to bridge the gap between the haves and have-nots,' Clinton said, lamenting what he called 'the age-old curse of Latin America.'

This persistent poverty 'has got to be dealt with more seriously, not only by government but by people in the private sector working in partnership with government,' he said. 'We have to give everyone who will work for it a place in the future we are trying to build.'

Clinton pledged American leadership in using expanded free trade to help the poorer countries of the hemisphere 'lift themselves into the ranks of middle-income countries.'

He linked this goal to his campaign for renewed authority to negotiate trade deals. That authority known as 'fast track' would permit him to hammer out deals that could not be amended by Congress. Instead, Congress would have to accept or reject them in their entirety.

Clinton appealed to members of the audience 'representing American companies' to lobby Congress, where the **fast-track** measure faces intense opposition, much of it from members of Clinton's own party.

'Globalization is irreversible,' he said. 'Protectionism will only make things worse.'

(EDITORS: BEGIN OPTIONAL TRIM)

But he also touched on criticisms raised by those Democrats who are calling for more protections for worker rights and the environment in all future trade deals.

'While we cannot turn back the winds of change, we can and must do more to harness their force to everyone's advantage and make sure the benefits and burdens of expanding trade are fairly borne,' he said.

Berger told reporters the two speeches were added to the trip because the president 'recognizes that globalization creates winners and losers, that a rising tide does not lift all the boats equally ... and that we must also pursue



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

Copley News Service, October 15, 1997

strategies to promote social cohesion and to close the (rich-poor) gap.'

Berger said this is 'what the **fast-track** debate is about.'

(EDITORS: END OPTIONAL TRIM)

Clinton also stressed education as a tool for raising the poor from the slums of Brazil and neighboring countries. It was that emphasis that drew him to the Mangueira School, a model program of education and sports that is providing fresh opportunity to poor children.

Supported by a group of corporate sponsors, led by the Xerox Corp., that provide \$600,000 a year in contributions, the school provide education and sports and pushes the students onto to higher education.

'If I didn't come here, I think I'd probably be a beggar,' said a grateful Jose(cq) Rodrigues, 14, who attended the speech clad in her pink and green school gymnastic uniform.

With her eight brothers and sisters, mother and step-father, she lives in a two-room shanty in the neighborhood visited by Clinton. But because of the program, she hopes to attend college.

With children like her in mind, the president said the school is 'giving Mangueira's children a future.'

The president also joined six of the students in an Internet hook-up with students in Woodbridge, Va., an example, he said of the global use of technology.

And, more playfully, before leaving the school the president was goaded by Pele and the children into displaying his prowess as a soccer player.

Bouncing the ball confidently off his left knee, Clinton went one-on-one against a young boy. Looking left, he kicked the ball to the right of the goal. With a little assist from the goalie, the president scored and received a congratulatory high-five from Pele.

The adulatory reception he got at the school with schoolgirls reaching up to kiss him on the face and boys proclaiming him 'really cool' was in contrast to the scattered protests that greeted him elsewhere in Brazil. On the day after his limousine was pelted by manure in Brasilia, Clinton drove past some protesters here chanting, 'Yankee parasite get out of Brazil.'

Berger joked about the handful of protesters, contrasting them to the 'hundreds of thousands' who protested some previous U.S. visits. 'They're hardly deserving of the good old days of protest,' he said.

After a helicopter tour of Rio and lunch at the famed Copacabana Palace, the president flew to Argentina, the final country in his current South American tour.

LOAD-DATE: October 16, 1997



LEXIS·NEXISTM

A member of the Reed Elsevier plc group



LEXIS·NEXISTM

A member of the Reed Elsevier plc group



LEXIS·NEXISTM

A member of the Reed Elsevier plc group

LEVEL 1 - 65 OF 250 STORIES

Times Publishing Company
St. Petersburg Times

October 15, 1997, Wednesday

SECTION: EDITORIAL; Pg. 12A

LENGTH: 424 words

HEADLINE: A Latin America of opportunity

BYLINE: (editorial)

BODY:

President Clinton this week is seeing a Latin America that his predecessors could only imagine. In several countries that suffered for decades under authoritarian rule, opposition groups are moving into the mainstream, the courts are becoming relevant, and economies are diversifying and gathering strength. In South America, the regional trade group, Mercosur, has brokered economic and political ties with Europe and Japan. Clinton calls the positive changes a "quiet revolution." It is one that Washington should not take for granted.

Clinton's overdue visit to South America, the first of his presidency, is both practical and symbolic. He has proposed new efforts to control drug trafficking and illegal immigration, and to expand hemispheric trade. Such themes are predictable, reflecting Clinton's domestic agenda. The **president** also has used the pageantry of his state visits to lobby Congress for "**fast-track**" trade authority. "It's a tough fight, but I think we'll win it," he predicted Monday on the flight to Brazil from Venezuela.

Clinton is ever the campaigner. But he should not let domestic politics overcome the larger purpose of his trip. With the Cold War over, the president has the luxury to strike deeper and redefine Washington's role in Latin America. Lower trade barriers are fine. But for a market economy to flourish over time, Latin America must abandon its rigid class controls and historical cycles of authoritarian rule.

The president broached the subject Monday, with characteristic timidity. Venezuelans "understand that they can't preserve their democracy in a free-market economy," he said, "unless they try to strengthen their social compact." Clinton has shown little interest in linking human rights to trade, but the time is right. Why waste the opportunity?

In political terms, the **president** could soften Democratic opposition to **fast-track** by balancing trade with democratic concerns. Clinton should use this week's trip to refocus the congressional debate. The issue is not just whether fair-labor and environmental laws belong in bilateral trade pacts. Beyond those concerns, Washington should be working to bring other regional governments into



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

St. Petersburg Times, October 15, 1997

an equal partnership with common democratic beliefs. This trip is providing the president and all Americans with evidence that many of our hemispheric neighbors are more prepared for such a partnership than ever before, but they need the United States' help to build on the political and economic gains they already have achieved.

LANGUAGE: ENGLISH

LOAD-DATE: October 15, 1997

**LEXIS·NEXIS®**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS®**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS®**

A member of the Reed Elsevier plc group

LEVEL 1 - 72 OF 250 STORIES

Copyright 1997 U.S. Newswire, Inc.
U.S. Newswire

October 14, 1997 16:26 Eastern Time

SECTION: NATIONAL DESK

LENGTH: 2301 words

HEADLINE: Clinton, Cardoso Remarks at Signing of Declaration on Education Part 2
of 4)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, Oct. 14

BODY:

Following is a transcript of remarks by President Clinton and President Cardoso
at signing of declaration on education (Part 2 of 4):

So here is the question, it seems to me -- and I would like to talk a little about this because I think it's quite important -- I think it's very important that the people of Brazil understand that just as with the trade issue and Mercosur, the United States would never knowingly make any suggestion that would undermine the growth of Brazil or any other country. It is not in our interest. We, after all, only have 4 percent of world's people. We enjoy a very high standard of living. We can only maintain our own standard of living if you grow. If there are more good jobs for Brazilians, higher incomes, more people are brought into the social compact in this country, then you can be a stronger partner, not only for us, but for your neighbors in this continent and throughout the world.

So our strategy is to aggressively support the growth of the emerging economies of the world, the strength of their democracies, and our capacity to cooperate together. I do not believe that any reasonable person can look at the world of today and imagine the world of tomorrow and believe that America can gain by someone else's economic loss. We have an interest in finding a way to grow together.

By the same token, the world will not gain if some countries limit their greenhouse gas emissions and other countries grow in the same old way with the same old energy base so that the climate continues to warm more rapidly than it has at any time in the last 10,000 years.

So what we want to do is to find a way for the developing countries to fulfill their responsibilities within the framework of Kyoto, recognizing that those of us in developed countries must do more, but that we must all participate. And we want to be very explicit that any participation on your part would not come at the expense of economic growth.

Developing nations have an opportunity to chart a different energy future than some of the developed countries. And if we share our technology and we



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

U.S. Newswire, October 14, 1997

share our knowledge, then we can achieve that. This is very important.

Brazil has already gone a long way toward proving this point, because you have developed so many non-traditional fuels, biologically-based fuels, for running your vehicles. So you have given evidence to the general point that I hope will be embraced by all the countries of the developing world. And I encourage that.

Finally, let me say, we talked about expanding our cooperation in regional and global security, and I want to say a word of appreciation to Brazil as the guarantor of the Peru-Ecuador peace process, and appreciation for its historic decision to join the Nuclear Non-proliferation Treaty and to sign the Comprehensive Test Ban Treaty. In all these actions, Brazil has taken its place as a world leader for peace and security.

Today, the Mutual Legal Assistance Treaty we signed will help us to crack down on drug production and trafficking and fight transnational crime in a way that benefits all of our people.

President Cardoso said two years ago when he visited me at the White House -- and I quote -- "The vocation of Brazil and the United States is to stand together." I believe we stand

together today as never before. The issues we face are central to the well-being of both our peoples. The fate of our hemisphere, with strong democracies, a commitment to fight crime and drugs, to work for lasting peace, the future of the new economy, preparing our people for the 21st century -- that's what this trip is all about. These are all objectives we share, and they really matter to ordinary citizens in both our nations and throughout this hemisphere.

Thank you. (Applause.)

PRESIDENT CARDOSO: President Clinton, I'd like to ask you to begin if you don't mind.

Q Mr. President, Attorney General Reno has made her decision and will extend her inquiry into your telephone fundraising to determine whether a special counsel should be named. How do you feel about that hanging over you for another 60 days at least?

PRESIDENT CLINTON: I feel nothing about it. There is a law and there are facts. And I feel that it would be much better if she were permitted to do her job. I know I didn't do anything wrong. I did everything I could to comply with the law. I feel good about it. But I told you yesterday, the thing I don't feel good about is the overt, explicit, overbearing attempt to politicize this whole process and to put pressure on more than one actor in it. That's wrong. There's a law. There's a fact-finding process. And I'm going to cooperate with it in every way I possibly can.

Q Mr. Clinton, will the recent -- between the European Union and Mercosur affect how you formulate your strategy for commerce in the Americas?

And for President Fernando Enrique, the question is, what is the relative importance of Europe as far as Brazil's commercial strategy or trade strategies concerned, especially vis a vis the United States?

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

U.S. Newswire, October 14, 1997

PRESIDENT CLINTON: Well, first of all, if I were in Brazil I would be trying to sell as much as I could to America and to Europe. I think that's the way this market works. Both the European Union and the United States have increased our exports to Brazil and to the Mercosur countries in the last few years markedly. So I don't feel threatened by it, I just want to make sure we're fully competing. And if we don't fully compete, it will be our fault, not yours and not Europe's.

That's one of the reasons that I'm seeking fast track authority. It's up to the United States to decide whether it's going to be a fully competitive nation, but we have -- in the last two years, for the first time in a long time, more than half our new jobs have come in the higher wage categories. And it's the direct result of our aggressive pursuit of trade opportunities.

So I'm prepared to compete and all I want is a fair chance to compete with the Europeans here or anywhere else. But I don't see that as a bad thing. If I were in your position, I'd be trying to sell more to everybody.

PRESIDENT CARDOSO: Well, I believe that what President Clinton said is most helpful to us. The more competition we have between the United States and Europe for trade, the better it is for us because it makes our products much cheaper. So I agree with President Clinton. It is true that Brazil's number one individual client is the United States today. But the European Union, as a whole, or taken as a whole, imports and exports a bit more than the United States, actually. We are now, as I said before and I'm going to repeat this, global traders. We actually trade with a number of countries and areas throughout the world and we're very interested in increasing these trade flows.

With regard to the United States, we have increased such trade flows. Unfortunately, we have an increasing trade deficit as a result of the increased trade with the United States. So we have to review this situation and try to balance it better to the benefit of both. We want to increase imports and exports. We don't want a zero-sum game and we don't want a game in which one loses and the other wins. We want a win-win situation in the trade arena.

That is why we say that our trade policy with Europe is very active. It will continue to be very active. But I agree wholeheartedly with President Clinton -- we cannot think about

such economic blocks as isolated fortresses. They have been designed to increase trade, and we're going to take advantage of every opportunity that we can find to intensify our trade abroad, to sell things abroad. We will do so whenever we can. We're not going to close off our economy because our competitiveness, our progress in the area of technology and the cheapening of the products for own people depend on such trade.

Thank you

Q Mr. President, in Venezuela your discussions included alternative energy sources. Here you've also discussed safe or clean energy sources. I wonder, given that in the United States there is opportunity for improvement in the area of both energy incentives and also reducing the amount of emissions, do you find it difficult to discuss this topic while abroad?



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

U.S. Newswire, October 14, 1997

PRESIDENT CLINTON: No, because I don't think the two things are inconsistent. I think we are -- a real responsibility in the United States to do energy conversion. We were on that path, ironically, 20 years ago, when our experts underestimated the amount of natural gas reserves that would be available to us in the United States and throughout the world. And we thought we could move to a clean coal technology and do the job. We now know that that decision was not accurate. But the people who made the decisions 20 years ago did it based on the best evidence they had at the time.

So I think we're going to have more reliance on natural gas and other forms of energy that are even cleaner. And we have to do more conservation. If you were there at the climate change conference we had at Georgetown a couple of weeks ago, we learned, among other things, that two-thirds of all the heat generated in the production of electricity is wasted. If we can recover half of that waste heat, we will generate enormous new capacity for growth without adding one single pollutant in the form of greenhouse gases to the atmosphere. So we've got a lot to do on our own account.

But as I said -- let me reiterate what I said. What I want to do is to try to help the developing countries grow their economy just as fast as would otherwise be the case, but chart a different energy future than the one we charted in the past when we were at the same stage of development. And the question is, can they do that. I think it's absolutely clear, crystal clear that they can.

And this is a big problem. In China today, bronchial disease is, among children, the number one health problem for kids in the country already. So I want the Chinese economy to grow and the Chinese people to prosper, but I think they should choose a different energy course for the same growth. And I think they can and we should be trying to help them. If we don't do it, then no matter what we in the developed countries do, within 30 to 40 years we'll be right back in the same pickle we're in today, except worse.

Q I have two questions for both Presidents. For President Clinton, since 1995 both governments have worked on the bilateral trade with you, but so far they have no concrete results. And the perception is that Brazil is still complaining about trade barriers and better access to the U.S. market. So I'd like to know if both Presidents have now a new orientation toward a new phase in the trade bilateral relationship.

For **President** Fernando Enrique, my question is, if there is no **fast track** authority, if this is not granted, would Brazil be willing to negotiate -- if there is no fast track, do you believe that there will be an continuity in the negotiations of FTAA? And if there isn't, would Mercosur take on this role -- in other words, the role of the principal protagonist in terms of trade in the region?

PRESIDENT CARDOSO: I don't want to make any bets on American policy. If there is going to be this sort of a policy or not is the United States' problem. I think that **President Clinton** is going to be in a position to get the **fast track** authority he wants.

But integration, whether we're talking about integration throughout the hemisphere or Mercosur, are two processes that are very interesting to our

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

U.S. Newswire, October 14, 1997

economies, quite apart from any political issues, which will simply decide the speed at which such issues are decided. So what President Clinton said was crystal clear when he talked about his view of Mercosur and FTAA. He said there is no clash between the two; there is no opposition. There is simply a situation, and we have to give ourselves enough time so that we will be in a position to prepare for increased competition. It's just a matter of time, procedures, so that we will be in a position to participate fully in conversations and understandings.

So with or without a fast track authority, the question is, is it good or bad for us to increase international trade, and the answer is always the same -- it's always good to increase international trade. So I would say that the other factors are just conditioning factors, but the key objectives are out there and they're unchanging.

We will continue to work to our utmost to consolidate Mercosur, but simultaneously to work on the FTAA. We signed an agreement in Miami -- I didn't sign it myself personally, but I was just the President-elect, but President Clinton was kind enough to ask me to come and observe. And this is not just a commitment on paper. It's a real commitment -- we really want to increase our trade foundation.

Now, people are talking about the United States, Europe and so forth -- trade is trade. We have to look at things one question at a time, how we're going to deal with the interests that are being affected, how can we build bridges in such a way as to benefit the parties involved. All of this involves a long construction process.

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

LEVEL 1 - 79 OF 250 STORIES

Copyright 1997 Associated Press
AP Online

October 14, 1997; Tuesday 13:15 Eastern Time

SECTION: Washington - general news

LENGTH: 786 words

HEADLINE: Clinton Pushes Continental Trade

BYLINE: SONYA ROSS

DATELINE: BRASILIA, Brazil

BODY:

President Clinton, campaigning before reluctant Brazilians for a hemispheric free-trade zone, said today that a regional pact in South America would not interfere with U.S. goals.

'Regional trade agreements everywhere if they serve to open borders, increase economic activities and promote growth promote stability and opportunity that benefits Americans,' the president said.

At a news conference with Brazilian President Fernando Henrique Cardoso in front of the low-slung, futuristic Planalto Palace, Clinton openly faced what he called 'some misunderstanding' about competing trade interests between the United States and the Mercosur trade bloc.

The Mercosur members Brazil, Argentina, Uruguay and Paraguay _ have resisted Clinton's timetable for free-trade talks, preferring first to develop a regional pact. Today, Clinton asked them not to consider it an either-or choice.

We can 'create a free-trade area of Americas consistent with Mercosur,' Clinton said. 'To me this is a false choice that we don't intend to ask the Brazilians, the Argentinians and the other members of Mercosur to make.'

'I don't feel threatened by it. I just want to make sure we fully compete,' he added. 'We can build on this and go forward to a free-trade area of the Americas,' he added.

Cardoso called Clinton's candor in their meetings 'a clear sign that we can reach an understanding.'

Reveling in his nation's status with other 'global traders,' Cardoso said U.S. companies would find willing trading partners in Brazil. 'We want imports and exports. We don't want the zero sum gain ... We want a win-win situation in the trade arena,' he said.

Clinton's visit coincided with U.N. balloting today that elected Brazil to a two-year term starting Jan. 1. The president congratulated Brazilians and reiterated his position that Latin America should have a revolving permanent



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

seat on the U.N. security council.

On his first trip to South America, Clinton sought to overcome more than just Mercosur reluctance to his call for creating a free-trade area of the Americas by 2005. He had also to convince a reluctant Congress back home to give him 'fast-track' trading authority, which would let him sign trade agreements that lawmakers must approve or disapprove without amending them.

En route to Brazil Monday, he called the battle tough but winnable.

'It's a principle at stake here,' he said. 'I would be fighting for it if I thought it had no chance to win. ... We made a better case for **fast-track** just by being down here.'

Brazil is the second stop in the **president's** visit; he will also journey to Argentina before returning to the United States on Sunday.

Earlier today, U.S. and Brazilian officials signed a declaration meant to improve access to technology in rural schools, link Brazilian and American schools by computer, and create a Brazilian equivalent of 'TechCorps,' the volunteer effort to expand technology that Clinton established in 1995.

They also signed cooperative agreements on crime-fighting, environmental preservation, peaceful use of nuclear energy and space exploration. The space pact provides that a Brazilian astronaut will join the U.S. space station crew on one mission.

On trade, the president said that more open markets would bolster living standards in emerging Latin American democracies as well as Asia, Africa and around the globe. In Brazil, for example, Clinton noted that trade almost doubled since 1990 to an estimated \$100 billion in 1996, and the U.S. share is a healthy 20 percent _ providing fresh jobs and income to both countries.

But the picture between the United States and Brazil is not all rosy. Stark economic disparities between rich and poor Brazilians remain, and the poor are increasingly restive, with many living in slums.

Before Clinton arrived, Brazilians fumed at a U.S. Embassy commercial guide posted on the Internet that said corruption was endemic here. The embassy apologized and struck the word 'endemic.'

The issue arose again at the presidents' televised news conference today, when a Brazilian reporter asked Clinton about the pamphlet. Clinton called it an 'appalling error of judgment' and apologized to the Brazilian people for any slight.

To reporters traveling with him, Clinton gave advance warning of possible rough spots in relations with Brazil, but he emphasized they were not insurmountable.

'If there are a few scratches on the record that you hear as we go in, keep in mind you have to see this against the background of the historic relationship between the United States and Brazil, which was much more tense and conflicted than it is today,' Clinton said.



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

AP Online, October 14, 1997

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997



LEXIS·NEXIS®
A member of the Reed Elsevier plc group



LEXIS·NEXIS®
A member of the Reed Elsevier plc group



LEXIS·NEXIS®
A member of the Reed Elsevier plc group

LEVEL 1 - 81 OF 250 STORIES

Copyright 1997 Associated Press
AP Worldstream

October 14, 1997; Tuesday 03:22 Eastern Time

SECTION: International news

LENGTH: 641 words

HEADLINE: Precede CARACAS Clinton sees **fast-track** victory, commerce across Americas

BYLINE: SONYA ROSS

DATELINE: BRASILIA, Brazil

BODY:

Predicting a tough but winnable fight with Congress to renew his '**fast-track**' trading authority, **President Clinton** proclaimed he's ready to expand the U.S. share of Latin American markets.

'It's a principle at stake here,' Clinton said Monday, promoting his visit to Brazil, the second of three South American countries on his tour. 'I would be fighting for it if I thought it had no chance to win.'

The grand idea of free-flowing commerce across the hemisphere 'relates centrally to the way I see the world unfolding, and the ties that I've tried to create for the United States in the Americas,' he said.

Clinton was highlighting his push for free trade Tuesday in meetings with Brazilian President Fernando Henrique Cardoso at the low-slung, futuristic Planalto Palace. They also were expected to sign a declaration on education.

Open trade is the central theme of **Clinton's** weeklong trip.

'We made a better case for **fast-track** just by being down here,' Clinton told reporters Monday as he flew from Venezuela to Brazil.

Renewal of **Clinton's fast-track** authority, which allows him to sign trade agreements that lawmakers must vote on without amending them, is stuck in a dispute with members of his own Democratic Party, who want to impose labor and environmental conditions. Every **president** since 1974 had **fast-track** authority until it lapsed in 1994. **Clinton** has failed for the past two years to get the Republican-controlled Congress to renew it.

'It's a tough fight, but I think we'll win,' he said of his chances this year. 'It's really a debate over principle with me.'

The president said more trade would bolster living standards in emerging Latin American democracies as well as Asia, Africa and around the globe. 'We are in a new world,' he declared.



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

In Brazil, for example, Clinton noted that trade almost doubled since 1990 to an estimated dlr\$ 100 billion in 1996, and the U.S. share is a healthy 20 percent providing fresh jobs and income to both countries.

Before a state dinner Monday night, Clinton told Cardoso that Brazil and the United States, as the two largest nations in the hemisphere, have an obligation to lead 'this historic revolution under way in the Americas' of expanding democratic and market reforms.

'America reaches out to Brazil with the hand of friendship and the pledge of partnership,' Clinton told Cardoso at the foreign ministry.

A delighted Cardoso, who made a state visit to Washington just two years ago, reminded Clinton, 'There's no substitute for firsthand knowledge and contact ... with a country.'

But the picture between the United States and Brazil is not all rosy. Stark economic disparities between rich and poor Brazilians remain, and the poor are increasingly restive, with many living in slums.

Even before Clinton arrived, Brazilians fumed at a U.S. Embassy commercial guide posted on the Internet that said corruption was endemic in the country. The embassy apologized and struck the word 'endemic,' and Clinton apologized for any perceived slights.

'If we did anything we shouldn't have done, I'm sorry,' he told reporters, saying that rough spots in relations with Brazil are not insurmountable.

'If there are a few scratches on the record that you hear as we go in, keep in mind you have to see this against the background of the historic relationship between the United States and Brazil, which was much more tense and conflicted than it is today,' Clinton said.

The president has made a point at each stop of applauding the spread of democracy to all nations in the Americas but one Cuba. Monday evening, a noisy group of pro-Cuba protesters outside the foreign ministry in Brasilia, shouted their disapproval, 'Clinton out of Brazil!'

The ruckus could be heard inside, but Clinton didn't seem to
ear.

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

LEVEL 1 - 88 OF 250 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

October 14, 1997, Tuesday, PM cycle

SECTION: Business News

LENGTH: 462 words

HEADLINE: Clinton sees **fast-track** victory, commerce across Americas

BYLINE: By SONYA ROSS, Associated Press Writer

DATELINE: BRASILIA, Brazil

BODY:

Predicting a tough but winnable fight with Congress to renew his "**fast-track**" trading authority, **President Clinton** proclaims he's ready to expand the U.S. share of Latin American markets.

"It's a principle at stake here," Clinton said Monday, promoting his visit to Brazil, the second of three South American countries on his tour. "I would be fighting for it if I thought it had no chance to win."

The grand idea of free-flowing commerce across the hemisphere "relates centrally to the way I see the world unfolding, and the ties that I've tried to create for the United States in the Americas," he said.

Clinton was highlighting his push for free trade today in meetings with Brazilian President Fernando Henrique Cardoso at the low-slung, futuristic Planalto Palace. They also were expected to sign a declaration on education.

Open trade is the central theme of **Clinton's** weeklong trip.

"We made a better case for **fast-track** just by being down here," **Clinton** told reporters Monday as he flew from Venezuela to Brazil.

Renewal of **Clinton's fast-track** authority, which allows him to sign trade agreements that lawmakers must approve without amending them, is stuck in a dispute with members of his own Democratic Party, who want to impose labor and environmental conditions. Every **president** since 1974 had **fast-track** authority until it lapsed in 1994. **Clinton** has failed for the past two years to get the Republican-controlled Congress to renew it.

"It's a tough fight, but I think we'll win," he said of his chances this year. "It's really a debate over principle with me."

The president said more trade would bolster living standards in emerging



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

The Associated Press, October 14, 1997

Latin American democracies as well as Asia, Africa and around the globe. "We are in a new world," he declared.

In Brazil, for example, Clinton noted that trade almost doubled since 1990 to an estimated \$ 100 billion in 1996, and the U.S. share is a healthy 20 percent - providing fresh jobs and income to both countries.

Before a state dinner Monday night, Clinton told Cardoso that Brazil and the United States, as the two largest nations in the hemisphere, have an obligation to lead "this historic revolution under way in the Americas" of expanding democratic and market reforms.

"America reaches out to Brazil with the hand of friendship and the pledge of partnership," Clinton told Cardoso at the foreign ministry.

A delighted Cardoso, who made a state visit to Washington just two years ago, reminded Clinton, "There's no substitute for firsthand knowledge and contact ... with a country."

But the picture between the United States and Brazil is not all rosy. Stark economic disparities between rich and poor Brazilians remain, and the poor are increasingly restive, with many living in slums.

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

LEVEL 1 - 90 OF 250 STORIES

Copyright 1997 The Baltimore Sun Company
The Baltimore Sun

October 14, 1997, Tuesday, FINAL EDITION

SECTION: TELEGRAPH (NEWS), Pg. 8A

LENGTH: 797 words

HEADLINE: Brazil, U.S. must be partners in bringing reforms, Clinton says;
President reaches second stop on South American tour, attends state dinner

SOURCE: FROM WIRE REPORTS

BODY:

BRASILIA, Brazil -- Flying into Brazil, the second stop on his weeklong South American visit, President Clinton said yesterday that Brazil and the United States, as the two largest nations in population in the hemisphere, have an obligation to lead "this historic revolution under way in the Americas" of democratic and market reforms.

Before attending a state dinner with President Fernando Henrique Cardoso, Clinton said: "America reaches out to Brazil with the hand of friendship and the pledge of partnership."

A delighted Cardoso, who made a state visit to Washington two years ago, reminded Clinton: "There's no substitute for firsthand knowledge and contact with a country."

Like Venezuela, Clinton's first stop, Brazil suffers severe economic inequality, fueling a growing undercurrent of social unrest among the poor.

In his one-day visit to Venezuela, Clinton preached the gospel of open trade but said more must be done to alleviate poverty and "give everyone a chance to be a winner in the new economy."

The hillside slums overlooking Caracas' skyscrapers were dramatic evidence of the economic inequality in the oil-rich country, which has become the United States' biggest petroleum supplier. Eight of 10 Venezuelans live in poverty, according to government estimates.

Clinton spoke from the steps of the National Pantheon, the church-like burial place for South American liberation hero Simon Bolivar and many of Venezuela's founding fathers. Bolivar led the fight to end Spanish colonial rule in Venezuela, Colombia, Ecuador, Bolivia, Panama and Peru.

"We know the hardships you have endured, but look what you have achieved," Clinton said.

He noted Venezuela's triumphs of the ledger -- including having cut its national debt and inflation in half -- then promised: "Your determination will pay off, in more jobs, higher incomes, and better prospects for your children in



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

The Baltimore Sun, October 14, 1997

the coming century."

"Our hemisphere is growing closer every day," he declared. "We are joined in the search for social justice within market economies. And we are all working to leave our children a planet as healthy and bountiful as the one we inherited."

The president said no nation, including the United States, has found "the perfect formula" but that education is an important ingredient.

Clinton delighted the crowd of several hundred people by experimenting with Spanish, to say, "Todo esta chevere en Venezuela!" Roughly translated, it means: "Everything is cool in Venezuela." His audience cheered.

Eight years ago, Venezuelans went on a rampage through the capital after price increases of basic foods, in a riot that left at least 300 dead. Disgruntled military officers mounted two unsuccessful coup attempts in 1992. And the next year, President Carlos Andres Perez was driven from office on corruption charges.

Corruption remains a top concern of U.S. businessmen, who lobbied for Clinton's visit and met privately with him yesterday.

The executives -- who sell everything from detergent to tires -- say the lack of an efficient judicial system leaves them vulnerable.

Clinton warned that corruption can undermine a nation's entire effort to modernize.

Wrapping up his stop in Venezuela, Clinton and President Rafael Caldera witnessed the signing of agreements to strengthen cooperation in energy development and combating drugs.

The drug accord gives Venezuela more than \$ 11 million in patrol boats and surveillance planes to help spot smugglers.

The United States and Venezuela also will establish a joint intelligence center to share information and coordinate anti-drug operations.

Although not a major center in the drug trade, Venezuela is believed by many law enforcement officials to be a popular site for laundering drug profits, and its terrain is used to transport narcotics manufactured across the western border in Colombia.

The United States agreed to give Venezuela \$ 500,000 for a study of greenhouse gases, and to expand Fulbright scholarships to Venezuelan students to study energy and the environment.

Last year, Venezuela replaced Saudi Arabia as the top U.S. oil supplier.

Because of lingering differences, the two countries were not able to conclude agreements on investment and taxation, considered important for foreign trade.

Open trade is the central theme of Clinton's trip -- as well as his campaign back home to win congressional approval for stronger "fast-track" authority to negotiate foreign trade deals.



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

The Baltimore Sun, October 14, 1997

He said the reality is "that whether we all like it or not, global economic integration is on a **fast track**."

After visits to Sao Paulo and Rio de Janeiro, Brazil, Clinton is scheduled to move on to Argentina on Thursday and to return to Washington on Sunday.

Pub Date: 10/14/97

GRAPHIC: PHOTO, ASSOCIATED PRESS, Warm greeting: Venezuelan children cheer as President Clinton arrives at the National Pantheon in Caracas, Venezuela. Clinton wrapped up his visit to Venezuela yesterday and moved on to Brazil.

LOAD-DATE: October 15, 1997



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

LEVEL 1 - 96 OF 250 STORIES

Copyright 1997 Times Printing Company
The Chattanooga Times

October 14, 1997, Tuesday

SECTION: National; Pg. A1

LENGTH: 746 words

HEADLINE: Clinton's visit aids U.S. trade

BYLINE: By Terence Hunt, The Associated Press

BODY:

CARACAS, Venezuela -- At a monument symbolizing South America's struggle for freedom, President Clinton preached the gospel of open trade Monday but said more must be done to alleviate poverty and "give everyone a chance to be a winner in the new economy."

The hillside slums overlooking Caracas' skyscrapers are dramatic evidence of the economic inequality in this oil-rich country -- which has become the United States' biggest petroleum supplier. Eight of 10 Venezuelans live in poverty, according to government estimates.

"For all the progress we have made together to advance democracy, free markets and full citizenship, we must acknowledge that a great challenge remains to make these forces work to the benefit of all our people," Clinton said.

The president said no nation, including the United States, has found "the perfect formula" but that education is an important ingredient.

Clinton spoke from the steps of the National Pantheon, the church-like burial place for South American liberation hero Simon Bolivar and many of Venezuela's founding fathers. Bolivar led the fight to end Spanish colonial rule in Venezuela, Colombia, Ecuador, Bolivia, Panama and Peru.

Apparently for security reasons, a tall screen encircled the courtyard, blocking it from surrounding buildings and cutting off any breeze on a hot day.

Clinton delighted the crowd of several hundred people by experimenting with Spanish, to say, "Todo esta chevere en Venezuela!" Roughly translated, it means "Everything is cool in Venezuela." His audience cheered.

From Venezuela, Clinton flew to Brazil, second stop on his week-long visit to South America that will include Argentina.

Before a state dinner at Brasilia, Clinton told President Fernando Henrique Cardoso that Brazil and the United States, as the two largest nations in the hemisphere, have an obligation to lead "this historic revolution underway in the Americas" of democratic and market reforms.

"America reaches out to Brazil with the hand of friendship and the pledge of



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

partnership," Clinton told Cardoso at the foreign ministry.

A delighted Cardoso, who made a state visit to Washington just two years ago, reminded Clinton, "There's no substitute for firsthand knowledge and contact . . . with a country."

Like Venezuela, Brazil also suffers severe economic inequality, fueling a growing undercurrent of social unrest among the poor. Even before Clinton arrived, Brazilians fumed at a U.S. Embassy commercial guide posted on the Internet that said corruption was endemic in the country.

The embassy apologized and struck the word "endemic."

Wrapping up his stop in Venezuela, Clinton and President Rafael Caldera witnessed the signing of agreements to strengthen cooperation in energy development and combating drugs.

The drug accord gives Venezuela more than \$11 million in patrol boats and surveillance planes to spot smugglers. The United States and Venezuela also will establish a joint intelligence center to share information and coordinate anti-drug operations.

The United States agreed to give Venezuela \$500,000 for a study of greenhouse gases, and to expand Fulbright scholarships to Venezuelan students to study energy and the environment.

Last year Venezuela replaced Saudi Arabia as the top U.S. oil supplier.

"For the last 80 years, Venezuela has been a rock of stability, staying out of the oil embargo (in 1973), stepping in to boost production in moments of crisis from World War II to the Gulf War," Clinton said.

Because of lingering differences, the two countries were not able to conclude agreements on investment and taxation, considered important for foreign trade.

Open trade is the central theme of Clinton's trip -- as well as his campaign back home to win congressional approval for stronger "**fast track**" authority to negotiate foreign trade deals.

The **president** said that open markets hold the promise of more jobs and higher living standards. But he added that no nation, including the United States, has found "the perfect formula for growing a free economy while preserving and extending the social contract for all our people."

"That is why we must work harder together to alleviate poverty, lift the conditions of working people throughout the hemisphere and give everyone a chance to be a winner in the new economy," Clinton said.

He said the reality is "that whether we all like it or not, global economic integration is on a fast track."

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997



LEXIS·NEXIS[™]

A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]

A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]

A member of the Reed Elsevier plc group

LEVEL 1 - 102 OF 250 STORIES

Copyright 1997 The Dallas Morning News
THE DALLAS MORNING NEWS

October 14, 1997, Tuesday, HOME FINAL EDITION

SECTION: NEWS; Pg. 6A

LENGTH: 927 words

HEADLINE: Free trade inevitable, Clinton says;
Venezuela gets reassurance about hemispheric zone

BYLINE: Kathy Lewis, Washington Bureau of The Dallas Morning News

DATELINE: CARACAS, Venezuela

BODY:

CARACAS, Venezuela - President Clinton, responding to critics of a proposed free trade zone from Alaska to Argentina, said Monday that global economic integration is on a fast track whether everyone likes it or not.

"And, therefore, we must give all our people the tools necessary to compete and succeed in it," he said.

Mr. Clinton, speaking from the steps of the bisque-colored National Pantheon where liberator Simon Bolivar is buried, told a crowd of 2,000 that the 19th-century hero was the first to imagine a hemisphere of democracies.

But even as he was applauded, there was considerable debate under way in Brazil, the second stop on his South American tour, about his trade policies and visit.

Well before Air Force One landed in the capital of Brasilia on Monday night, critics renewed their contentions that plans to create a hemispheric free trade zone by 2005 would weaken Mercosur, the regional trade pact Brazil has with Argentina, Uruguay and Paraguay.

Some Brazilian magazines and newspapers have blasted U.S. officials for everything from Secret Service security demands to an embassy brochure for business leaders that described "endemic" corruption in Brazil. The wording later was modified.

Aboard Air Force One, en route to Brazil, Mr. Clinton said he didn't believe he would get a bad reception there, but he noted that historically there have been strained relations between the two countries.

"The relationship that I hope that we have with Brazil is better than it's been in a very long time . . . maybe ever, and the relationship we need to build with Brazil is critical to the future, " he said.

But at the first stop on the president's South American tour, Venezuelan President Rafael Caldera accorded him the rare honor of speaking at the



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

Pantheon, where no foreign leader previously had addressed an audience.

Paying tribute to Bolivar, who led Venezuela and other nations to independence from Spain, Mr. Clinton said the hemisphere is growing closer every day.

The president's three-nation South America trip occurs just six months before the Summit of the Americas, which is scheduled for April in Chile. By then, he hopes to have received broad trade-negotiating authority from Congress.

The so-called fast-track authority means he could negotiate comprehensive trade agreements that Congress could accept or reject, but not modify.

Those plans have been met with stiff opposition, particularly in Mr. Clinton's own political party.

And even though the 34 democratic nations of the hemisphere have committed to achieving that goal by 2005, skeptics on both sides of the equator question whether it would help or hurt South American nations.

In his speech, Mr. Clinton said the economies of nations and the well-being of their citizens will become increasingly intertwined, regardless of trade agreements.

"While we do not have all the answers, we do know we must begin with the reality that whether we all like it or not, global integration is on a **fast track**," he said.

The **president** also sought to address concerns that a hemispheric free trade pact would harm segments of the population.

"The speedy exchange of goods, ideas and investment will bring benefits of the new economy to all people, including the people of Venezuela - from the oil workers of Monagas to the ranchers of Llanos to the entrepreneurs of Maracaibo," he said.

But Mr. Clinton cautioned that no democracy has yet found a perfect formula for improving the economy while "preserving and extending the social contract for all our people."

More must be done to alleviate poverty and to make sure everyone has a chance, he said.

Mr. Clinton's day began by meeting privately with business leaders and then witnessing the signing of cooperative agreements on energy and on combating drug-trafficking.

Venezuela has become the largest foreign supplier of oil for the United States and one of the biggest investors in the U.S. refining and gasoline retail market. The Venezuelan company Citco, for example, has 15,000 U.S. service stations.

Venezuela is seeking \$ 30 billion in private investments for its oil industry over the next 10 years.



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group

U.S. Energy Secretary Federico Pena said that the new energy agreement builds on a previous one and broadens the cooperation to areas such as energy efficiency, renewable energy and regulation.

Under the new "Alliance Against Drugs," Venezuela and the United States plan to exchange more intelligence information, curb money laundering, try to decrease the demand for drugs and improve judicial and law enforcement anti-drug efforts. The United States plans to give \$ 11.5 million in equipment and training for Venezuela to use in its drug fight.

Barry McCaffrey, director of the Office of National Drug Control Policy, said Venezuela sits on one of the principal drug smuggling routes for heroin and cocaine produced in Colombia.

U.S. and Venezuelan officials were unable to finish an investment treaty in time for Mr. Clinton's visit.

Before addressing the outdoor crowd in front of the Pantheon, Mr. Clinton placed a giant wreath of zinnias and carnations at Bolivar's tomb. The National Youth Orchestra, a group established for low-income children, then played the U.S. and Venezuelan national anthems and a John Philip Sousa march.

Mr. Clinton barely had stepped up to the microphone before he tried out a little Spanish. "Todo esta chevere en Caracas. Todo esta chevere en Venezuela," he said, declaring that everything is "cool" in Caracas and in Venezuela.

GRAPHIC: PHOTO(S): (1-2 Associated Press) 1. President Clinton and Venezuelan President Rafael Caldera arrive at the National Pantheon in Caracas on Monday. Mr. Clinton became the first foreign leader to speak at the site. 2. Reaching out in Venezuela: President Clinton shakes hands with members of the crowd Monday after addressing the Venezuelan people from the steps of the National Pantheon in Caracas. (Story on Page 6A.) (2ST-1A.)

LANGUAGE: ENGLISH

LOAD-DATE: October 15, 1997



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

LEVEL 1 - 103 OF 250 STORIES

Copyright 1997 The Financial Times Limited
Financial Times (London)

October 14, 1997, Tuesday LONDON EDITION 1

SECTION: NEWS: THE AMERICAS; Pg. 08

LENGTH: 583 words

HEADLINE: Clinton praise for region's democracy
VOW ON LATIN AMERICAN INTEGRATION:

BYLINE: By Raymond Colitt in Caracas

DATELINE: Caracas

BODY:

President Bill Clinton yesterday praised Latin America's advances in strengthening democracy and market economies, and promised to renew US efforts to push ahead with regional integration.

His speech in Venezuela, at the beginning of a week-long trip through South America, was intended to showcase the benefits of trade with Latin America and address concerns in the US Congress over the region's readiness for trade pacts with the US.

"Every nation in the Americas but one has embraced democracy, giving its people a vibrant free press, free elections and the rule of law. Decades of coups and bloody civil wars have given away to the peaceful transition of power. Stifling command economies have been replaced by free markets," said Mr Clinton.

In an apparent allusion to US congressional concerns about authorising **fast-track** trade negotiations, Mr Clinton also highlighted the efforts of Venezuelan President Rafael Caldera in the fight against corruption and drugs.

The US administration wants fast-track to pursue trade pacts with Chile and subsequently other South American nations.

Venezuela has played part in 'this quiet revolution'

"I am seeking the **fast-track** negotiating authority from Congress that every American president has had for over 20 years so we can work with our partners to open markets, create jobs and raise living standards for all," said Mr Clinton.

In press briefings to US journalists accompanying Mr Clinton, cabinet members went out of their way to underscore the close and beneficial trade links with Latin American countries.

"For every 1 per cent growth in Latin American economy, US exports are over \$ 5bn [£3bn] in terms of goods and services to Latin America, and those support 100,000 jobs in the United States," said Federico Pena, US secretary of energy. He pointed to the large investment opportunities for US oil companies in



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

Venezuela.

Oil giants, including Exxon, Texaco, and Mobil, are part of a \$ 30bn oil advance into Venezuela.

Underscoring the benefits of trade in reducing US dependence on Middle East oil, the US has emphasised that Venezuela is its main supplier of oil, and through its state oil company Petroleos de Venezuela (PDVSA), the seventh largest investor in the United States. Venezuelan exports to the US are approximately \$ 13bn.

For Venezuela, Mr Clinton's 23-hour stopover was a welcome recognition of its status as the region's principal energy supplier. However the two countries failed to reach a final agreement on investment protection and double taxation, but instead pledged to continue their negotiations.

The US had linked the talks to Venezuela's progress on intellectual property right protection, on which Caracas asked to be recognised for what it called a "best effort".

"A double tax treaty is very important but implies a series of conditions that are vital to our national interests," said Mr Caldera in an interview.

Mr Clinton also pointed to the benefits for Latin American countries in embracing free trade and market economies. The rewards of hardship and reform, he told a crowd before the tomb of independence fighter Simon Bolivar in Caracas in reference to recent austerity measures, "will pay off in more jobs, higher income, and better prospects for your children in the coming century." Venezuela played an "extraordinary part in this quiet revolution of the Americas", which was paving the way for a hemispheric free trade area by the year 2005, he said.

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

LEVEL 1 - 120 OF 250 STORIES

Copyright 1997 Gannett Company, Inc.
USA TODAY

October 14, 1997, Tuesday, FINAL EDITION

SECTION: NEWS; Pg. 9A

LENGTH: 839 words

HEADLINE: Clinton pushes 'fast-track' during visit to Venezuela

BYLINE: Bill Nichols; Paul Leavitt; With staff and wire reports

BODY:

President Clinton, ending a 24-hour state visit to Venezuela on Monday, called for a free-trade area "from Alaska to Argentina" by 2005. He used his visit to again pitch for "fast-track" authority for him to negotiate trade agreements that Congress could then only approve or reject, but not change.

Aware that many Democrats supported by labor and environmental activists oppose trade pacts without protections for workers and the environment, Clinton said that "whether we all like it or not, global economic integration is on a fast track." He urged Venezuelans to work with the United States "to intensify our efforts for economic growth, social justice and environmental protection."

The crowd of about 1,500 at Clinton's speech in downtown Caracas was startlingly small. When it was apparent the plaza would be only about one-third filled, White House aides tried to hustle passers-by in off the street.

Late Monday, Clinton and first lady Hillary Rodham Clinton flew to Brasilia, Brazil. -- Bill Nichols

VOTER FRAUD: Nearly 60% of voter registrations by the immigration-rights group Hermandad Mexicana Nacional were non-citizens ineligible to vote, California Secretary of State Bill Jones said after an investigation that is part of a disputed congressional election. Jones said the group's rate of non-citizen registrations far exceeded any other organization. Former representative Bob Dornan, a nine-term Republican, contends his 984-vote loss to Democrat Loretta Sanchez resulted from illegal voting by ineligible people. The House voted this month to urge the Justice Department to bring criminal charges against Hermandad Mexicana Nacional for defying a subpoena in the election dispute.

CYBER SECURITY: A federal panel that was to report Monday on how to protect critical on-line systems from attacks was granted an extension to Oct. 20. The President's Commission on Critical Infrastructure Protection will urge measures by the government



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

USA TODAY, October 14, 1997

and private sector to protect computers that serve such areas as banking, the power grid and telecommunications.

NEW CHIEF: Command Sgt. Major Robert Hall was named sergeant major of the Army, the highest noncommissioned officer whose job is to advise the Army chief of staff on conditions and concerns of the Army's 400,000 enlisted personnel. Hall replaces Gene McKinney, who was removed from the post last week as the Army prepares to try him on charges of sexual misconduct. McKinney denies wrongdoing. Hall, a native of Gaffney, S.C., is only the 11th person to hold the title. He was appointed by Gen. Dennis Reimer, the Army chief of staff. During 27 years in the Army, Hall has served in Germany, Korea and in the Persian Gulf War. His most recent post was as command sergeant major of the U.S. Central Command at MacDill Air Force Base in Florida.

BAKER LOBBIES FOR TOBACCO: Former Senate majority leader Howard Baker, whose first wife died of lung cancer and other health problems, has become a lobbyist for five tobacco companies seeking a liability settlement with the states and Congress, The Knoxville News-Sentinel said. Baker is comfortable with the work because he "believes it is good for public health," an associate said.

ALSO . . .

-- **PROTOCOL CHIEF:** President Clinton has nominated long-time Arkansas associate Mary "Mel" French to head the State Department's protocol office. She would replace Molly Raiser, who retired. French coordinated Clinton's volunteer campaign during his 1990 gubernatorial race and helped run his first presidential inauguration in 1992.

-- **CALIFORNIA SENATE RACE:** Sen. Barbara Boxer, D-Calif., tops three potential Republican challengers but has only a 43% job approval rating, a Los Angeles Times poll found. Boxer's ahead of state Treasurer Matt Fong 49% to 37%, San Diego Mayor Susan Golding 48% to 34%, and businessman Darrell Issa 51% to 31%. "These are not stellar numbers," said poll director Susan Pinkus.

Jones' mother questioned in pre-trial

Paula Jones accompanied her mother to a Little Rock lawyer's office where President Clinton's attorneys began pre-trial questioning of potential witnesses in Jones' sexual harassment lawsuit against the president.

First up was Jones' mother, Delmer Lee Corbin of Cabot, Ark. A sister, Lydia Cathey, is scheduled to be questioned today. Details of the testimony aren't being disclosed, but among the things Clinton's lawyers want to know is what Jones told friends and relatives about her allegation that Clinton exposed himself to her and asked for oral sex in a hotel room in 1991 when he was Arkansas governor and she was a state employee. He denies the accusation.



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

USA TODAY, October 14, 1997

Clinton's strategy is to portray Jones as a money-grubbing liar bankrolled by his political enemies who are out to embarrass and humiliate him. Jones, through subpoenas to women reputed to have had sexual relations with Clinton, is seeking to portray him as a chronic adulterer.

GRAPHIC: PHOTO, B/W, Ruth Fremson, AP; PHOTO, B/W, U.S. Army; PHOTO, B/W, AP

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

LEVEL 1 - 124 OF 250 STORIES

Copyright 1997 News World Communications, Inc.
The Washington Times

October 14, 1997, Tuesday, Final Edition

SECTION: Part A; Pg. A1

LENGTH: 841 words

HEADLINE: **Clinton** ties social justice to **fast-track** trade policy;
In Venezuela, he adopts Gephardt stance

BYLINE: Warren P. Strobel; THE WASHINGTON TIMES

DATELINE: CARACAS, VENEZUELA

BODY:

CARACAS, Venezuela - Switching gears on a key policy question, President Clinton said yesterday that the drive for free trade must be paired with protections for the less-well-off who are suddenly thrust into the global economy.

"Whether we like it or not, global integration is on a **fast track**," Mr. Clinton said yesterday in a speech here in the Venezuelan capital.

But, he added, "we must also recognize that no democracy, including the United States, has yet found the perfect formula for growing a free economy while preserving and extending the social contract for all our people. That is why we must work harder to alleviate poverty, lift the conditions of working people throughout the hemisphere and give everyone a chance to be a winner in the new economy."

Mr. Clinton delivered his message that "social justice" should be a goal of trade policy before flying off to Brasilia, Brazil, yesterday afternoon for the second leg of his three-country South American tour. His text appeared aimed as much at politicians in Washington as at his audience in South America.

Many in the president's own Democratic Party, allied with the AFL-CIO, and even a number of conservative Republicans have pressed the administration to include human rights, labor standards and environmental protections in trade negotiations.

House Minority Leader Richard A. Gephardt, a potential contender for the 2000 Democratic presidential nomination, received a rousing reception from organized labor last month when he showed pictures of the horrific conditions he encountered on a visit to the Mexican border - the byproduct, he said, of unchecked free trade.

Mr. Gephardt has scored political points by insisting that the "**fast-track**" negotiating authority to cut trade deals that Mr. Clinton wants be accompanied by requirements for binding worker protections and environmental standards.



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

The Washington Times, October 14, 1997

The president used the phrase "social justice" or "social contract" three times in his relatively brief Caracas address. He spoke in front of the National Pantheon, the burial place of Simon Bolivar, who liberated much of the continent from Spanish rule.

The gap between rich and poor is a major concern throughout South America, where land and industrial assets are often held in a few hands and millions work and live in poverty, without access to education or health care.

Deputy National Security Adviser Jim Steinberg said the president would sound the theme repeatedly as he travels in Brazil and Argentina over the next six days.

Trade will be the major item on his agenda in Brazil, where many are wary that Washington wants to dictate terms for a hemispheric free-trade area.

But aside from an emphasis on education as a way to spread the benefits of economic growth, Mr. Clinton appears to have few concrete plans to offer. And adopting Mr. Gephardt's position on **fast track** would only alienate the congressional Republicans whose support he desperately needs.

From Venezuela, Mr. Clinton flew yesterday to Brazil, the second stop in his weeklong visit to South America. President Fernando Henrique Cardoso was host for a state dinner in Brazil's capital city. The president also will visit Sao Paulo and Rio de Janeiro before moving on to Argentina.

Earlier yesterday, Mr. Clinton and Venezuelan President Rafael Caldera witnessed the signing of agreements to cooperate in energy development and the fight against drug trafficking. Venezuela is a major transit point for drugs, with U.S. officials estimating that more than 100 metric tons of cocaine and 10 metric tons of heroin pass through the country yearly.

Then the two presidents went by motorcade to the Pantheon, where Mr. Clinton, accompanied by first lady Hillary Rodham Clinton, laid an enormous wreath at Bolivar's tomb.

While Mr. Clinton usually attracts huge crowds when he travels abroad, the plaza where he addressed "the people of Venezuela" was only half full yesterday. People filed in and out as he spoke, more intrigued by the sight of a U.S. president than held rapt by his words.

But the crowd, which could not have numbered more than 1,500, broke into applause when the U.S. president told them, "Todo esta chevere en Caracas. Todo esta chevere en Venezuela" - Spanish for "Everything is fantastic in Caracas. Everything is fantastic in Venezuela."

There were more cheers when Mr. Clinton lauded Venezuela for its "world-class baseball players." Among the best known is Cleveland Indians shortstop Omar Vizquel, who has been causing headaches for the Baltimore Orioles in the American League Championship Series.

Mr. Clinton repeatedly invoked the memory of Bolivar, the continent's revered "liberator," and his dream of a hemisphere free and at peace.



LEXIS·NEXISTM
A member of the Reed Elsevier plc group



LEXIS·NEXISTM
A member of the Reed Elsevier plc group



LEXIS·NEXISTM
A member of the Reed Elsevier plc group

The Washington Times, October 14, 1997

"Our hemisphere is growing closer every day," said Mr. Clinton, the first foreign leader to speak at the spot. "Driven by shared values and common purposes, we have put the age-old dream of a democratic and prosperous family of the Americas within our reach."

GRAPHIC: Photo, Venezuelan children cheer yesterday as President Clinton arrives at the National Pantheon in Caracas for a speech. He then departed for Brazil.,
By AP

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

LEVEL 1 - 127 OF 250 STORIES

Copyright 1997 U.S. Newswire, Inc.
U.S. Newswire

October 13, 1997 13:10 Eastern Time

SECTION: NATIONAL AND INTERNATIONAL DESKS

LENGTH: 1671 words

HEADLINE: Transcript of Clinton Remarks to the People of Venezuela

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, Oct. 13

BODY:

Following is a transcript of remarks made by President Clinton today to the people of Venezuela:

Plaza El Panteon
Caracas, Venezuela

11:10 A.M. (L)

THE PRESIDENT: Mr. President, let me begin by thanking you for your warm introduction and your invitation to speak at this sacred place. I am deeply honored to be the first foreign leader ever to address the people of Venezuela at the Tomb of Simon Bolivar.

To the people of this city, I thank you for the extraordinary welcome you have given to Hillary and me, and to our entire delegation. Todo esta chevere en Caracas. (Applause.) Todo esta chevere en Venezuela. (Applause.)

Let me welcome especially all the young people who have come here today and say a special word of appreciation to the National Youth Orchestra, which played our National Anthems and my favorite march so magnificently. It is to the young and their future that I wish to speak on this day. (Applause.)

It is especially fitting that we meet here at the Panteon National, for the liberator belongs not only to Venezuela and the other nations of the Andes, Bolivar belongs to all the Americas. He stands alongside Washington and San Martin and the pantheon of liberty's heroes. He was the first to imagine a hemisphere of democracies, united by shared goals and common values. His example stirred the hearts of men and women throughout our region. Indeed, today we in the United States can still mark the frontier of our nation in the 1820s by finding our towns, our counties, our villages named Bolivar in the states of Missouri, Ohio, Tennessee and West Virginia. When the liberator died, his vision of freedom and peace in the Americas seemed an impossibility. How I wish he were here today to see his spiritual heirs here in Venezuela and throughout the Americas turning his dream into a reality.

Our hemisphere is growing closer every day. Driven by shared values and common purposes, we have put the age-old dream of a democratic and prosperous family of the Americas within our reach. In the last decade, every nation in the



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

U.S. Newswire, October 13, 1997

Americas but one has embraced democracy, giving its people a vibrant free press, free elections and the rule of law. Decades of coups and bloody civil wars have given way to the peaceful transition of power. Stifling command economies have been replaced by free markets, giving innovation and more jobs and higher incomes. We are joined in the search for social justice within market economies. And we are all working to leave our children a planet as healthy and bountiful as the one we inherited.

I come here today to salute the people of Venezuela for the extraordinary part you are playing in this quiet revolution of the Americas, and especially to salute President Caldera for a lifetime of leadership for liberty. You, Mr. President, have carried the torch that Bolivar lit for more than half a century, and we are all in your debt. (Applause.)

Other nations in our hemisphere have been drawn to the path you have blazed. For Venezuela is a world center of energy -- oh, yes, petroleum, but also energy for peace and freedom; energy for democracy and prosperity; and I might add, energy for world-class baseball players. (Applause.)

Your democracy has weathered powerful challenges, but never wavered. Under the leadership of President Caldera, you are building a state that is popular, just and moral; a state in which, as Bolivar said, the rule of law will signify the triumph of equality and freedom.

Americans look to Venezuela and see a growing economy, renewed and strengthened by sacrifice. We know the hardships you have endured, but look what you have achieved. you have cut your debt and cut inflation by more than half. You are moving industries into the competitive free market. You are opening your doors to foreign investment to create new opportunities for Venezuelan workers. And your determination will pay off, in more jobs, higher incomes, and better prospects for your children in the coming century.

We Americans also look to Venezuela and see an example of how different people can come together as one community and one nation. On this day, we recall the moment when Columbus joined the peoples of the Old World and the New World. Venezuela shows all of us how we can draw strength from the joining of different peoples.

From Bosnia to Central Africa, from Northern Ireland to the Middle East, one of the greatest challenges to peace and freedom in the world comes from people who hate others because of their religious or racial or ethnic differences. And they claim those differences as justification for taking away their political rights, their homes, their freedom, sometimes even their very lives.

Venezuela has shown us a better way. Here, the children of Europeans, indigenous Americans, and Africans live together as one people. Here, every Venezuelan is a ciudadano. (Applause.)

For all the progress we have made together to advance democracy, free markets and full citizenship, we much acknowledge that a great challenge remains to make these forces work to the benefit of all our people. To do that we will have to intensify our efforts for economic growth, social justice and environmental protection and against the common threats to our security.



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group

U.S. Newswire, October 13, 1997

At the Summit of the Americas in Miami, our nations pledged to create a free trade area of the Americas by 2005, uniting the creative energies of 800 million of us, from Alaska to Argentina. We will tear down the barriers of the past and open wide the doors of the 21st century. (Applause.)

The speedy exchange of goods, ideas and investment will bring benefits of the new economy to all people, including the people of Venezuela - - from the oil workers of Monagas to the ranchers of Llanos to the entrepreneurs of Maracaibo.

I want the United States to do its part, and I am seeking the **fast track** negotiating authority from Congress that every American **President** has had for over 20 years, so that we can work with our partners to open markets, create jobs and raise living standards for all. (Applause.)

We must also recognize that no democracy, including the United States, has yet found the perfect formula for growing a free economy while preserving and extending the social contract for all our people. That is why we must work harder together to alleviate poverty, lift the conditions of working people throughout the hemisphere and give everyone a chance to be a winner in the new economy.

While we do not have all the answers, we do know we must begin with the reality that whether we all like it or not, global economic integration is on a fast track. And, therefore, we must give all our people the tools necessary to compete and succeed in it.

Because we want all our people to succeed we have, from the Summit of the Americas in Miami to next year's summit in Santiago, put education at the center of our cooperation. All our children must be ready for tomorrow. (Applause.)

And we owe it to our children to see that today's progress does not come at tomorrow's expense. We must do more all across the Americas to improve our stewardship of the environment, clean our air, clear our water, keep toxic chemicals out of our soil and reduce the volume of greenhouse gases we put into our atmosphere, risking dramatic and dangerous changes in the climate for our children and our grandchildren. (Applause.)

And just as we work together to seize the opportunities of this new era, so we must also move together swiftly and strongly against the new threats it has produced. In both our countries drugs poison our children and threaten our neighborhoods. The United States is working to reduce drug demand at home and to attack drugs all along the pipeline that brings them into our streets and our schools. Today our government signed wide-ranging agreements that join us in an alliance against drugs. Thank you, Venezuela, for the tough stand you are taking in this fight for our common future. (Applause.)

And I thank President Caldera for leading this hemisphere in the fight against corruption. Corruption destroys confidence and fragile democracies, erodes free markets, saps the strength of law enforcement. It undermines all we are working so hard to build. Venezuela's leadership has lead to a common commitment to fight corruption, to beat it back, to stamp it out. (Applause.)

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

U.S. Newswire, October 13, 1997

To the people of Venezuela, I want you to know the United States is determined to work with you in a spirit of respect and equality, as friends and partners, to claim the benefits and carry the burdens of this new era. (Applause.)

Now, on this day when we remember Columbus' remarkable arrival over 500 years ago in the Americas, we embark on a new voyage toward a new century and a new millennium, steering our course by the stars of freedom and democracy, partnership and respect, prosperity and security, not for just a few, but for all our citizens. (Applause.)

Here, before the Tomb of Simon Bolivar, let us pledge to redeem in full the vision of the liberator. More than 160 years ago, he spoke to us of a Western Hemisphere that commanded envy and respect, as he said, "not so much by virtue of her ahead and wealth, but by her freedom and her glory."

Today, I pledge to you, hijos de Bolivar, that by our work, now and into the new millennium, we will secure that freedom, and with it, the glory of all the people of the Americas.

Thank you and God bless you. (Applause.)

END 11:40 A.M. (L)

LANGUAGE: ENGLISH

LOAD-DATE: October 13, 1997



LEXIS·NEXIS®

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS®

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS®

Ⓜ A member of the Reed Elsevier plc group

LEVEL 1 - 128 OF 250 STORIES

Copyright 1997 U.S. Newswire, Inc.
U.S. Newswire

October 13, 1997 20:27 Eastern Time

SECTION: NATIONAL DESK

LENGTH: 1847 words

HEADLINE: Transcript of Clinton Remarks to Press Pool Aboard Air Force One Part
2 of 2)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, Oct. 13

BODY:

Following is a transcript of remarks made by President Clinton today to the
press pool aboard Air Force One (Part 2 of 2):

Q Can I switch the subject? Back to Brazil, where do you think this American
bashing is coming from? How do you account for it?

THE PRESIDENT: You mean, the recent press lately? Well, I don't know.
There is some speculation that there were some problems with the advance team in
Brasilia, something like that. Is that right? I don't know about that. I
can't comment on it. But this is a rather challenging trip for the advance team
because we have so many members of Congress and so many Cabinet members. It's
sort of a big group to move around.

I hope that our people haven't done anything inappropriate. I know that
that's something we worked very, very hard on. When I became President, I heard
sort of generic criticisms that often the Presidential team -- everywhere, I
don't mean my predecessor; I mean, just generically -- sometimes they were
thought to be a little overbearing.

So we've done a lot of kind of training work on that topic, and we try not to
do that. So I don't know anything about the facts. If we did anything we
shouldn't have done, I'm sorry. But I can tell you this, the relationship that
I hope that we have with Brazil is better than it's been in a very, very long
time, maybe ever -- but certainly in a long time. And the relationship we need
to build with Brazil is

If you go back to Ron Brown's list of 10 emerging nations, go back to
anybody's analysis of which countries will really have a huge impact on the
future, particularly for us in our back yard, Brazil is one of them and one of
the leading potential candidates for a much larger role in the world in the 21st
century. And I view that as a positive thing.

I think it's an exciting, interesting place with a fabulous culture -- great
music. I was down here listening to my Brazilian music I brought along with me.



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

U.S. Newswire, October 13, 1997

Q You brought some?

THE PRESIDENT: Oh, yes.

Q What did you bring?

THE PRESIDENT: I've got a lot of my old Antonia Carlos Sabim (phonetic) records. But I also have some newer records back at the house. I left some of them back.

I feel basically quite positive. I think Cardoso has been an exceptional leader -- defending Brazil's national interests, understanding its unique challenges, and trying to form a constructive partnership with us while building a Mercosur alliance and reaching out to other countries on the South American continent. So I feel very upbeat.

But if there are a few scratches on the record that you hear as we go in, keep in mind -- you have to see this against the background of the historic relationship between the United States and Brazil, which was much more tense and conflicted than it is today.

Q Mr. President, for the average person back home, what would you hope that he or she would draw from your experiences that you're having here in South America -- the trip itself, your message?

THE PRESIDENT: Well, I would hope that the average person would think, number one, it's a good thing for America that these countries believe in democracy and free markets, because that means that it's less likely that we'll have the kind of difficulties we had 30 or 40 years -- actually going back to the beginning of the century -- in the Americas because of political upheavals, military dictatorships, things of that kind.

Number two, I am convinced that there is an increasing determination among the South Americans to join us in a common fight against drug trafficking and crime, and that's important.

Number three, I hope they will see through your reporting and the pictures you send back that there is an enormous amount of economic potential down here, and it's a great market for America's goods and services, and we ought to be selling more to these people.

They have been very willing to buy our products. Seventy percent of our increase in trade in the last year has come from Canada to the tip of South America, and we need to do more. I hope that -- and I hope all of you when you leave here -- will think that we made a better case for fast track just by being down here, just by seeing the enormous economic potential and how the Latin Americans can use things that we have to sell in ways that benefit us both.

Q -- until now?

THE PRESIDENT: Well, I think there are a lot of reasons. But I think one problem is, there is a lot of residual over NAFTA. The people who were against NAFTA are against this. But in the case of NAFTA, you had Mexico on our border with 100 million people and a set of very specific terms in the trade agreement, so that there were a lot of winners as well as people who thought they were going to lose. So the scales of the debate were more evenly balanced.

Plus the other consequences -- the political consequences, the immigration



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

U.S. Newswire, October 13, 1997

consequences, the drug consequences --as well as the economic benefits, were all much more stark and immediate with Mexico and NAFTA.

The **fast track** vote is a process vote to give the **President** the power to present other trade agreements to the Congress. Two categories of them have generally been very popular with both Democrats and Republicans -- that is, anything that expands global trade under the WTO, which is good for us because we're competitive; and sector-specific agreements like the information technology agreement we negotiated, which is going to create tens of thousands, maybe even a couple hundred thousand good American jobs in the next few years.

The third category is where the controversy is. It would give Ambassador Barshefsky the ability to try to negotiate an agreement with other individual countries, except here, the people who weren't for NAFTA or the people who think that it didn't work or the people who were worried about something else, they have their worries out there, but we don't yet have the specific benefits out there, except in a conjecture because I don't have an agreement. NAFTA was a specific agreement.

So, in a way, the opposition can burn a little whiter heat and show a little more intensity. And I think that that's a difficult thing for us.

I also think, in fairness to the Democrats, we have raised the issue -- all of us, I'm not using the Presidential "we" -- our party standards and environmental standards should have in the trade equation. And we're having an in-house debate about what the best way to do that is.

You know, Senator Moynihan, for example, who's got a very strong pro- labor record at home and abroad and a very strong trade record, thinks that there shouldn't be trade sanctions applied for specific environmental or labor issues, but we ought to be able to go at it in other ways.

Mr. Gephardt believes we shouldn't have another trade agreement unless it contains trade sanctions for labor and environmental reasons, or at least that we ought to try to negotiate that.

What I tried to do is to leave most of our options open there so that I could get the best agreement I can, but knowing that, regardless, I'm not going to negotiate an agreement that I do not believe is in the best interest of the United States. Congress will be able to review it and decide whether it helps create jobs and a better future for us.

And I think that engaging these countries will increase our ability to influence them as they try to raise labor standards and deal with environmental issues.

The Venezuelans -- we were talking -- they understand that they can't preserve their democracy in a free market economy unless they try to strengthen the social compact. They've got to figure out a way for more people to do well and they've got to figure out an intergenerational strategy that not only supports education for children but protects the environment.

So I think that we're going in the right direction -- the direction that the opponents of fast track want to go in; that is, those that are really interested

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS**

A member of the Reed Elsevier plc group

U.S. Newswire, October 13, 1997

in the labor and environmental issues.

There are some people who simply think that globalization always works to our disadvantage, and I just don't agree with that. And I think that it's not a realistic option. The global economy is on a fast track. The Europeans are reaching out to the Mercosur nations. Even though our exports have grown a great deal to Latin America, the

And their trade union movements in their country, for example, and other people like -- they seem to understand that, because of what they have to sell and because of the trade relationships, they're going to come out, net, ahead. That's what I believe is the case in America and why I'm pushing this so hard.

Q Are you going to win?

THE PRESIDENT: I think so. It's a tough fight, but I think we'll win. But it's just a -- it's really a debate over principle with me, and I believe the United States has to create more high-wage jobs for the future so that we can start growing together again. The last couple of years, we've finally got some indication that the bottom 40 percent of our workers are beginning to raise their incomes equal to and, after taxes maybe even a little more in percentage terms, than the upper 20 percent. But that's after 20 years of complete stagnation.

And the evidence is not clear yet. We have to change the job mix every year. The last two years, more than half our new jobs have paid above- average wages -- dramatic contrast from the '80s and the early '90s. The only way for us to keep that trend going and accelerate it is for us to trade more in areas where we have a competitive advantage, where we make things that are sophisticated with workers who make good incomes -- we make more of that -- that's the first thing.

The second thing is, I believe the United States has to send a signal to our allies, particularly in this hemisphere, and our allies in Asia and in Africa, that we know we're in a new world and it's a which in which we're interdependent and which we want to lead through partnerships.

So I think the political interest we have in having stable countries growing more successful, being firmly democratic, working with us on issues like labor and environmental conditions, argues overwhelmingly for the adoption of **fast track** and giving the **President** the authority to go do this work.

There is a principle at stake here, so I would be fighting for it if I thought I had no chance to win, because it relates centrally to the way I see the world unfolding and the ties that I've tried to create for the United States -- in the Americas, in Asia, in Africa, as well as reaffirming our historic ties to Europe.

END 3:45 P.M. EDT

LANGUAGE: ENGLISH

LOAD-DATE: October 13, 1997



LEXIS·NEXIS[™]
A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]
A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]
A member of the Reed Elsevier plc group

LEVEL 1 - 135 OF 250 STORIES

Copyright 1997 Arkansas Democrat-Gazette
Arkansas Democrat-Gazette

October 13, 1997, Monday

SECTION: NEWS; Pg. 1A

LENGTH: 1754 words

HEADLINE: Clinton takes trade talk south Visit reflects envoy role of
McLarty

BYLINE: JANE FULLERTON, ARKANSAS DEMOCRAT-GAZETTE

BODY:

WASHINGTON -- President Clinton arrived Sunday in Venezuela on his first visit to South America, a journey that could be a showcase for the president's foreign policy -- and the man who orchestrated it, fellow Arkansan Thomas F. "Mack" McLarty.

As Clinton's special envoy to the Americas, McLarty, a former Arkansas natural-gas executive, has made nearly three dozen trips to Latin America since the administration increased its focus on the region in December 1994.

McLarty's shuttle diplomacy laid the groundwork for the president's week-long swing through Argentina, Brazil and Venezuela. He has been involved with everything from meeting with heads of state to fretting over whether soccer great Pele will appear with Clinton at a Brazilian school.

In the words of National Security Adviser Sandy Berger, McLarty has been "all four horsemen of this Latin American effort."

On a mild day with threatening clouds in Caracas, Venezuela, Clinton was warmly greeted by President Rafael Caldera and a 21-gun salute at La Carlota Air Base. Caldera hailed Clinton as "the president of the most important country of the world" and said his visit would put Caracas, the capital, in the global spotlight.

After reviewing a military honor guard, Clinton made a beeline to dozens of flag-waving children. He was accompanied by first lady Hillary Rodham Clinton, Energy Secretary Federico Pena, Commerce Secretary William Daley and Secretary of State Madeleine Albright, as well as U.N. Ambassador Bill Richardson and Gen. Barry McCaffrey, the drug policy adviser.

Clinton said the Americas, north and south, stand "united by shared values from Alaska to Patagonia, a place the rest of the world can look to and say, 'This is where the future lives.'

"Indeed, we are present at the future. Every country but one in our hemisphere is now a democracy," he said, referring to Cuba as the lone holdout.



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

"Command economies have given way to free markets and the more widespread prosperity they bring. We tear down trade barriers and create good jobs for all our people in the Americas, north and south."

Clinton's tour of South America -- the first extended trip by a president since George Bush traveled to the continent in 1990 -- is aimed at highlighting the growing economies and democracies in a region that McLarty said has undergone "a revolution as profound as the one in Eastern Europe."

It also may provide a social studies lesson for Americans, accentuating little-known facts about their Western Hemisphere neighbors:

m Venezuela last year replaced Saudi Arabia as the leading supplier of oil to the United States.

m Brazil has slashed its inflation rate from 1,600 percent just seven years ago to less than 5 percent today.

m Argentina has sent peacekeeping troops to more than a dozen U.N. missions in the past seven years.

McLarty said those facts underscore the "profound change" and the "new set of realities" at work in a region previously known for its military dictatorships, political repression, human-rights violations and unstable economies.

"This is not your father's Latin America," McLarty said. "The hemisphere that we knew then is now a chapter in the history books."

McLarty's role as Latin American diplomat is the latest chapter in his work for the Clinton administration. The man who came to Washington as Clinton's first chief of staff has drawn on both his Arkansas roots and his business background in promoting U.S. interests in the region.

"One reason that this has been a good fit for me ... is that it basically goes back to my upbringing in Hope from my parents and from examples there about treating people with mutual respect, noting the dignity and worth of each person, and establishing a trust in a relationship," he said.

His position as envoy -- which had been developing informally but which Clinton made official last December -- also has increased McLarty's public profile in the administration. Although he has always been among the select handful of aides with virtually unlimited access to the president, his public presence diminished somewhat after he stepped down as chief of staff.

But this trip has returned him to the spotlight. This week he joined Berger in briefing reporters at the White House on Tuesday, spoke to a trade conference in New Orleans on Thursday and appeared for a roundtable discussion at the National Press Club in Washington on Friday.

Although McLarty jokes about not yet having mastered Spanish, he has become knowledgeable about the issues of the region.

"Throughout Latin America, you clearly find increasing political liberty, but not fully developed democratic institutions," he said. "And part of the purpose



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

of this second of three trips to the region by the president is to support this deepening of democracy and these developments of democratic institutions that are so critical in terms of strengthening democracies as well as the economies."

To that end, Clinton, with the his boyhood friend McLarty in a key role, is focusing much of his second-term foreign policy agenda on Latin America.

Clinton's trip in May took him to Mexico, Costa Rico and Barbados; the third trip, set for next May, will take him to Chile.

Next year's visit is for the fourth annual Summit of the Americas in Santiago. That will be a follow-up to the December 1994 Summit of the Americas in Miami, which was spearheaded by McLarty and signaled his entry into Latin American diplomacy.

The current seven-day trip will feature stops in six cities in three countries.

The president plans to mark Columbus Day today with a speech in Caracas -- notable since Christopher Columbus, who reached North America in 1492, set foot on Venezuelan soil six years later.

A look at the rest of Clinton's campaign-style itinerary reveals a distinctly American-flavored trip.

The president will speak to Brazilian business leaders in Sao Paulo; visit with Brazilian schoolchildren in a shantytown in Rio de Janeiro; hold a televised town hall meeting from Argentina linking audiences in Buenos Aires, Miami and Los Angeles; and use the scenic Argentine Andean setting of Bariloche as a backdrop for environmental talks. While in the resort area, the president may golf or go horseback riding.

The president is expected to sign environmental agreements with the various countries -- a move designed to quell some of the criticism surrounding a key trade measure backed by the White House that is pending in Congress.

The **president** had hoped to have "**fast-track**" trade authority -- the ability to negotiate trade deals that Congress could only accept or reject without altering -- by the time he made this trip. But the proposal is still being debated in Congress, where many Democrats oppose it because of concerns about its impact on U.S. labor and the environment.

Clinton has made **fast-track** authority a priority in his second term. He contends it is necessary to achieve his goal of a hemisphere-wide free-trade zone by 2005.

"We believe that open markets clearly reinforce open society," McLarty said.

But not everyone in South America wants such a trade zone to proceed so quickly. Some countries, including Argentina and Brazil, prefer a slower implementation.

But U.S. officials worry about competition from their counterparts in Europe and Japan, who already are working to build markets in South America. Among those ahead of Clinton in paying a courting call to the region have been the



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

leaders of Germany, France and Spain.

As a result, trade issues will top Clinton's agenda. McLarty said he often cites an Arkansas example to illustrate how the marketplace is expanding.

"I attended a Wal-Mart meeting 25 years ago, and Sam Walton came to the microphone and said, 'Associates, we are going on a bold, new adventure. We're going to new markets in Los Angeles and Minneapolis,' " McLarty said.

"If you went to that same meeting today, you might hear Rob Walton or David Glass saying, 'Associates, we're going on a bold, new adventure. We're going to new markets in Sao Paulo, Brazil, and Buenos Aires, Argentina.' "

The point, McLarty said, is that U.S. exports to Latin America are growing at twice the rate they are to any other region. By 2010, American exports to Latin America are expected to be greater than to the European Union and Japan combined.

Wal-Mart has stores in both Argentina and Brazil, and officials from the Bentonville-based retailer plan to be on hand for presidential events in Buenos Aires and Sao Paulo.

"This is a natural market -- it's an extension of Main Street -- but not a market that we can or should take for granted," McLarty said.

While there will be plenty of attention on the prospects for improved trade and enhanced relationships between the United States and its South American neighbors, the trip also will include discussions about some of the common problems faced by each of the countries.

Atop that list, McLarty said, is the supply-and-demand drug problem -- that is, South American supply and U.S. demand.

"I would have to say narcotics and narcotics trafficking is a common problem, a common challenge against a very dark and evil force ... clearly, clearly we cannot succeed in that fight without a deep cooperation," he said.

The president also is expected to address sensitive issues during his talks with South American leaders, such as child labor in Brazil and violence against journalists in Argentina.

And the U.S. decision to award Argentina status as a non-NATO military ally, the first country to win that designation since the Cold War, has distressed other countries, including Brazil and Chile. That topic and its ramifications will be on the minds of South American officials.

As McLarty sees it, the president's trip to South America will underscore the need for the United States to forge long-term relationships with a region that not only has reached a milestone in its progress, but stands at a crossroads in its development.

"What we hope to accomplish is to deepen not only the partnership," McLarty said, "but [to become] a true family of the Americas that will impact the families of the Americas in a positive and meaningful way."



LEXIS·NEXIS

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS

Ⓜ A member of the Reed Elsevier plc group

Information for this article was contributed by The Associated Press.

GRAPHIC: Associated Press

President Clinton, escorted by Venezuelan President Rafael Caldera (left), is greeted by schoolchildren Sunday during ceremonies at La Carlota Air Base in Caracasj, Venezuela. Clinton, making his first trip to sough America and fellow Arkansan, Thomas f. "Mack" McLarty, are on a Week-long swing through Argentina, Brazil and Venezuala.

LANGUAGE: ENGLISH

LOAD-DATE: October 15, 1997



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

LEVEL 1 - 139 OF 250 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

October 13, 1997, Monday, PM cycle

SECTION: International News

LENGTH: 708 words

HEADLINE: President touts anti-drug, pro-business pacts, honors Bolivar

BYLINE: By SONYA ROSS, Associated Press Writer

DATELINE: CARACAS, Venezuela

BODY:

With a stab at local slang and a pitch for free trade throughout the Western hemisphere, President Clinton said today he sees "a democratic and prosperous family of the Americas within our reach."

The president wrapped up his 24-hour state visit with an address to the Venezuelan people and approval of agreements on energy cooperation and drug-fighting.

"The United States is determined to work with you ... as friends and partners to claim the benefits and carry the burdens of this new era," Clinton said.

With President Rafael Caldera at his side, Clinton also aimed a message back home, at Congress, where he is waging an uphill battle for "fast-track" trade authority and a stronger hand to negotiate what he called a "free-trade area of Americas" by 2005.

"From Alaska to Argentina we will tear down the barriers of the past and open wide the doors of the 21st century," Clinton said. "Whether we all like it or not, global economic integration is on a **fast track**."

Clinton, the first visiting head of state invited to speak at the National Pantheon, delighted his audience when he returned the honor in their language. "Todo esta chevere en Venezuela!" he called to cheers. Roughly translated from local slang, it means "Everything is cool in Venezuela."

Caldera thanked Clinton for a visit that held special significance as "an acknowledgement of our sovereignty and the unification of our identity as Latin America."

Before flying to Brazil, Clinton and his wife, Hillary, claimed a symbolic key to the city of Caracas and laid a wreath of red, white and blue carnations at the tomb of Venezuela's most revered hero, Simon Bolivar, who led the fight



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

The Associated Press, October 13, 1997

to end Spanish rule in the early 1800s.

"He was the first to imagine a hemisphere of democracies," Clinton said. "Today, our hemisphere is growing closer every day. ... We have put the age-old dream of a democratic and prosperous family of the Americas within our reach."

Earlier, he and Caldera presided at a signing ceremony for accords extending cooperation against narcotics by giving Venezuela more than \$ 11 million in patrol boats and surveillance planes to spot smugglers. The United States and Venezuela also will establish a joint intelligence center to share information and coordinate anti-drug operations.

Venezuela is a major drug-smuggling route from Colombia to illicit markets, handling perhaps 100 metric tons of cocaine and 10 metric tons of heroin a year.

Agreements signed today at the Miraflores Palace also included one to pursue a treaty ensuring equal treatment under Venezuelan law of U.S. companies that do business here; to promote diverse, competitive energy markets; and to cooperate in science and technology.

Last year, Venezuela replaced Saudi Arabia as the United States' top supplier of foreign oil and Clinton saluted the nation as "a rock of stability, staying out of the oil embargo, stepping in to boost production in moments of crisis, from World War II to the Gulf War."

The United States also agreed to provide \$ 500,000 for a study of greenhouse gases, and to expand Fulbright scholarships to Venezuelan students to study energy and the environment.

Arriving Sunday, Clinton marveled at the way Venezuela has shaken off the autocracies and coups of the past to become a vibrant, free land.

A 21-gun salute had greeted him at La Carlota Air Base, and on Sunday he enjoyed the warm formality of a state dinner at Caldera's residence, La Casona (The Big House).

The White House hopes Clinton's first journey to South America will help persuade Congress to approve the "**fast-track**" trade authority he wants in order to negotiate a hemispheric free-trade zone at next spring's Summit of the Americas.

Administration officials say there is a huge potential for U.S. companies in Latin America. Venezuela boasts the world's largest proven oil reserves outside the Middle East.

American exports to the region are growing twice as fast as to any other part of the world and - by 2010 - are projected to be greater than to the European Union and Japan combined. The United States is pushing for the hemisphere-wide trade zone by 2005, but Brazil - with the world's eighth largest economy - thinks that timetable is too soon.

LANGUAGE: ENGLISH



LEXIS·NEXIS[™]

A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]

A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]

A member of the Reed Elsevier plc group

LOAD-DATE: October 13, 1997



LEXIS·NEXIS®
A member of the Reed Elsevier plc group



LEXIS·NEXIS®
A member of the Reed Elsevier plc group



LEXIS·NEXIS®
A member of the Reed Elsevier plc group

LEVEL 1 - 140 OF 250 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

October 13, 1997, Monday, AM cycle

SECTION: International News

LENGTH: 816 words

HEADLINE: **President** preaches gospel of open trade; predicts he'll win **fast track**

BYLINE: By TERENCE HUNT, AP White House Correspondent

DATELINE: CARACAS, Venezuela

BODY:

At a monument symbolizing South America's struggle for freedom, President Clinton preached the gospel of open trade Monday, then later predicted he'll win congressional authority to freely sign new foreign commerce deals.

"We made a better case for **fast-track** just by being down here," Clinton told reporters as he flew from Venezuela to Brazil. "There are some people who simply think that globalization always works to our disadvantage, and I just don't agree with that. The global economy is on a fast track."

To gain **fast-track** authority to negotiate foreign trade deals, Clinton must overcome objections from his own Democratic Party, many of whom want to impose country-by-country labor and environmental conditions.

"It's a tough fight, but I think we'll win," Clinton said, noting other presidents had such power. "It's really a debate over principle with me."

In his speech to Venezuelans, Clinton said more must be done to alleviate poverty and "give everyone a chance to be a winner in the new economy."

The hillside slums overlooking Caracas' skyscrapers are dramatic evidence of the economic inequality in this oil-rich country - which has become the United States' biggest petroleum supplier. Eight of 10 Venezuelans live in poverty, according to government estimates.

"For all the progress we have made together to advance democracy, free markets and full citizenship, we must acknowledge that a great challenge remains to make these forces work to the benefit of all our people," Clinton said.

The president said no nation, including the United States, has found "the perfect formula" but that education is an important ingredient.



LEXIS·NEXIS[™]
A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]
A member of the Reed Elsevier plc group



LEXIS·NEXIS[™]
A member of the Reed Elsevier plc group

The Associated Press, October 13, 1997

Clinton spoke from the steps of the National Pantheon, the church-like burial place for South American liberation hero Simon Bolivar and many of Venezuela's founding fathers. Bolivar led the fight to end Spanish colonial rule in Venezuela, Colombia, Ecuador, Bolivia, Panama and Peru.

Apparently for security reasons, a tall screen encircled the courtyard, blocking it from surrounding buildings and cutting off any breeze on a hot day.

Clinton delighted the crowd of several hundred people by experimenting with Spanish, to say, "Todo esta chevere en Venezuela!" Roughly translated, it means "Everything is cool in Venezuela." His audience cheered.

Brazil was Clinton's second stop on his week-long visit to South America that will include Argentina.

Before a state dinner at Brasilia, Clinton told President Fernando Henrique Cardoso that Brazil and the United States, as the two largest nations in the hemisphere, have an obligation to lead "this historic revolution underway in the Americas" of democratic and market reforms.

"America reaches out to Brazil with the hand of friendship and the pledge of partnership," Clinton told Cardoso at the foreign ministry.

A delighted Cardoso, who made a state visit to Washington just two years ago, reminded Clinton, "There's no substitute for firsthand knowledge and contact ... with a country."

Like Venezuela, Brazil also suffers severe economic inequality, fueling a growing undercurrent of social unrest among the poor. Even before Clinton arrived, Brazilians fumed at a U.S. Embassy commercial guide posted on the Internet that said corruption was endemic in the country.

The embassy apologized and struck the word "endemic."

Wrapping up his stop in Venezuela, Clinton and President Rafael Caldera witnessed the signing of agreements to strengthen cooperation in energy development and combating drugs.

The drug accord gives Venezuela more than \$ 11 million in patrol boats and surveillance planes to spot smugglers. The United States and Venezuela also will establish a joint intelligence center to share information and coordinate anti-drug operations.

The United States agreed to give Venezuela \$ 500,000 for a study of greenhouse gases, and to expand Fulbright scholarships to Venezuelan students to study energy and the environment.

Last year Venezuela replaced Saudi Arabia as the top U.S. oil supplier.

"For the last 80 years, Venezuela has been a rock of stability, staying out of the oil embargo (in 1973), stepping in to boost production in moments of crisis from World War II to the Gulf War," Clinton said.

Because of lingering differences, the two countries were not able to conclude agreements on investment and taxation, considered important for foreign trade.

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

The Associated Press, October 13, 1997

The president said that open markets hold the promise of more jobs and higher living standards. But he added that no nation, including the United States, has found "the perfect formula for growing a free economy while preserving and extending the social contract for all our people."

"That is why we must work harder together to alleviate poverty, lift the conditions of working people throughout the hemisphere and give everyone a chance to be a winner in the new economy," Clinton said.

LANGUAGE: ENGLISH

LOAD-DATE: October 14, 1997

**LEXIS·NEXIS®**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS®**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS®**

A member of the Reed Elsevier plc group

LEVEL 1 - 147 OF 250 STORIES

Copyright 1997 Copley News Service
Copley News Service

October 13, 1997, Monday 15:16 Eastern Time

SECTION: Washington - general news

LENGTH: 1055 words

HEADLINE: Clinton concludes Venezuela visit with pitch for **fast track**

BYLINE: George E. Condon Jr.

DATELINE: CARACAS, Venezuela

BODY:

President Clinton took his trade battle with the U.S. Congress to the streets of Caracas Monday, concluding his one-day visit by signing drug-fighting and energy agreements and an making an appeal for free trade throughout the hemisphere.

With the mist-covered Avila Mountains rising all around him, the president stood outside the tomb of Simon Bolivar, the ''liberator'' of much of this continent, and held out the promise of free trade as a modern liberator from today's poverty.

''Whether we all like it or not, global economic integration is on a fast track, and therefore we must give all our people the tools necessary to compete and succeed in it,'' he said in a reference to his request to Congress to renew a **president's ''fast-track''** authority to negotiate future trade deals.

With such authority, he and trading partners would not have to worry about Congress amending agreements during ratification battles.

He said its approval by Congress is essential ''so that we can work with our partners to open markets, create jobs and raise living standards for all.''

But fast-track is facing tough opposition in Congress. Many legislators oppose it, arguing that it would allow Clinton to negotiate agreements that do not protect American jobs. They do not want competition with foreign firms that pay low wages in comparison to the U.S. and are not forced to spend money on environmental protection, as U.S. firms are.

Clinton cast the free-trade treaty that he wants the United States to reach with South America by 2005 as a natural and needed outcome of the globalization of the economy.

''Our hemisphere is growing closer every day, driven by shared values and common purposes,'' Clinton said. ''We have put the age-old dream of a democratic and prosperous family of the Americas within our reach.''

His pitch for free trade and his stab at some local slang were well received



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group



LEXIS·NEXIS
A member of the Reed Elsevier plc group

by the crowd gathered outside the Panteon, the burial place for Bolivar and other national heroes. The crowd was enthusiastic, waving the red, blue and yellow Venezuelan flag as well as the U.S. flag. But it was sparse, only a few thousand as the government carefully screened those allowed to attend, keeping out many ordinary Venezuelans.

The crowd warmly received the president's somewhat halting Spanish when he used a popular local expression to describe his abbreviated stay here. "'Todo esta chevere en Caracas,'" he said, which loosely translates to "'Everything is cool in Caracas.'"

He also drew warm applause both here and Sunday night at a State Dinner when he saluted this baseball-crazed country for its exports of players such as Omar Vizquel of the Cleveland Indians, who are participating in the current round of championship playoffs back home.

Prior to his speech the first ever by a foreign leader at the Panteon Clinton joined Venezuelan President Rafael Caldera in signing agreements calling for greater energy cooperation and striking a "'strategic alliance'" between the two countries in the war against drug trafficking.

Because the United States has successfully disrupted air delivery of drugs from Colombia, Venezuela which is not a major producer or consumer of drugs has become a significant transit country for Colombian drugs.

Clinton hailed the drug alliance as necessary to attack on that front as well. To that end, he gave Venezuela more than \$11 million in patrol boats and surveillance planes to thwart smugglers.

Under the new agreement, the two countries will also establish a joint intelligence center to share information and coordinate anti-drug operations.

The president cast the drug problem as one plaguing all governments in the hemisphere.

"'Throughout the Americas, drugs threaten the very fabric of civil society,'" Clinton said at the signing ceremony with Caldera. "'They destroy lives. They spread violence to our streets and playgrounds. They corrupt and kill law enforcement officials. They create instability that can sweep across borders.'"

While acknowledging that drug demand must be reduced in the United States, he added that "'we must also be relentless in attacking supply.'"

Gen. Barry McCaffrey, director of the U.S. office of National Drug Control Policy, said the agreement with Venezuela is a model for "'the kinds of cooperation we're trying to build in... Mexico.'"

In particular, he hailed the formation of a permanent group to combat money laundering. Other aspects of the alliance include greater cooperation between law enforcement agencies, greater monitoring of chemicals used to make drugs, and tighter controls on weapons used in drug trafficking.

The two leaders also signed an agreement on energy, recognizing that Venezuela has now surpassed Saudi Arabia as the leading supplier of crude oil to

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

the United States.

The agreement has the two countries working together to develop cleaner fuel, cooperating in science and technology. While another treaty on investment was not ready for signing, the two leaders agreed to pursue a treaty guaranteeing equal treatment of American companies doing business in Venezuela.

From Caracas, the president flew Monday night to Brasilia for the second leg of his week-long tour of South America. But, in contrast to the friendly reception he got here, there were signs of anti-American protests waiting to welcome him to the Brazilian capital.

Complaints there include demands by the U.S. Secret Service that they be allowed to carry powerful weapons while guarding Clinton in Brazil. The heavy U.S. security around Clinton sparked recollections by some Brazilians of U.S. support for the military coup back in 1964. There also were sharp objections to calls from Washington for Brazilian markets to open up to U.S. goods.

'The Arrogance of the Empire,' was the headline on a story in the weekly newsmagazine *Veja*. 'Clinton, the street vendor president, plays hardball to make Brazil buy what it does not want,' said the story.

A U.S. government guide that warned American businesses of 'endemic corruption' in Brazil sparked a decision by the chief justice of the country's supreme court to boycott a dinner with Clinton. And the newspaper *O Globo* carried a cartoon showing Clinton as a cowboy brandishing an assault weapon and saying, 'Hello amigos.'

LOAD-DATE: October 14, 1997



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group



LEXIS·NEXIS

A member of the Reed Elsevier plc group

LEVEL 1 - 160 OF 250 STORIES

Copyright 1997 M2 Communications Ltd.
M2 PRESSWIRE

October 13, 1997

LENGTH: 6673 words

HEADLINE: THE WHITE HOUSE

Press briefing by Counsel to Pres, Mack McLarty on President's trip to South America

HIGHLIGHT:

The Briefing Room

BODY:

MR. BERGER: Since you always get to ask the questions, I thought I would begin this briefing with a small quiz. Open book exam. You can look on the person to your right and to your left. Hold your answers. Which country is America's largest supplier of oil? (Laughter.) Hold up. Which country has reduced inflation from 1600 percent in 1990 - (laughter) - I had a guy in my class just like you when I was in high school - to below 5 percent today and now is the 8th largest economy in the world? Which country sent peacekeepers to over a dozen missions in the last seven years, including the Persian Gulf, Haiti, Bosnia, Rwanda, Cambodia, Central America, Western Sahara, Mozambique, and Cyprus?

The answers, as Mr. Hunt undoubtedly knows, are Venezuela, Brazil and Argentina, the countries we are visiting next week. This cheap little exercise on my part has a point. In the last decade the Americas have undergone a dramatic transformation. Not so long ago, this hemisphere was marked by military dictatorship, repression, insurgencies, violent coups, inefficient command economies. Today, every nation in the hemisphere is a democracy, but one. Human rights have dramatically improved. Trade barriers have come down, and the markets of the region are expected to grow three times as fast as our own very healthy economy.

This trip is an opportunity to highlight South America's quiet and impressive revolution. To capitalize on these historic trends, President Clinton and the other leaders in the region set out a blueprint at the Miami Summit to bring our hemisphere together around common values - democratic governments, open markets, cooperation on common problems. In South America next week, the President will seek to advance this hemispheric agenda, which includes trade, education, the environment and democracy, and highlight initiatives that we hope to develop further for the second Summit of the Americas in Santiago next April.

Now, let me take you on the magic carpet of next week. Starting on Sunday morning, we will leave in the morning and travel to Venezuela to meet with President Caldera, one of this hemisphere's most stalwart proponents of freedom over the past number of years. The President will pay tribute to the people of Venezuela for their extraordinary success in strengthening democracy and the rule of law.



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓜ A member of the Reed Elsevier plc group

M2 PRESSWIRE October 13, 1997

In Venezuela, the President also will highlight our close partnership on developing clean and reliable energy supplies for the future. As those of you who got the first question correct know, more than half of the United States foreign supply of oil comes from this hemisphere. In Venezuela, which last year replaced Saudi Arabia as our top supplier of foreign oil, 18 percent, is poised to increase its share of the U.S. market. This has important ramifications, obviously, for U.S. security and prosperity, as does the other major item on our agenda in Venezuela - increasing our counternarcotics cooperation by strengthening judiciaries, expanding customs cooperation, improving maritime cooperation and things of that sort.

Following the arrival ceremony in Caracas, a short meeting with congressional leaders at the airport, the President will lay a wreath at the tomb of Simon Bolivar, the hero of Venezuelan independence and a symbol of the aspiration for South American integration. He will meet with embassy staff, attend a state dinner and a reception at the President's home.

On Monday morning, the President will drop by a breakfast hosted by the Venezuelan American Chamber of Commerce, then hold a bilateral meeting with President Caldera and deliver an outdoor speech.

I should say that, as with all of these trips, schedules tend to move a little bit as you get each day closer to departure, so there may be rearrangements here that take place. But this essentially the itinerary.

On Monday afternoon, the President will travel to Brazil, the largest multiracial democracy in South America. The agenda there with President Cardoso will focus on trade, education and training, and access to technology, as President Cardoso continues his effort to both sustained growth and to create greater equity within Brazil. We will also address the environment as well, and Brazil's leadership, building a strong partnership with us on global and security issues.

Let me just say, Brazil is a perfect example of the economic growth that has been experienced in this hemisphere. In 1900 when Brazil had annual inflation of 1,600 percent - question two on your quiz - GDP growth was less than 2 percent, foreign investment was below \$1 billion. Today, inflation has dropped to under 5 percent, GDP has been over 4 percent for the last three years, and the government projects investment levels will reach nearly \$10 billion this year.

Monday evening the President will attend a reception, state dinner in Brasilia. Tuesday morning he will meet with President Cardoso, hold a joint press conference - both joint in terms of Cardoso and Clinton, joint in terms of our press corps and theirs. In the afternoon, the President will pay a brief call on the leadership of the Brazilian Congress, acknowledging Brazil's dynamic democracy. He will then visit with the Embassy community before departing in the afternoon for Sao Paulo.

On Wednesday morning, the President will address 1,600 business leaders and stress the importance of open markets which have put the hemisphere squarely on the path to improving economic growth - more jobs, more widespread prosperity. And he'll also discuss the policies embraced here and in Brazil to try to make sure that no one is left behind in this emerging new global economy.

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

M2 PRESSWIRE October 13, 1997

The President then will fly to Rio de Janeiro, coming from the business meeting in the morning - in the afternoon, to Rio de Janeiro to a poorer area of the city where he will speak to students and teachers at a model public-private educational partnership in the shanty town of the city. And there he will emphasize that as we open our markets, we have to also open education to all of our children and give them the tools to succeed.

Finally, Argentina. The President will arrive there on Wednesday evening and highlight our joint efforts to promote international peace and security and protect the environment.

As another reflection of how far these countries have traveled in a short time, the last American President to visit Argentina was President Bush in 1990. He went at a time right after a failed military uprising against a civilian government, a time of great instability. Since then, the administration and the Argentine Congress have cut the armed forces to a third of their former strength, deploying them largely to the international peacekeeping exercises, missions I mentioned earlier.

In 1990, the Argentine economy was suffering runaway hyperinflation, GDP spiraling downward. Menem embarked on a dramatic stabilization program resulting in near-zero inflation, expanded trade and foreign investment. As a result, the Argentine economy is expected to grow 8 percent in 1997.

On Thursday, the official schedule in Argentina begins with a wreath-laying at Plaza San Martin. The President will make brief remarks there, highlighting Argentina's contribution to international peacekeeping. After the bilateral with President Menem, the President will go to a television studio for a town hall conversation on the Americas, which will be broadcast live by the Univision network to the entire hemisphere. The President will take questions from young leaders in three cities - in Buenos Aires, in Los Angeles, and in Miami. And the audience will be comprised of young leaders in education, business, the environment, antidrug efforts, poverty groups, arts, et cetera - a very broad cross-section.

Before the town hall, the President will meet with Jewish leaders in Argentina, relatives of the victims of the terrorist bombings of the Israeli Embassy and the Jewish Community Center in 1992 and 1994, respectively, which, combined, killed I believe 115 people. He'll also meet with leaders of the opposition alliance to demonstrate our support for the democratic process and indicate our neutrality in the upcoming congressional elections in Argentina. He has a state dinner and a reception that evening.

On Friday morning, the President will drop by a business leaders breakfast hosted by the Argentine Chamber of Commerce, visit the embassy, then depart for Bariloche, where on Saturday morning, President Clinton and President Menem will participate in an environmental event to highlight our commitment to protect the environment we all share.

We then get back on the plane and fly very late at night and get back in Washington, D.C., some time Saturday night or Sunday morning.

Let me now ask Mack McLarty, who has been all four horsemen of this Latin American effort to add a few comments.

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

M2 PRESSWIRE October 13, 1997

MR. MCLARTY: Well, Professor Berger, thank you very much. You're a great trip director as well as a great academician.

Let me just reinforce a couple of points that Sandy made, and instead of beginning with a pop quiz, let me begin with a commentary made by James Reston, that Americans would do almost anything for Latin America, but read about it. So, hopefully, this trip will be positive and helpful in that regard.

Sandy underscored the profound change that has taken place, and I have seen that firsthand in my visits to the region in the last two and a half years. And I think those of you who have not traveled to the region will find indeed a new set of realities in that these countries have truly arrived on the world stage. I think you also will find a maturing and a confident leadership in Venezuela, Argentina and Brazil, and a maturing, more candid relationship with the United States.

Sandy has already pointed out some of the real highlights of each of the individual stops on our visit and the importance of them. I would make only a couple of points in terms of the increasing democratic governance. Throughout Latin America, you clearly find increasing political liberty, but not fully developed democratic institutions. And part of the purpose of this second of three trips to the region by the President is to support this deepening of democracy and these developments of democratic institutions that are so critical in terms of strengthening democracies as well as the economies.

From an economic standpoint, I think you will find increasingly open markets, but not a fully developed infrastructure to support those open markets. So it's important, as the fast track debate underscores, that we keep momentum in the process of open and fair trade throughout this hemisphere and beyond as we move toward our goal of a free trade area by the year 2005.

In terms of human development, clearly, I think you will see an increasing emphasis on lifting those out of poverty with opportunity, with an emphasis on education which I believe will be the centerpiece of the Santiago summit, and a developing middle class.

Now, I think finally what is at stake here from a United States' standpoint - or what Secretary Albright calls "kitchen table issues" - issues in this hemisphere that affect the daily lives of Americans. First, on the opportunity, the upside I think primarily is on the economic side including energy. From an economic standpoint, our exports to the region are growing at twice the rate that they are to any other region in the world. By the year 2010, our exports in this hemisphere are expected to be greater than to the European Union and Japan combined.

A couple of examples are noteworthy. We export more to Chile, a country of 14 million people, than we do to India, a country of over 900 million people. We export more to Central America than we do to all of the former Soviet states combined. The point I am making, this is a natural market - it's an extension of Main Street - but not a market that we can or should take for granted.

In terms of energy development, I think Sandy covered that in a comprehensive manner, but I would underscore to all of you today how important

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

M2 PRESSWIRE October 13, 1997

energy is to our overall economy, as well as our economic and energy security.

Finally, I think, in terms of affecting U.S. citizens' lives on a daily basis, we will see areas of, frankly, challenge and problems, whether it be increased cooperation on narcotics and narcotics trafficking, increased cooperation on the environment and environmental degradation or environmental stewardship, and increased cooperation of terrorism.

The real challenge of what the President will, I think, demonstrate in this trip is to make cooperation work on a sustained basis. That is what clearly is the key from the road that began in Miami at the Summit of the Americas where an architecture was put in place for the road to Santiago in April of 1998.

I think we will hope to accomplish a deepened partnership throughout the hemisphere, a partnership increasingly based on mutual respect and mutual trust. This is not only a discussion of the near-term, but the longer-term. Latin America is a young hemisphere in terms of its demographics. Half of the population in South America is under 17 years of age, and that's really what's at stake here in terms of the longer-term of our relationship. What we hope to accomplish is to deepen not only the partnership, but a true family of the Americas that will impact the families of the Americas in a positive and meaningful way.

With those comments made, Sandy, I will open it up to questions.

Q Sandy, neither one of you specifically mentioned **fast track**. Do you expect the **President** to use this trip to build a case for the **fast track** legislation? And also, on that topic, the Brazilian Ambassador, at a briefing last week, said they really don't care if fast track passes because if it does, that would probably just make them open their markets more. Where does that kind of a reaction play into this whole debate?

MR. BERGER: Well, let me answer the first part and then Mack on the Brazilian question. First of all, Mack - I specifically heard him talk about fast track, mention fast track. Fast track is extraordinarily important. It is important to our continued growth in a global economy, and whether that's in South America or whether it's in Asia or whether it is sectoral agreements like the recent telecommunication agreement, a mature economy grows by exports and creating jobs through exports.

It is also extraordinarily important in terms of America's leadership position in the world, because the patterns of commerce that are developed through trade also become the patterns of influence and importance in other areas. And as we step out of the game of trade agreements in the past year or two because we haven't had fast track, we've seen South America increasingly looking to Europe, looking to Asia, and economic and political relationships getting developed, which ought to be instead deepening American relationships.

So it's extremely important to us, extremely important to the United States. I'm sure the President will talk about it with each of these leaders. Obviously, the problem we have right now is one that lies with the Congress - the challenge we have now is one that lies with the Congress, and so he's not going to sit in Buenos Aires and talk about a political debate in the United States. But it is clearly something that is on the mind of Latin American leaders as I think, in

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

part, they see as a reflection of whether or not we are going to continue to lead or whether we are going to withdraw and retreat. And so, I think it has an important symbolic, as well as a very important economic, basis to it.

On the specific Brazilian comment, I think that's not an accurate quote, but let me -

MR. MCLARTY: Terry, let me try to tie the two together very quickly. I think we believe that open markets clearly reinforce open society, so we see the two pillars, two of the three pillars of the Miami Summit - that is increased democracy and economic integration - mutually supportive of each other.

We have a region in the hemisphere that wants to move toward economic integration, and it is a natural integration. Fast track is the needed authority to move forward with the next bilateral trade agreement, which is Chile. But I would emphasize that broad fast track authority, as important as it is for leadership in this hemisphere and to preserve and increase our position of leadership, it is broad fast track authority that's also important, as Sandy said, in the Asia Pacific region, as well as from a sectorial and WTO standpoint.

In terms of Brazil, I met with President Cardoso last week, and I had a discussion last night with Ambassador Flecha de Lima from Brazil. I think the comments were some in Brazil would not be disappointed to see that **fast track** would not be passed. I think **President** Cardoso will be very supportive of moving toward a free trade area of the Americas by the year 2005. I think Brazil will be supportive of launching negotiations at the Santiago Summit in April. There are obviously some differences of views about how to get there, and we have been consistent, as I was two weeks ago in Sao Paulo, that there are multiple paths, different ways, either bilateral agreements, regional agreements, other mechanisms toward achieving a deepening economic integration.

Q Does the fact that you don't have fast track before going on this trip, which is something that folks had kind of freely talked about before, does that alter the nature of this trip, does it diminish it in any way?

MR. BERGER: No, I don't think so. I think that the leaders and the press and others who will be commenting on this trip follow what's going on very carefully in Washington. They know the President is making a strong effort to get this enacted. We will have had passage to the Senate Finance Committee. Tomorrow, the House Ways and Means Committee will take up a bill in which a bipartisan agreement was achieved early this morning and we're hopeful that the House Ways and Means Committee will adopt this bipartisan bill. So I think that they see a strong effort being made here. They know it's a difficult and challenging debate here in the United States, but I don't see it - the fact that it's not done, I don't see it having effect.

Q I mean, from the standpoint of the President. He's going there under a different set of circumstances than you had wanted. Does that limit -

MR. MCLARTY: I think - we're going back to Chile, to Santiago, next year where we hope to launch the negotiations for a free trade area of the Americas. As Mack pointed out, that's not - there's many ways you can get there. But the effort, hopefully, will be launched in April. I think by that time it will be



LEXIS·NEXIS™

Ⓢ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓢ A member of the Reed Elsevier plc group



LEXIS·NEXIS™

Ⓢ A member of the Reed Elsevier plc group

important for us to have this authority because if others are going to see us as credible in engaging in that discussion beginning in April, obviously it will be important for us to have fast track. I don't see it as that critical to this particular trip, particularly since they will see the President making a very strong effort to get it enacted.

Q Mr. Berger, how will the President approach the human rights issue? Specifically, former President Carter has pointed to a number of abuses - child labor and other abuses in Brazil, specifically. And when he gets to Argentina, will he talk about the series of murders of journalists and the disappearances of journalists and others that have still gone on there recently?

MR. BERGER: I think unquestionably. As Mack pointed out, these are countries that have come an enormous distance from - you think of what we knew of Argentina or some of these other countries just 10 years ago - to elected governments, to revival of democracy, but there are still - in many cases, these are still works in progress, these are imperfect. And I think in every stop the President will talk about helping to solidify democracy, helping to build civil society, helping to establish civil rights and civil liberties and human rights - it was a very important theme in Miami and it's very important, I think, for the President to raise those issues as he travels through the hemisphere.

Q Do you consider the militaries of the countries that the President's going to be visiting to be now totally under civilian control?

MR. MCLARTY: The answer is, yes, we do. The countries we're visiting clearly have made the transition from an authoritarian military dictatorship in some cases to a civil democracy with open, I think, and fair elections. I have had the opportunity to visit with all of the defense ministers in each of the countries we're traveling to, as well as the presidents, and I think you will clearly find civil control over the military.

Q Mr. Berger, the new military status the United States will give to Argentina during the trip seems to have raised some problems with some neighbors in the Southern Cone - Brazil, Chile, Peru. Would you care to -

MR. BERGER: I wouldn't describe it as a new military status. There is something called a non-NATO military ally. Let me just finish - which goes under the enormously difficult to pronounce acronym, NMNA, and we can't give it to many people because we can't pronounce it. (Laughter.) But this is the first time in the post-Cold War period that we have conferred this status - or actually at this point, we are consulting with Congress, the President's noticed Congress on it - and this is done primarily, not completely, to recognize Argentina's extraordinary peacekeeping role.

Increasingly, we are cooperating with countries around the world in joint peacekeeping efforts, and I ticked off some of the 16 missions that Argentina has been on over the past several years, from Bosnia to Haiti, to Cyprus to Mozambique, to Cambodia. And so we are peacekeeping allies, and that is what the status means. And I think it is understood by the Argentines in that way and will be understood by others in the hemisphere in that way.

Q What comes with the status? I mean, it's a recognition, but do they get anything in addition to that recognition?



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

MR. BERGER: There are certain programs that traditionally have been open and available to countries that have this designation - EDA under the Defense Department, for example. I think it is mainly a reflection of the partnership that we have with Argentina on peacekeeping around the world, and the leadership that they have shown not just in their own hemisphere, but across the world. There are very few countries that have the record that Argentina has in leading on peacekeeping. And this is something we wanted to recognize and to embrace and to encourage.

Q Isn't it creating a new rivalry in the region where you say there is a new harmony -

MR. BERGER: No, I don't believe so. First of all, it will be open to others, this is not something that we would not do again in other circumstances to other countries that are engaged in peacekeeping. Number two, we have very strong relations with all of the countries in the region and particularly all the countries in the Southern Cone, where Argentina resides near Brazil and Chile and others. So I don't believe that needs to be the case.

Q But, Sandy - not disputing the premise of that, the Brazilians are upset, right? What can you do to

-

MR. BERGER: I don't think the Brazilians have been terribly upset. I think the Chileans have expressed some concern about it. But I think as we've explained it to them, I think they've come to understand that this is not a security alliance, it's not a - they're not the 20th member of NATO. This is a designation to reflect the very close partnership that we have on peacekeeping.

MR. MCLARTY: Well, I think, John, the real issue with the Brazilians has been the U.N. Security Council permanent seat. That has been their primary issue. And our position, and we think the correct one, is the position that Ambassador Richardson laid out, to expand the Permanent Council to 20 to 21 members, but to strongly support a hemispheric seat, but to have a consensus built within the region as to who would occupy that seat if it's permanent or on a rotating basis.

And we covered that in some detail with the Brazilians. I think they understand that position and see it supporting the region. And I think, going back to the earlier question in terms of cooperation regionally, I think the cooperation from a military standpoint is at an unprecedented level in the region, and we certainly have encouraged that and will continue to do so.

Q On the last weekend, will we see the President outline his position on the global climate change? It's coming up in Bonn the next day and he'll have that environmental -

MR. BERGER: I think he'll do that upon his return.

Q He'll wait until he gets back here, he won't do it in -

MR. BERGER: That's what I would expect.



LEXIS·NEXIS

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXIS

Ⓜ A member of the Reed Elsevier plc group

Q Can I ask two questions of Mack about your tenure? One, will you continue in this role on to Santiago as the kind of specialist for Latin America?

MR. MCLARTY: I'm just hoping to make this big trip Sandy outlined and get out of the briefing room.

Q Well, before you get out of the briefing, can I ask you about your tenure to this point, both as former Chief of Staff and as a participant in some of the coffees where the videotapes show that you were one of those that -

MR. MCLARTY: Now, how are you going to tie this into the Latin America agenda, Ann? Go ahead.

Q Did it occur to you when you were a participant in some of these coffees, and you as a former Chief of Staff know how the videotaping works around here, that there would be videotapes of these events, and why they weren't discovered earlier?

MR. MCLARTY: No, I don't know anything about the last part, the videotaping - the President normally has videotaping most of the places he goes. I, frankly, did not get into that level of detail. As far as the coffees, I understood they were political outreach events.

Q But if the Counsel sends out a memo to all White House staffers saying please come up with anything in your files having to do with these persons and these occasions, would it not occur to somebody especially who had been - anyone who had been in the Chief of Staff's Office before that there would have been WHCA videotaping of the President's events?

MR. MCLARTY: It certainly did not occur to me. I've certainly tried to comply to any requests that have been made of my office, however, on any data that has been requested and will continue to do so.

Q Mr. Berger, you mentioned that Brazil is the 8th largest economy in the world. That makes it a fairly important participant in the Kyoto Conference. But Brazil is a developing country who has taken a position against significant and binding reductions in greenhouse gases. Do you think that the relative positions of U.S. and Brazil such as they've been formed will come up in the stop in Brasilia?

MR. BERGER: I think that there's no question that the climate change issue will be discussed in Brazil in probably all three meetings. The President has made clear that he believes that developed countries and developing countries each have a responsibility to contribute to the solution of this problem.

We're now in the quickening stages of a discussion leading to Kyoto, and we hope that there can be some greater convergence between our positions and that of some of the other developing countries.

Q Did the visit of President Clinton to South America, it's going to be here in Congress - the date when the United States has to decide with the European Union about the Helms-Burton law. I wonder if President Clinton is ready to discuss this issue with the South American countries, especially with this clear



LEXIS·NEXISTM

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXISTM

Ⓜ A member of the Reed Elsevier plc group



LEXIS·NEXISTM

Ⓜ A member of the Reed Elsevier plc group

rejection from Latin America to this unilateral action by the United States.

MR. BERGER: Well, the President has to make, under the law, his own determination. You're referring to the waiver provision of Title III of Helms-Burton.

Q I'm talking about Title IV with the issue of the European Union.

MR. BERGER: In either case, this is a decision the President needs to make. There are 34 countries in the hemisphere, there are 33 democracies. There's one conspicuous omission - Cuba. We know there are disagreements within the hemisphere about how best to proceed, but we believe that within the hemisphere other countries share our objective of seeing a democratic Cuba. I don't imagine this will be the centerpiece of any of the discussions, but it's not inconceivable that it will come up.

Q - that the U.S. and Brazil will be making regarding drug trafficking?

MR. BERGER: I don't want to get into the specifics of any particular announcement that we may be making on the trip. Let's wait until we get to Brazil and we'll go into more detail.

Q On the different roads to hemispheric integration that Mr. McLarty mentioned, while Brazil has stated its position, it's very skeptical regarding - and it is at least on that time frame that has been suggested in vice ministerial negotiations. Also, in Brazil, some of those tensions have been interpreted as the United States having difficulty to adapt to a situation where now in the hemisphere there are new expressions of leadership of democratic countries around especially Mercosur. You and others have made statements to the fact that the United States supports Mercosur, finds Mercosur a good thing.

I'd like to ask you this. Do you think this trip would be an opportunity for the President to reaffirm that and if the United States finds Mercosur such a good idea, to suggest that other countries - to President Cardoso - to suggest to them to welcome other South American countries into Mercosur if those countries so wish?

MR. MCLARTY: I think you will find President Clinton with President Cardoso and President Menem, both countries members of Mercosur, discussing in a positive way the positive contribution that Mercosur has made. I think our position has been that as long as regional trading groups, including the Andean Pact, CARICOM, the NAFTA, the Central American Common Market, are trade-enhancing and do not divert trade or distort trade. We believe that is a positive step toward the goal of an FTAA or a free trade area by the year 2005.

I think also you will find both President Menem and President Cardoso strongly supportive of achieving this goal of economic integration by the time line. As far as additional membership in Mercosur, I do not expect that to come up in terms of our President's participation.

Q Mr. Berger, if I could I'd like to take a quick detour to another issue, and that's the Persian Gulf overseeing increased tensions. My first question is, is the U.S. stepping up surveillance flights in Southern Iraq, and why are we seeing increased tensions over this past week?



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group

M2 PRESSWIRE October 13, 1997

MR. BERGER: Well, there was, as you know, I think earlier this week, Sunday or Monday, some incursions into Iraq by Iranian planes, which attacked anti-Iranian terrorists bases in Iraq. In response to that, there was some activity on the part of the Iraqi Air Force, which may have violated the no-fly zone, which we enforce in Iraq, both in the south and in the north. And we've made it quite clear that we continue to enforce a no-fly zone, that it is - was created in order to assure that the U.N. Security Council resolutions which protect Iraq's neighbors from Iraq's aggression or Iraq's people from its repression would be complied with.

And we do that in concert with allies, and we will continue to do that. And to the extent that there are future violations of the no-fly zone which are - those planes are subject to action by coalition planes.

Q Any today?

MR. BERGER: I don't know whether - I haven't got a report from today.

Q What about the reports that we are increasing the number of over-flights on southern Iraq? Is that - are those reports correct?

MR. BERGER: We'll do what is necessary to apply the no-fly zone. I'm not going to, basically, get into up-tempo here, but we have always, we have since the Gulf War, and we will continue to do so.

Q I'm sorry, but one last question. Does that no-fly zone apply to Iranian planes violating Iraqi airspace also?

MR. BERGER: A no-fly zone is a no-fly zone.

Q Mr. Berger, narco traffic is going to be one of the main issues discussed on the trip. For many years, the government of the United States and President Samper of Colombia have had very cool relations, and that's calling it mildly. All of a sudden, General McCaffrey, as soon as this trip is over, will be in Colombia, will meet with President Samper. There has been an articles, The Washington Post for one, saying there was a deep division between certain agencies of the U.S. government on whether this meeting should take place. You, as National Security Advisor - what is the logic or the reasoning behind -

MR. BERGER: There have been - we have not changed our position with respect to President Samper. He's been denied visas to the United States. He will continue to be denied visas to the United States. And we've made very clear our position. The fact is that Colombia is a major drug supplier, that we have a very substantial antidrug, counterdrug program in Colombia, and that we have continued to maintain contact with President Samper for that purpose - that is, to intensify the effort in fighting the drug war and preventing drugs from entering the United States. And it is in that context and solely in that context that General McCaffrey is meeting with President Samper, as other administration officials have over the past year, for this same purpose.

Q Mr. Berger, today you met the leader of Northern Ireland's biggest political party. Are you any more optimistic after that meeting that the peace talks in Belfast will come to a lasting peace settlement?

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

**LEXIS·NEXIS™**

A member of the Reed Elsevier plc group

M2 PRESSWIRE October 13, 1997

MR. BERGER: I think that this is an historic and perhaps unique opportunity that exists right now in Northern Ireland. By virtue of the leadership of the two countries involved - i.e, England and Ireland - by virtue of the decisions that have been taken by the IRA to reinitiate the cease-fire, by virtue of decisions, Mr. Trimble, who I met with today, made to come into these talks - the right decision - I think there is the potential here that hasn't existed for a long time and may not exist for a long time after this to end this bloody war that has so savaged that portion of the world.

And I think when the President was in Belfast and in Northern Ireland a few years ago - some of you were with him - with 500,000 or 600,000 or 700,000 people coming out in the streets - and every one, by the way, of the Irish leaders who comes to meet with me talk about that as being a defining moment, because they looked around and they said, our people want peace. There's no question in my mind that the people of Northern Ireland - Protestant, Catholic - want peace. And now we hope that the leaders of Northern Ireland, leaders of the various parties under the direction of former Senator Mitchell in these talks will seize this opportunity, because I am afraid it will not come back again for a very long time.

Q There is today a report in The New York Times on the front page regarding the execution, the vanishing of U.S. citizens in the border area with Mexico. I wonder if the United States government is trying to force or have some pressure over the Mexican government of the investigation of these supposed to be executions, made by the police of Mexico and also from the military.

MR. BERGER: I found that a very disturbing story and intend to look into it more fully. We have never denied, nor has President Zedillo the fact that Mexico has a deadly serious drug problem which is eating at its institutions like a cancer. And the argument that's taken place in this country is whether we should cooperate with Mexico in trying to deal with the problem, or whether we shouldn't cooperate with Mexico in trying to deal with the problem. But I think there is no - President Zedillo is the most articulate and eloquent spokesman for the proposition that this is the number one national security issue - the number one issue, period, that his country faces.

So there is a serious problem, and it is corrupting many of the institutions of Mexico, which is why President Zedillo, for example, is creating an entirely new drug police to replace the old. And I believe that together, through the alliance that we formed with Mexico when the President was in Mexico City, that we can make progress. And the fact is that if General McCaffrey were here rather than in Colombia, he would I think explain very persuasively how substantially our cooperation has increased even in the past several months. So it's a serious problem, we need to work on it together with the Mexicans.

As to the specifics of that report, I need to find out more about them, but they're disturbing.

Q Mr. McLarty, coming back to Colombia, it still is very strange to visit somebody you don't want to see at your own house. Could it be seen as the beginning of the end of the isolation of -

MR. MCLARTY: I think we have been consistent in trying to support those



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group

M2 PRESSWIRE October 13, 1997

forces in Colombia who are fighting a courageous battle against narcotics and narcotics traffickers. I think Mr. Berger has spoken to the overall relationship with President Samper and with Colombia, but I think the general support of the drug efforts in Colombia have been consistent with our policy in the past.

Q Well, is Samper one of those people who is fighting a courageous battle?

MR. BERGER: I think it was a judgment of General McCaffrey that this would be a useful meeting in terms of his mission, which is fighting drugs, and his judgment's been pretty darn good so far. He's not there to have tea and coffee - tea and crumpets.

Q You haven't mentioned at all advanced weapon sales. Following the President's decision to do this on a case by case basis, to what extent is this going to come up at these three stops?

MR. BERGER: It conceivably may come up. It's principally an issue right now for Chile, of course, which we're not going to until April - Mack has us going to Latin America about every six weeks.

MR. MCLARTY: The President does. (Laughter.)

MR. BERGER: But I think it's important to understand what the President decided. Basically, we had a policy for Latin America that was different than our policy for the rest of the world. And as this revolution has taken place in Latin America, as they have become democracies, as they have become more modern economically, as they have established in most cases civilian control over the military, the notion that we would not entertain the possibility of helping to modernize their air forces increasingly became obsolete. All that meant was the Russians or others would sell them the planes and not us.

All the President has decided is that he is lifting the prohibition which says that we won't look at this, and we will take these on a case by case basis and look to see whether or not this is modernization, whether or not there is clearly civilian control, what it will do to the balance of power in the region, et cetera. And as we do that, we will equally press for confidence-building measures in the hemisphere through the OAS and other institutions, greater transparency among the countries of the region so that they have a greater degree of knowledge about what each of them are doing in the military modernization area. But a number of these countries have reached the point where they're going to modernize their air forces and in appropriate circumstances, we ought to consider participating in that. We have a greater degree of control over the context if we do.

THE PRESS: Thank you.

LANGUAGE: English

LOAD-DATE: October 14, 1997



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group



LEXIS·NEXIS™
A member of the Reed Elsevier plc group

LEVEL 1 - 249 OF 250 STORIES

Copyright 1997 The Times-Picayune Publishing Co.
The Times-Picayune

October 10, 1997 Friday, THIRD

SECTION: MONEY; Pg. C1

LENGTH: 731 words

HEADLINE: NATIONS CONVERGE FOR ENCUESTRO KICKOFF;
N.O.'S FUTURE ROLE IS A FOCUS

BYLINE: By JAMES WELSH Business writer

BODY:

The corridors of old Gallier Hall on St. Charles Avenue came alive again Thursday, as government officials and business people explored the possibilities of reinvigorating business ties between New Orleans and Latin America.

Under the tall ceilings of the 1800s-era City Hall, government and private sector representatives from the United States and Latin America gathered to talk, listen and trade information. The event, called Encuentro Las Americas, is being held through today to connect business people with key government decision makers and financing sources for international trade ventures.

About 150 companies paid the \$350-per-person registration fee for the conference, which features appearances by government officials from Costa Rica, Belize, Nicaragua and several other nations. Throughout the day, the need to increase global trade in New Orleans was a recurring theme.

"There is one reason we are here," New Orleans Mayor Marc Morial said during his Encuentro opening address Thursday morning. "Because we have to be here."

Belize Prime Minister Manuel Esquivel, a 1962 Loyola graduate who delivered the luncheon address Thursday, said Encuentro has helped facilitate a couple of business deals between New Orleans companies and his small Central American country.

But he said Miami currently holds the cards as the U.S. center for Latin American trade, partly because of its large Cuban and Latin population and its gateway airport to Europe and other destinations.

Esquivel said his country's ties to Hibernia National Bank in New Orleans is a good example of ways to expand the city's role in Latin American trade. Earlier this year the bank, along with the local equity-research firm The Lugano Group, became a strategic financial adviser to Belize, which has been struggling to find its niche in the new global economy.

In many ways, Encuentro's first day was as much a political cheerleading session as a business forum. Official after official took to the lectern to urge support for President Clinton as he pushes to have fast-track approval on trade treaty negotiations affirmed by Congress. The approval would let the president



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group

submit trade pacts to Congress for an up-or-down vote, without giving lawmakers a chance to attach amendments.

Encuentro speakers, including Mack McLarty, the president's top adviser on Latin America, painted a grim picture of what might happen should the **fast-track** effort fail.

"Our **president** needs every tool available to him," **McLarty** said. "The stakes are real, and they are high for companies, workers and consumers throughout America"

J. Brian Atwood, administrator of the U.S. Agency for International Development in Washington, said small and large companies alike benefit from programs at his agency, which doles out billions in aid to emerging nations each year.

"Our foreign aid program isn't foreign any more," Atwood said.

USAID grants and contracts to Louisiana companies and institutions reached \$2.3 million at the end of 1995. In addition, USAID spent \$29.5 million in Louisiana last year for shipping and handling of Louisiana commodities purchased in its programs.

Louisiana farmers profit from the agency's programs as well. In 1995, the agency paid nearly \$137 million for corn, rice and other crops used for USAID programs in 40 nations.

Local business people attending Encuentro Thursday to explore Latin trade possibilities included Michael Russell, president of Central Analytical Laboratories in Belle Chasse. The company conducts fruit and vegetable inspections for food importers and exporters. Russell said he is considering a move into Guatemala, where his company might bid on an inspection service now being privatized by the government.

Still, trade proponents continued to complain this week that the New Orleans business community shows scant support for foreign trade activities. "We probably had more registrants from Mobile, Ala., than we did from New Orleans," one Encuentro official said privately.

Atwood agreed that it's hard to get business people interested in trade, even in a city like New Orleans that was founded as a trade destination.

"People don't fully understand how much their economy depends on trade," Atwood said. "It's not easy to see the connection. We have to keep reminding people that every \$1 billion in trade creates 20,000 American jobs."

GRAPHIC: Mayor Marc Morial chats with Belize Prime Minister Manuel Esquivel during the outdoor Encuentro Las Americas luncheon Thursday in Lafayette Square. About 150 companies are represented at the conference. [COLOR] STAFF PHOTO BY ELIOT KAMENITZ

LANGUAGE: ENGLISH

LOAD-DATE: October 11, 1997



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group



LEXIS·NEXIS™

A member of the Reed Elsevier plc group