

companies operating in Haiti to establish, under specified circumstances, interest-bearing blocked reserve accounts in commercial or investment banking institutions in the United States for deposit of amounts owed the *de facto* regime; (4) permitting the continued material support of U.S. and international religious, charitable, public health, and other humanitarian organizations and projects operating in Haiti; (5) authorizing commercial sales of agricultural inputs such as fertilizer and foodcrop seeds; and (6) in order to combat deforestation, permitting the importation of agricultural products grown on trees.

12. During this reporting period, U.S.-led OAS initiatives resulted in even greater intensification and coordination of enforcement activities. The U.S. Coast Guard, whose cutters had been patrolling just beyond Haiti's territorial waters, significantly increased vessel boardings, identification of suspected embargo violators, and referrals for investigation. Continued close coordination with the U.S. Customs Service in Miami sharply reduced the number of attempted exports of unmanifested, unauthorized merchandise.

Since the last report, 16 penalties, totaling approximately \$65,000, have been collected from U.S. businesses and individuals for violations of the Regulations. Seven violations involved unlicensed import- and export-related activity. As of September 21, 1993, payments of penalties assessed against the masters of vessels for unauthorized trade transactions or violations of entry restrictions totalled approximately \$45,000. Total collections for the fiscal year have exceeded \$210,000.

13. The expenses incurred by the Federal Government in the 6-month period from April 4, 1993, through October 3, 1993, that are di-

rectly attributable to the authorities conferred by the declaration of a national emergency with respect to Haiti are estimated at approximately \$3.1 million, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, and the Office of the General Counsel), the Department of State, the U.S. Coast Guard, and the Department of Commerce.

I am committed to the restoration of democracy in Haiti and determined to see that Haiti and the Haitian people resume their rightful place in our hemispheric community of democracies. Active U.S. support for U.N./OAS efforts to resolve the Haitian crisis has led to the reimposition of sweeping economic sanctions. I call on all of Haiti's leaders to recall the solemn undertakings in the Governors Island Agreement and to adhere to those pledges, so that the sanctions can be lifted and the process of rebuilding their beleaguered country can begin. The United States will continue to play a leadership role in the international community's program of support and assistance for democracy in Haiti.

I will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on November 15.

## Remarks on NAFTA to Small Business Leaders

November 15, 1993

*The President.* Thank you very much. When Manny and Rick were talking I leaned over to Bill Daley, and I said, "You know, these guys are really good. We need to put them on the stump."

I want to thank you all for being here today. And before I make any more remarks, there

are a couple of people I would like to introduce who have not yet been introduced. First of all, I think all of America has seen that our administration has pursued the ratification of this agreement in the Congress on a strictly bipartisan basis on the theory that it was in the best interest of America and the American economy and

that after all that we've been through in the last 15 or 20 years, adjusting to the global economy, all the ups and downs, it's an important part of our national security to have a sensible global economic policy.

When we organized this campaign I asked Bill Daley to come in from Chicago. And then we were very fortunate to have the services of his Republican counterpart, the former leader of the Republican Party in the House of Representatives on the issue of trade, Congressman Bill Frenzel from Minnesota. And he's over here, so I wanted to introduce him. Thank you.

I also want to introduce another person who is a longtime friend of mine and in more ways than one responsible for my being here today, with this introduction. If you look at the opposition to NAFTA, much of it is coming from people who are involved in the manufacturing sector of our economy, who justifiably note that the percentage of our work force in manufacturing has declined and that wages have been more or less stagnant for a long time. Some say that the answer to that is to keep the barriers high here and not worry about lowering the barriers elsewhere. That has never worked for any country ever in the entire history of global economics. The State in this country that has the highest percentage of its work force in manufacturing by far is North Carolina. And the Governor of North Carolina is here today with us and a strong supporter of NAFTA, my friend Governor Jim Hunt. Please welcome him.

We wanted to meet here today in this marvelous museum not to focus on the past but to make a point about our past. If you look around at all these different displays, all the exhibits, you see that the one constant in American economic history has been change. The reason we have been able to build a dominant economy is that we have been at the forefront of innovation in new products, new services, new technologies, new production techniques, new management techniques, new sales techniques.

We know now that a lot of what we have seen in the last 20 years in terms of competition from around the world is the direct result of our success in, first, winning the Second World War; secondly, rebuilding our former foes in Germany and Japan; thirdly, supporting a global trading system so that everybody could have the benefit of capitalism and free enterprise; and fourthly, the fact that there are a lot of other

people in the world who are smart and work hard and do things well, too, so that the arena of competition has gotten much bigger.

