

because of the expanded trade we've done. And I think we ought to do more of it.

Latin America will grow, Asia will grow quicker than the global economy. We are 5 percent of the world's population. We have 20 percent of the world's wealth. If we want to keep it we've got to sell to the other 95 percent. It's not complicated.

And so I hope that we will prevail in making that argument, because I'm convinced that more than money is at stake. Our world leadership in supporting democracy and open markets and a future where people work together and work out their problems, instead of fight them out, is very much at stake in this debate over the President's role in world trade.

Finally, we will have a major effort later in the year to reach consensus in our country—and it's going to be difficult to do—on a commitment that I need to make in December about how much we will reduce our greenhouse gas emissions by early in the next century.

I am convinced the problem of climate change is real. I know the American people have not fully focused on it yet, but literally, the overwhelming majority of scientists who have studied this problem say that our environment is changing dramatically because of the volume of greenhouse gases that we're putting into it. And it's fixing to get worse if we don't do something about it because all these developing countries—most importantly China, which is the biggest one—are getting rich the same way we did, that is, by burning fuels which put great stress on the atmosphere. We have got to turn this around.

And the United States cannot be dragged kicking and screaming into this. And I believe—I don't believe; I know—we can find a way to do it and grow the economy. This will be very controversial. And I hope that I can get a lot of support from the business people in this country and from labor organizations and from others who realize that we have to pass along to our children and our grandchildren an environment in which they can live, or all the economic growth in the world won't amount to a hill of beans if people can't breathe and enjoy their lives and feel that we're in a balanced environment. So that's a big issue.

Meanwhile, the Secretary of State is in the Middle East; we are struggling to make some progress in Bosnia; things look better in Northern Ireland than they have in a good long while. And the Chinese President is coming here before the end of the year, and I'm going to Latin America. And the country is in good shape. We're moving in the right direction. And those of you who have supported me made it possible, and for that I am very grateful. But I ask you to keep the energy behind our efforts. We've got to keep going. We've got to keep moving forward. We can't rest. And there's a lot more to do.

Thank you very much.

NOTE: The President spoke at 9:45 p.m. in the Chandelier Room at the Sheraton Carlton Hotel. In his remarks, he referred to Steve Grossman, national chair, and Alan D. Solomont, national finance chair, Democratic National Committee; and President Jiang Zemin of China.

Remarks Supporting Renewal of Fast-Track Trading Authority *September 10, 1997*

Thank you very much, Mr. Vice President, members of the administration. Mr. Lang, thank you for coming all the way from Iowa. And Susan, thank you for coming all the way from California; all else fails, you can give speaking lessons. *[Laughter]*

I also would like to thank the Members of Congress who have come. I see Senator Moynihan and Senator Baucus and a significant delegation from the House, including Congressmen

Matsui and Fazio who have often been on the forefront of our trade issues. It's nice to see former Chairman Gibbons out there and former Congressmen Carr and Anthony. There may be—and former Congressman, our Ambassador to Mexico, Jim Jones. There are a lot of other former Members perhaps here, but I appreciate all of you being here to support this endeavor today.

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

It is true that we have made significant progress with the balanced budget agreement in completing the business of balancing the budget, in making education our genuine top priority, and investing in our people. And it is a good thing that we are moving forward. But we must also recognize that for all the dramatic expansion of trade in the last 4½ years, for all the expansion in our economic opportunities and the enhancement of our world leadership, the world markets are changing so rapidly and growing so quickly, there, too, we must take new action to move forward.

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

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

Now, how do we intend to continue to do that if we have 4 percent of the world's people and we already have 20 percent of the world's income? We have to sell to the other 96 percent of the world's people, especially when we know that the developing economies are projected to grow in Latin America and Asia at almost 3 times the rate of the mature economies over the next 15 to 20 years. And if we do it right, by the way, it will make the world a much better place because 10 to 15 to 20 countries

will move from the ranks of being very poor countries into being countries with sustainable incomes for their own people, making them better democratic partners, more likely to be positive contributors to the world of tomorrow, less likely to be trouble spots that will command America's attention to try to keep something bad from happening when we ought to be working with them to make good things happen.

So this is very much the way of the future that America must lead toward. We have worked for 4½ years—we had over 220 new trade agreements. I compliment our Trade Ambassador, Charlene Barshefsky, and her predecessor, Mickey Kantor. They have worked very hard. Most recently, we had an information technology agreement which will generate hundreds of billions of dollars in income.

We now estimate that of the important growth we've enjoyed in the last 4½ years, almost a third of it came because of our expansion of trade. During this period America has once again become the world's number one exporter, our largest producer of automobiles, the world's largest agricultural exporter, the world's largest producer of semiconductors. From the farms of our heartland to the high-tech firms of the future, business is booming in this country. And from specialty steel to telecommunications, America leads the world in a very competitive global marketplace.

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

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

Again, let me say this is something that I could not have appreciated the day I took the oath of office the first time back in 1993. This is about more than economics. It is very much about economics, and it is very important, but it is about more than economics. It's about

whether other countries will continue to look to the United States to lead to a future of peace and freedom and prosperity, about whether the world will be growing together instead of coming apart, about whether our economic ties will lead to cultural ties and ties of partnership, or whether we will be viewed as somehow withdrawn from the world, not interested in leading it, and therefore not nearly as influential as we might otherwise be for the causes in which we so deeply believe.

