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Fast Track

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41

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1

FAST TRACK SCHEDULE

Thursday, October 30

- Presidential statement thanking Gingrich for House vote
- Albright appearance on Larry King Live

Friday, October 31

- President's remarks to workers at Tropical/West Palm Beach Port (to be delivered by Daley)
- Berger address to Council on Foreign Relations (includes strong fast track message)

Saturday, November 1

- President's radio address on fast track, including endorsements by former Presidents, secretaries of State, Treasury, etc. (to be delivered by Vice President)
- Republican response on fast track by Speaker Gingrich (request by Brophy)

Sunday, November 2

- Possible references to fast track in President's political speeches (unlikely; check with C. Smith)
- Bill Richardson appearance on Fox Morning News (request pending)

Monday, November 3

- President meets with Daschle and other Senate Democrats; pool spray and post-meeting press stake-out where Daschle announces his support in light of package on labor/environment (check with Daschle; Republican consultation needed)

Tuesday, November 4

- East Room press conference with President, Daschle, Gingrich, Lott and Fazio (approx. 2:30 pm)
- President meets with Chet Edwards and undecided Texas Democrats; post-meeting press stake-out announcing member endorsements (approx. 5:30 pm)

Wednesday, November 5

- White House announcement with President, Vice President, Herman, Daley, Sperling, Barshefsky, other Cabinet members, and supportive House Democrats of new package of TAA/training proposals

-- Cabinet amplification of new training/TAA package -- cable news; regional tongs
-- Bowles, Berger, Barshefsky address Business Roundtable policy group CEO's in morning
-- Business Roundtable policy group meeting in afternoon; request for principal -- Vice President?

Thursday, November 6

-- President attends Bush Library dedication where President talks about fast track vote tomorrow and each former President endorses fast track (TBD whether formers will agree)

-- Vice President meets with Cabinet members at White House; Cabinet then fans out on Hill for member visits; press follows some Cabinet (Albright) (tentative)

Other

1. Cabinet members assigned to media markets in undecided member districts
2. Placement of Administration officials on weekend shows
3. Lewis, Emanuel, Begala, and others to call weekend pundits/commentators to advance message of Republican leadership now invested and

FAST TRACK: IN THE INTEREST OF AMERICA AND AMERICAN WORKERS

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

-- President Clinton, 9/10/97

Fast Track Will Create More Higher Paying Jobs For America's Workers.

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

Fast Track Background

Q: *What is fast track?*

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

President Clinton Has Helped American Workers...

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

...And Will Continue To Ensure That All Workers Benefit From Expanded Trade

President Clinton will continue to build on his strong record of supporting American workers and ensuring that all workers benefit from expanded trade by fighting for increased training and education opportunities. The Administration is currently developing a comprehensive plan to help communities and workers who have been affected by trade.

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

Failure To Lead On Trade Will Hurt Our Foreign Policy

Fast track is a test of our foreign policy. America's failure to lead on trade will have harmful effects in other areas such as foreign relations and national security. For example, if Latin America is permitted -- by default in our leadership -- to turn increasingly to Europe and Asia for trade relations, the U.S. relationship with Latin America will weaken. In addition, as the sole remaining superpower, the United States has a fundamental interest in aiding both security and prosperity around the world -- particularly in our own hemisphere.

-- Fast Facts --

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

KEEPING AMERICA AND ITS WORKERS THE MOST COMPETITIVE IN THE

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

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

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

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

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

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

fair trade agreements.

- Over the last four years, American manufacturing exports rose 42%, high technology exports jumped 46%, service exports climbed 33% and farm exports rose 41%.
- From 1990-1996, U.S. auto exports to the biggest emerging markets (excluding Mexico) rose \$500 million and are estimated to reach \$6.1 billion by 2010. U.S. parts exports to these emerging markets are expected to more than triple from the current \$3 billion to \$10 billion in 2010.
- The U.S. dominates 75% of the global software market. More than one-half million workers are employed in the industry -- double the level a decade ago. This industry is expected to grow 9% *per year* worldwide over the next decade.
- The U.S. once again dominates the world's semiconductor industry -- after trailing Japan for years. More than one-quarter million American are employed in the semiconductor industry -- up 13% over the last three years. The global semiconductor market nearly tripled in size between 1990 and 1995 -- and sales are expected to reach \$200 billion by the year 2000 -- a fourfold increase over a decade.
- Exports of goods and services have risen from about 4% of GDP in the early 1960's to over 13% today. Over 15% of the total American workforce is employed in the manufacturing sector. U.S. exports have grown 3 times faster than Japan's, 5 times faster than Germany's since the mid 1980's.

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

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

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

A Record of Strong Action to Help Families and Workers

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

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

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

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

- ☛ **Agriculture.** Agricultural exports support nearly a million U.S. jobs. Agriculture remains one of the most protected and subsidized sectors in the world economy. American exports still continue to face trade barriers through high tariffs and preferential trade deals that exclude the U.S.
- ☛ **Commercial Services.** Service exports of U.S. firms supported nearly 4 million jobs in 1996. Unless negotiated away, barriers will inhibit increased U.S. service exports. In Korea, a number of service sectors remain restrictive for foreign investment including telecommunications and insurance. Brazil has restrictive investment laws, lack of transparency in administrative procedures and limits on foreign capital participation. Distribution in the domestic market is restricted in Indonesia.
- ☛ **Government Procurement.** Some sectors relating to government procurement include civil aircraft, energy equipment, environmental technologies and services and medical equipment which employ over 2 million American workers. The vast majority of low and middle-income countries have not signed the WTO Government Procurement Code and the U.S. cannot negotiate government procurement obligations in plurilateral negotiations.

sketch - Chinese help
Tropical shipping - non-union

2 pages

800
250 teamsters
UNITED Technology

Does
7-11 factory?
20 min. building engine

Port - China
factory/owner =
speech

RADD
Lewis
Silverman
Levy
Tammari

Sen. Graham
FORMAT
Product owner
Wulker - Foreman
Port.

Possible sites:

- Tue. 1:45 - 2:45
- Picture - Products/tenage
Ex Port. - \$1 billion
- Sen. Graham; Davis; Deutch
Gov. Chiles/Mayor Graham

→ Economic benefits =
jobs/workers.

VISIT

→ 3 former presidents

TOURINGS - PLANT.

Audience = employees

Sen. Graham
Wulker - Foreman type
Pres

To: Peter O'Keefe et al
From: Ken Klein (GRAHAM)
Date: Friday Oct. 24, 1997
Re: Fast Track/Palm Beach County, Florida

Peter, thanks for your call today regarding fast-track and the President's planned trip to Florida.

We're pleased to help provide information regarding Palm Beach County and international trade.

Early thoughts:

1.) Boca Raton (southern part of county) is a high-tech center. As an example, about half of Sensormatic's business is overseas (anti-crime and security systems).

2.) BGI, a Peruvian firm analogous to AVON in this country, has decided to move a production facility to the USA (the Boynton Beach area of Palm Beach County).

Why: because raw materials are purchased in the United States.

This company plans to begin construction in January on a large production facility. The first phase of this project will generate 300 jobs; 600 jobs at build-out.

These beauty products will be for export.

3.) B-E Aerospace in the Wellington community: makes seats and other internal products for jetliners; some of which are exported. Also makes airbags.

4.) Port of West Palm Beach: busy, almost to capacity.

page 2

5.) Pratt Whitney: makes aircraft engines, a unit of United Technologies, based in Connecticut. Check past layoff history.

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Other considerations:

- 1.) Mayor of West Palm Beach is Republican. Good friend of ours, Mayor Graham.
- 2.) Portions of Florida's agriculture community, mainly citrus and winter vegetables, do NOT like NAFTA or fast track. The citrus industry worries that fast track is the camel's nose in the tent for eventual tariff reductions with Brazil, which would put Florida growers out of business.
- 3.) The Florida economy is humming. State revenues are up. Tourism will have a record season in 1997. Unemployment is low. Trade is part of this positive picture.