In that connection, however, it cannot be denied that for all of the difficulties we've had in the last several years, we've had astonishing growth in productivity in many sectors of our economy. Every single analysis still says we have the most productive workers in the world. And it is clear that if we can expand our customer base, we'll be able to solidify job gains and income increases. There is no way any wealthy country in this world can increase jobs and incomes without increasing the number of people who buy that nation's products and services. There is simply no other way to do it, just like there's no way you can increase your business unless people buy more of whatever it is you're selling. It is the same for a nation.

I understand well why there are so many people in this country today who are skeptical about any change because they feel so burned by the economic problems of the last 10 to 15 years. I understand that. But if ever a group of Americans understood the risk of competition and change, it is the small business community. If there is one sector of our economy that sort of lays it on the line every day, it is the small business community. If you look at the incredible churning of the number of small businesses in America today, the number that are created and the number that don't make it, if any group of Americans could come to the Nation's Capital and say, hey, we can't stand any more insecurity, it would be you, right?

*Audience members.* Right!

*The President.* So why is the small business community in America overwhelmingly in support of NAFTA? Because you understand also the only way to sell more is to have more customers, and the only way to succeed is to compete and win. And you know something that everyone in America has to learn: that we cannot run from the forces of competition. We have to face them and overcome them and continue to change and grow.

That is what America has always done. That is the meaning of this exhibit. If you look around, you see in this exhibit the history of the accumulated lives of innovative, creative entrepreneurs, the people who paved the way for all of you to be here today. And on Wednesday, we are going to see the United States Congress pass a vote which will either be in the great

tradition of all those who put their products in this museum and all you who come to this Nation's Capital, or will be the exception to the rule but one for which there is some evidence that maybe we just will turn away one more time.

Every time we have done that, this country has gotten burned. Every time. And all the people who are against it say, "Well, there's something different about this. This is worse, or this is different, or whatever." I say to them, if we don't adopt this we will never know how good it can be. If all the naysayers turn out to be wrong, the treaty gives us a right to withdraw in 6 months. Why don't we just wait and see whether we're right or they're right?

You know we're right. You know it because it is consistent with your own life experience. And the argument that is being made here, that we shouldn't even try, we should give up before we engage, is really very, very bad for our country and ignores the enormous productivity gains that have been achieved by Americans in the last several years. We are now in a position to take advantage of our productivity gains. But all of you know what productivity is, it's the same number of people producing more, or fewer people producing more. So now, if you want to have more jobs and more incomes, we have to have more people to sell to. It is clear and self-evident.

I want you to contact these Members of Congress in the next 2 days and make the case I just made about insecurity. If any group of people in America understands how change can take you away overnight, it is the small business community. You are for this because you know you cannot repeal the laws of change, you can-

not run away from them. And the competitive system in America with winners and losers has produced far more winners than losers over the last 200 years, far more winners than losers. And this will produce more winners than losers. This is the way to grow the American economy. You understand it, and we need you.

One of our Nation's strongest advocates for small business, also from North Carolina, is the Director of the Small Business Administration, Erskine Bowles. And I predict he will go down in history as one of the most popular members of our administration because he's the first SBA Director in a long time who's made a living creating small businesses. That's what he's done for 20 years, helped people start small businesses, helped them expand, helped them sell their products overseas, helped them pierce foreign markets in the private sector. And he is a terrific advocate for NAFTA.

We were talking the other day about this and it's how I obviously, as you might imagine, since I'm now on my fourth or fifth or sixth conversation with some of these Members of Congress about this issue, I keep trying to think of the argument that can be made. So I implore you again, I don't want to sound like a broken record, but talk to the Members of Congress. Tell them you know all about insecurity, but you know that we can compete and win if we have enough customers to sell to.

Thank you, and God bless you.

NOTE: The President spoke at 10:20 a.m. at the Smithsonian Museum of American History. In his remarks, he referred to Manuel Silva, founder, Pan American Engineering, and Richard Harris, president, Pulsair, Inc.

## Statement on the Outcome of the Puerto Rican Referendum

*November 15, 1993*

I fully support the determination of the citizens of Puerto Rico to continue their commonwealth status.

I am especially gratified by the high level of participation in Sunday's referendum, and I

look forward to maintaining the relationship of friendship and mutual respect that the United States enjoys with the people of Puerto Rico.