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

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

Now, just look at this information technology agreement. It's a good, representative agreement, even though it's larger in its scope than some others we'll be able to negotiate. We reached it with 42 other nations last December to unshackle trade on \$500 billion in computers, semiconductors, and telecommunications equipment. It's the equivalent of a \$5 billion cut in tariffs on American products exported to other nations, and it will lead to thousands and thousands and thousands of new high-wage jobs in America. It will also bind us, in one of the most critical areas of human endeavor, more closely to other countries with whom we want to share a common future in a positive way.

The second thing I'd like to emphasize again is that we want to concentrate on the fastest growing markets in the world, in Latin America and in Asia. These markets are going to go 3 times faster than our own and than Europe's in the next decade. They will become very important to our economic future, whether we do this or not. The question is, will it be a positive or a negative importance? Their economies are on a fast track. They are not waiting for us to pass a bill. And we have to face that.

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

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

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

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

Now, let me also say that those of us who support open trade have to acknowledge that the benefits and burdens of the global economy, both in this country and in other countries, will not automatically fall equally upon all shoulders. They never have, in any market, and they never will. We must acknowledge that the possible effects of global trade on some communities or businesses or workers will not be positive in the short run, even though we know that this agreement will be overwhelmingly positive for the vast majority of Americans in the short run and in the long run. But because of that, I have worked very hard for the last 5 years to give more and more Americans the tools to benefit from change, to take the changes that are going to occur anyway and make something good happen, especially giving Americans access to more and to better education.

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

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

We will continue to seek even further adherence around the globe to fundamental worker rights and environmental protection, as we have for decades. We do not accept the fact that free trade should lower our standards to meet those of other countries. Indeed, our goal should

be to persuade other countries to build on the prosperity that comes with trade to lift their own labor standards, their own people up and to make a commitment to economic growth with environmental protection, a commitment we must reaffirm this very year. Trade need not pull standards down; it must lift them up. And we can do that if we'll work at it.

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

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

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

I know there are heartfelt concerns that expanding jobs in exports and trade could wind up hurting some Americans. That's why we're moving to shape the changes we face. Change is certain; progress is not. But walking away

from this opportunity will not create a single job. No one suggests we should throw up greater barriers in our own marketplace. Walking away from this opportunity will only leave the inequalities that are there now, that do not work to the advantage of either American businesses or American workers. Backing away from this responsibility will not make the environment better. It won't clean up a single toxic waste site. Turning away from the effort will not expand our economy, enhance our competitiveness, or empower our workers.

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

is the time to lead to the future. We have a special responsibility because we are doing so well now—a responsibility to think of how our children will do, a responsibility to think of how others around the world will do, a responsibility to think of how this world ought to look like and ought to work like in 20 or 30 years.

So I say, the future will not wait for us, but we can shape it. I do not intend to sit on the sidelines, and I'll bet you, when the time for counting comes, the Congress won't either.

Thank you very much, and God bless you.

NOTE: The President spoke at 2:28 p.m. in the East Room at the White House. In his remarks, he referred to Eugene Lang, corn and soybean farmer from Grinnell, IA; and Susan Corrales-Diaz, president and chief executive officer, Systems Integrated, Inc.

Message to the Congress Reporting on Telecommunications Services Payments to Cuba *September 10, 1997*

To the Congress of the United States:

This report is submitted pursuant to 1705(e)(6) of the Cuban Democracy Act of 1992, 22 U.S.C. 6004(e)(6) (the "CDA"), as amended by section 102(g) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996, Public Law 104-114 (March 12, 1996), 110 Stat. 785, 22 U.S.C. 6021-91 (the "LIBERTAD Act"), which requires that I report to the Congress on a semiannual basis detailing payments made to Cuba by any United States person as a result of the provision of telecommunications services authorized by this subsection.

The CDA, which provides that telecommunications services are permitted between the United States and Cuba, specifically authorizes the President to provide for payments to Cuba by license. The CDA states that licenses may be issued for full or partial settlement of telecommunications services with Cuba, but may not require any withdrawal from a blocked account. Following enactment of the CDA on October 23, 1992, a number of U.S. telecommunications companies successfully negotiated agreements to provide telecommunications services

between the United States and Cuba consistent with policy guidelines developed by the Department of State and the Federal Communications Commission.

Subsequent to enactment of the CDA, the Department of the Treasury's Office of Foreign Assets Control (OFAC) amended the Cuban Assets Control Regulations, 31 C.F.R. Part 515 (the "CACR"), to provide for specific licensing on a case-by-case basis for certain transactions incident to the receipt or transmission of telecommunications between the United States and Cuba, 31 C.F.R. 515.542(c), including settlement of charges under traffic agreements.

The OFAC has issued eight licenses authorizing transactions incident to the receipt or transmission of telecommunications between the United States and Cuba since the enactment of the CDA. None of these licenses permits payments to the Government of Cuba from a blocked account. For the period January 1 through June 30, 1997, OFAC-licensed U.S. carriers reported payments to the Government of Cuba in settlement of charges under telecommunications traffic agreements as follows: