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REMARKS BY PRESIDENT CLINTON,
PRESIDENT BUSH, PRESIDENT CARTER, PRESIDENT FORD,
AND VICE PRESIDENT GORE
IN SIGNING OF NAFTA SIDE AGREEMENTS

The East Room

10:39 A.M. EDT

VICE PRESIDENT GORE: Ladies and gentlemen, please be seated. We'd like to welcome all of you. President and Mrs. Ford, President and Mrs. Carter, President Bush, Mr. President, to the First Lady, to the Ambassador of Mexico, Mr. Montano, Ambassador Keegan of Canada, Ambassador Kantor. To the distinguished leaders of Congress here -- the Speaker of the House Tom Foley -- I got you all a little out of order, I apologize -- and to the Majority Leader, Senator Mitchell; to the Republican Leader, Senator Dole; the Minority Leader of the House Bob Michel; to all of the distinguished members of the House and Senate who are here. To the other members of our Cabinet -- of President Clinton's Cabinet who are here -- Secretary Christopher, Secretary Bentsen, Secretary Espy, Secretary Reich, Secretary Riley,

Secretary Browner, Secretary Babbitt, Attorney General Reno, OMB Director Panetta. And to all of the distinguished guests who are present. We deeply appreciate the demonstration of support for a treaty of such importance to the United States of America.

If you're anything like me and my family, you're still kind of rubbing your eyes a little bit after yesterday's event, where the Prime Minister of Israel and the Chairman of the PLO were on the White House lawn. But that event has something in common with the event here this morning; something that was thought to be impossible, but good for our country and good for the world was made possible by a long series of commitments by presidents in both parties.

There are some issues that transcend ideology. That is, the view is so uniform that it unites people in both parties. This means our country can pursue a bipartisan policy with continuity over the decades. That's how we won the Cold War. That's how we have promoted peace and reconciliation in the Middle East. And that's how the United States of America has promoted freer trade and bigger markets for our products and those of other nations throughout the world. NAFTA is such an issue.

The presence of three former presidents, two Republicans and one Democrat, to join President Clinton here today on this stage, is evidence of our country's ability to support what is in our nation's best interest over the long term without respect to partisanship.

Arthur Vandenberg, the Senator most identified with bipartisanship during and after World War II once wrote: "Bipartisanship does not involve the remotest surrender of free debate in determining our position. On the contrary, frank cooperation and free debate are indispensable to ultimate unity."

We will, indeed, have much room for free debate during this controversy. That it is in our nation's best interest to ratify

and pass this treaty cannot be left to doubt. The person who is leading the fight and who has marshaled support in both parties is the person it is my pleasure to introduce now. The President of the United States, Bill Clinton. (Applause.)

THE PRESIDENT: Thank you very much. Mr. Vice President, President Bush, President Carter, President Ford, ladies and gentlemen. I would like to acknowledge just a couple of other people who are in the audience because I think they deserve to be seen by America since you'll be seeing a lot more of them: my good friend, Bill Daley, from Chicago; and former Congressman Bill Frenzel from Minnesota, who have agreed to lead this fight for our administration on a bipartisan basis. Would you please stand and be recognized. (Applause.)

It's an honor for me today to be joined by my predecessor, President Bush, who took the major steps in negotiating this North American Free Trade Agreement; President Jimmy Carter, whose vision of hemispherical development gives great energy to our efforts and has been a consistent theme of his for many, many years now; and President Ford who has argued as fiercely for expanded trade and for this agreement as any American citizen and whose counsel I continue to value.

These men, differing in party and outlook, join us today because we all recognize the important stakes for our nation in this issue. Yesterday we saw the sight of an old world dying, a new one being born in hope and a spirit of peace. Peoples who for a decade were caught in the cycle of war and frustration chose hope over fear and took a great risk to make the future better.

Today we turn to face the challenge of our own hemisphere, our own country, our own economic fortunes. In a few moments, I will sign three agreements that will complete our negotiations with Mexico and Canada to create a North American Free Trade Agreement. In the coming months I will submit this pack to Congress for approval. It will be a hard fight, and I expect to be

there with all of you every step of the way. (Applause.)

We will make our case as hard and as well as we can. And, though the fight will be difficult, I deeply believe we will win. And I'd like to tell you why. First of all, because NAFTA means jobs. American jobs, and good-paying American jobs. If I didn't believe that, I wouldn't support this agreement.

As President, it is my duty to speak frankly to the American people about the world in which we now live. Fifty years at the end of World War II, an unchallenged America was protected by the oceans and by our technological superiority; and, very frankly, by the economic devastation of the people who could otherwise have been our competitors. We chose, then, to try to help rebuild our former enemies and to create a world of free trade supported by institutions which would facilitate it.

As a result of that effort, global trade grew from \$200 billion in 1950 to \$800 billion in 1980. As a result, jobs were created and opportunity thrived all across the world. But make no mistake about it: Our decision at the end of World War II to create a system of global, expanded, freer trade and the supporting institutions played a major role in creating the prosperity of the American middle class.

Ours is now an era in which commerce is global and in which money, management, technology are highly mobile. For the last 20 years in all the wealthy countries of the world, because of changes in the global environment, because of the growth of technology, because of increasing competition, the middle class that was created and enlarged by the wise policies of expanding trade at the end of World War II has been under severe stress. Most Americans are working harder for less. They are vulnerable to the fear tactics and the adverseness to change that is behind much of the opposition to NAFTA.

But I want to say to my fellow Americans, when you live in a time of change the only way to recover your security and to broaden your horizons is to adapt to the change, to embrace, to move forward. Nothing we do -- nothing we do in this great capital can change the fact that factories or information can flash across the world; that people can move money around in the blink of an eye. Nothing can change the fact that technology can be adopted once created by people all across the world, and then rapidly adapted in new and different ways by people who have a little different take on the way the technology works.

For two decades, the winds of global competition have made these things clear to any American with eyes to see. The only way we can recover the fortunes of the middle class in this country so that people who work harder and smarter can at least prosper more, the only way we can pass on the American Dream of the last 40 years to our children and their children for the next 40 is to adapt to the changes which are occurring.

In a fundamental sense, this debate about NAFTA is a debate about whether we will embrace these changes and create the jobs of tomorrow, or try to resist these changes, hoping we can preserve the economic structures of yesterday.

I tell you, my fellow Americans, that if we learn anything from the collapse of the Berlin Wall and the fall of the governments in Eastern Europe, even a totally controlled society cannot resist the winds of change that economics and technology and information flow have imposed in this world of ours. That is not an option. Our only realistic option is to embrace these changes and create the jobs of tomorrow. (Applause.)

I believe that NAFTA will create 200,000 American jobs in the first two years of its effect. I believe if you look at the trends -- and President Bush and I were talking about it this morning -- starting about the time he was elected president, over one-third of our economic growth, and in some years over one-half of our net new

jobs came directly from exports. And on average, those export-related jobs paid much higher than jobs that had no connection to exports.

I believe that NAFTA will create a million jobs in the first five years of its impact. And I believe that that is many more jobs than will be lost, as inevitably some will be as always happens when you open up the mix to a new range of competition.

NAFTA will generate these jobs by fostering an export boom to Mexico; by tearing down tariff walls which have been lowered quite a bit by the present administration of President Salinas, but are still higher than Americans.

Already Mexican consumers buy more per capita from the United States than other consumers in other nations. Most Americans don't know this, but the average Mexican citizen -- even though wages are much lower in Mexico, the average Mexican citizen is now spending \$450 per year per person to buy American goods. That is more than the average Japanese, the average German, or the average Canadian buys; more than the average German, Swiss and Italian citizens put together.

So when people say that this trade agreement is just about how to move jobs to Mexico so nobody can make a living, how do they explain the fact that Mexicans keep buying more products made in America every year? Go out and tell the American people that. Mexican citizens with lower incomes spend more money -- real dollars, not percentage of their income -- more money on American products than Germans, Japanese, Canadians. That is a fact. And there will be more if they have more money to spend. That is what expanding trade is all about.

In 1987, Mexico exported \$5.7 billion more of products to the United States than they purchased from us. We had a trade deficit. Because of the free market, tariff-lowering policies of the Salinas government in Mexico, and because our people are becoming more export-oriented, that \$5.7-billion trade deficit has been turned into

a \$5.4-billion trade surplus for the United States. It has created hundreds of thousands of jobs.

Even when you subtract the jobs that have moved into the Maquilladora areas, America is a net job winner in what has happened in trade in the last six years. When Mexico boosts its consumption of petroleum products in Louisiana, where we're going tomorrow to talk about NAFTA, as it did by about 200 percent in that period, Louisiana refinery workers gained job security. When Mexico purchased industrial machinery and computer equipment made in Illinois, that means more jobs. And guess what? In this same period, Mexico increased those purchases out of Illinois by 300 percent.

Forty-eight out of the 50 states have boosted exports to Mexico since 1987. That's one reason why 41 of our nation's 50 governors, some of them who are here today -- and I thank them for their presence -- support this trade pack. I can tell you, if you're a governor, people won't leave you in office unless they think you get up every day trying to create more jobs. They think that's what your job is if you're a governor. And the people who have the job of creating jobs for their state and working with their business community, working with their labor community, 41 out of the 50 have already embraced the NAFTA pact.

Many Americans are still worried that this agreement will move jobs south of the border because they've seen jobs move south of the border and because they know that there are still great differences in the wage rates. There have been 19 serious economic studies of NAFTA by liberals and conservatives alike; 18 of them have concluded that there will be no job loss.

Businesses do not choose to locate based solely on wages. If they did, Haiti and Bangladesh would have the largest number of manufacturing jobs in the world. Businesses do choose to locate based on the skills and productivity of the work force, the attitude of the government, the roads and railroads to deliver products, the availability of a market close enough to make the transportation costs

meaningful, the communications networks necessary to support the enterprise. That is our strength, and it will continue to be our strength. As it becomes Mexico's strength and they generate more jobs, they will have higher incomes and they will buy more American products.

We can win this. This is not a time for defeatism. It is a time to look at an opportunity that is enormous.

Moreover, there are specific provisions in this agreement that remove some of the current incentives for people to move their jobs just across our border. For example, today Mexican law requires United States automakers who want to sell cars to Mexicans to build them in Mexico. This year we will export only 1,000 cars to Mexico.

Under NAFTA, the Big Three automakers expect to ship 60,000 cars to Mexico in the first year alone, and that is one reason why one of the automakers recently announced moving 1,000 jobs from Mexico back to Michigan.

In a few moments, I will sign side agreements to NAFTA that will make it harder than it is today for businesses to relocate solely because of very low wages or lax environmental rules. These side agreements will make a difference. The environmental agreement will, for the first time ever, apply trade sanctions against any of the countries that fails to enforce its own environmental laws. I might say to those who say that's giving up of our sovereignty, for people who have been asking us to ask that of Mexico, how do we have the right to ask that of Mexico if we don't demand it of ourselves? It's nothing but fair.

This is the first time that there have ever been trade sanctions in the environmental law area. This ground-breaking agreement is one of the reasons why major environmental groups, ranging from the Audubon Society to the Natural Resources Defense Council, are supporting NAFTA.

The second agreement ensures the Mexico enforces its laws in areas that include worker health and safety, child labor and the minimum wage. And I might say, this is the first time in the history of world trade agreements when any nation has ever been willing to tie its minimum wage to the growth in its own economy.

What does that mean? It means that there will be an even more rapid closing of the gap between our two wage rates. And as the benefits of economic growth are spread in Mexico to working people, what will happen? They'll have more disposable income to buy more American products and there will be less illegal immigration because more Mexicans will be able to support their children by staying home. This is a very important thing. (Applause.)

The third agreement answers one of the primary attacks on NAFTA that I heard for a year, which is, well, you can say all this, but something might happen that you can't foresee. Well, that's a good thing; otherwise we never would have had yesterday. (Laughter and applause.) I mean, I plead guilty to that. Something might happen that Carla Hills didn't foresee, or George Bush didn't foresee, or Mickey Kantor, or Bill Clinton didn't foresee. That's true.

Now, the third agreement protects our industries against unforeseen surges in exports from either one of our trading partners. And the flip side is also true. Economic change, as I said before, has often been cruel to the middle class, but we have to make change their friend. NAFTA will help to do that.

This imposes also a new obligation on our government -- and I'm glad to see so many members of Congress from both parties here today. We do have some obligations here. We have to make sure that our workers are the best prepared, the best trained in the world.

Without regard to NAFTA, we know now that the average 18-

year-old American will change jobs eight times in a lifetime. The Secretary of Labor has told us, without regard to NAFTA, that over the last 10 years, for the first time, when people lose their jobs most of them do not go back to their old job, they go back to a different job; so that we no longer need an unemployment system, we need a reemployment system. And we have to create that.

And that's our job. We have to tell American workers who will be dislocated because of this agreement or because of things that will happen regardless of this agreement, that we are going to have a reemployment program for training in America, and we intend to do that.

Together, the efforts of two administrations now have created a trade agreement that moves beyond the traditional notions of free trade, seeking to ensure trade that pulls everybody up instead of dragging some down while others go up. We have put the environment at the center of this in future agreements. We have sought to avoid a debilitating contest for business where countries seek to lure them only by slashing wages or despoiling the environment.

This agreement will create jobs, thanks to trade with our neighbors. That's reason enough to support it. But I must close with a couple of other points. NAFTA is essential to our long-term ability to compete with Asia and Europe. Across the globe our competitors are consolidating, creating huge trading blocks. This pact will create a free trade zone stretching from the Arctic to the tropics, the largest in the world -- a \$6.5 billion market, with 370 million people. It will help our businesses to be both more efficient and to better compete with our rivals in other parts of the world.

This is also essential to our leadership in this hemisphere and the world. Having won the Cold War, we face the more subtle challenge of consolidating the victory of democracy and opportunity and freedom.

For decades, we have preached and preached and preached

greater democracy, greater respect for human rights, and more open markets to Latin America. NAFTA finally offers them the opportunity to reap the benefits of this. Secretary Shalala represented me recently at the installation of the President of Paraguay. And she talked to presidents from Colombia, from Chile, from Venezuela, from Uruguay, from Argentina, from Brazil. They all wanted to know, tell me if NAFTA is going to pass so we can become part of this great new market. more, hundreds of millions more of American consumers for our products.

It's no secret that there is division within both the Democratic and Republican parties on this issue. That often happens in a time of great change. I just want to say something about this because it's very important. Are you guys resting? (Laughter and applause.) I'm going to sit down when you talk, so I'm glad you got to do it. (Laughter.) I am very grateful to the presidents for coming here because there is division in the Democratic Party and there is division in the Republican Party. That's because this fight is not a traditional fight between Democrats and Republicans, and liberals and conservatives. It is right at the center of the effort that we're making in America to define what the future is going to be about.

And so there are differences. But if you strip away the differences, it is clear that most of the people that oppose this pact are rooted in the fears and insecurities that are legitimately gripping the great American middle class. It is no use to deny that these fears and insecurities exist. It is no use denying that many of our people have lost in the battle for change. But it is a great mistake to think that NAFTA will make it worse. Every single solitary thing you hear people talk about that they're worried about can happen whether this trade agreement passes or not, and most of them will be made worse if it fails. And I can tell you it will be better if it passes. (Applause.)

So I say this to you: Are we going to compete and win, or are we going to withdraw? Are we going to face the future with confidence that we can create tomorrow's jobs, or are we going to try

against all the evidence of the last 20 years to hold on to yesterday's? Are we going to take the plain evidence of the good faith of Mexico in opening their own markets and buying more of our products and creating more of our jobs, or are we going to give in to the fears of the worst-case scenario? Are we going to pretend that we don't have the first trade agreement in history dealing seriously with labor standards, environmental standards and cleverly and clearly taking account of unforeseen consequences, or are we going to say this is the best you can do and then some?

In an imperfect world, we have something which will enable us to go forward together and to create a future that is worthy of our children and grandchildren, worthy of the legacy of America, and consistent with what we did at the end of World War II. We have to do that again. We have to create a new world economy. And if we don't do it, we cannot then point the finger at Europe and Japan or anybody else and say, why don't you pass the GATT agreement; why don't you help to create a world economy. If we walk away from this, we have no right to say to other countries in the world, you're not fulfilling your world leadership, you're not being fair with us. This is our opportunity to provide an impetus to freedom and democracy in Latin America and create new jobs for America as well. It's a good deal and we ought to take it.

Thank you. (Applause.)

(NAFTA side agreements are signed.) (Applause.)

I'd like to ask now each of the presidents in their turn to come forward and make a statement, beginning with President Bush and going to President Carter and President Ford. And I will play musical chairs with their seats. (Laughter and applause.)

PRESIDENT BUSH: Thank you very much. I thought that was a very eloquent statement by President Clinton, and now I understand why he's inside looking out and I'm outside looking in. (Laughter and

applause.)

But this is an outstanding statement that really covered all the bases, and I'm just delighted to be here to speak for NAFTA. I salute, sir, all in your administration, particularly Mr. Kantor and his team who worked to bring these agreements to fruition; who are continuing now to try to get NAFTA through -- Bill Daley and Bill Frenzel -- outstanding co-workers in the best nonpartisan, bipartisan sense. We're proud of them.

And, of course, I am very proud of those with whom I worked to sign a NAFTA agreement: Jim Baker, Bob Mosbacher, certainly Brent Scowcroft, and particularly the toughest of them all, Carla Hills, whose over here with us today. (Applause.)

And I certainly salute former Presidents Carter and Ford for their speaking out so strongly. My predecessor, Ronald Reagan had a beautiful piece, op-ed piece in the paper the other day spelling out why we must pass this. So it is a bipartisan agreement. You heard an eloquent statement by the President about jobs, and let me just say a word on another facet of this, which he also touched on.

Under Carlos Salinas, a truly courageous young leader, Mexico has changed. And they have moved on environmental matters and on labor matters. And they're working closely with us in the narcotics fight. They're good neighbors and they're good friends, and they're good partners. And on a wide array of fronts, Mexico's courageous young President has tangled with his own bureaucracy, taken on his own special interests. Moving to privatization, he's dramatically improved Mexico. And now the whole world -- and President Clinton touched on this -- particularly those countries south of the Rio Grande are watching and they're wondering if we're going to go through with this excellent agreement.

Other countries in South America want in, as the President said. And in my view, we should encourage similar deals with other countries because that just simply means more jobs for

Americans.

Skeptics abound. Many are taking the cheap and easy way out on this one, appealing to demagoguery and to interests that are very, very special. There's been some longstanding feeling down below our border -- oh, well, the United States will make a free trade agreement with Canada, but when it comes to Latin America, when it comes to Hispanics, see if they'll do the same thing for Latin countries. And if we fail, the losers will be those in South America, not just in Mexico who want better relations with us, and the biggest loser, of course, in my view, will be the good old USA.

Democracy is one the rise in this hemisphere, anti-Americanism is waning, and I honestly believe democracy will be given a setback in those countries if we fail to pass this outstanding agreement. We must say to Mexico that we want you as equal trading partners, and that's good for both of us.

So let's not listen to those who are trying to scare the American people, those demagogues who appeal to the worst instincts that our special interest groups possess, let's do what is right and let's have enough confidence in ourselves, as the President just said, to pass this good agreement.

Thank you very much. (Applause.)

PRESIDENT CARTER: Well, this is as much excitement and as important an issue in this room as when Barishnikov danced, or Leontyne Price sang, or Horowitz and I were trying to arrange the carpet so his piano would sound the best, or Willy Nelson played a guitar, whichever you prefer. (Laughter.) But I don't think there's any more important issue that could have come up than this one in this year.

Since I left the White House, which is a long time ago,

we've spent a lot of time in Latin America. The Carter Center has special programs, one of which is to promote democracy. With my good friend, Gerald Ford, we went to Panama to try to bring both peace and democracy to that country. It finally came with the help of George Bush. We went into Nicaragua to try to hold an honest election and to replace a communist regime. We went to Haiti and to the Dominican Republic and, later on, to Guyana, and just recently to Paraguay. And just this month they've inaugurated a democratically-elected civilian to be the President of Paraguay.

The point is that there is a wave of democracy brought about by the strong U.S. human rights policy that is indeed inspirational to us and is very beneficial to those of us who live in the United States.

We haven't made any progress on Cuba. And Mexico has a long way to go to have a truly honest democratic election. But I think the single most important factor that will democracy and honest elections to our next-door neighbor is to have NAFTA approved and implemented. If this is done, then I believe that we will have rich dividends for our own country.

I'm not going to go into detail about how this will be done. I think you can see it clearly. And I'll get to that in just a few minutes. The two most rapidly growing trade areas in the world are Asia and Latin America. Asia is rapidly growing because their exports to us are increasing. Latin America is rapidly growing because our exports to them are increasing. It's obvious to everyone who looks at this rationally that it's much better to have democracy, freedom and eager markets for American products among our next-door neighbors, who have always looked to the United States with intense interest, far exceeding what I even realized when I was President -- sometimes with trepidation, sometimes with admiration, and sometimes with confidence.

We've seen what happens with the Contra war. We've seen what's happened with the allegations about human rights violations in

Guatemala and El Salvador. But there's a pent-up desire to match their own commitments to peace, to freedom, to democracy, and to human rights with ours, if we demonstrate to them that we have proper respect for them as human beings and as neighbors.

This is not always clear. Foreigners don't understand the lack of continuity in the administrations in Washington. But in just my brief time in politics I've seen the importance of that. Under President Lyndon Johnson, there was a crisis created and diplomatic relations broken with Panama. The operation of the Panama Canal was in danger. After President Johnson came a series of Democratic and Republican presidents, each one committed to having an honest and decent Panama Canal treaty. It was finally passed under my administration -- one of the most difficult and courageous acts that members of the Senate ever took.

I called on President Nixon, I called on President Ford to help me and we narrowly got the two-thirds majority necessary. It's only been because of that and other things that Latins see that we can have bipartisan support of common goals as it affects our neighbors.

Yesterday I was filled with emotion at the signing ceremony just a few yards from here, something that I knew would happen someday perhaps, but maybe not in my own lifetime. And the handshake that has inspired the world took place because President Nixon and President Ford, and then I and then President Reagan and President Bush and Bill Clinton all were committed to a common purpose. Democrats and Republicans working together to help bring peace to the Middle East.

We don't know what's going to happen in the future. There's a lot of uncertainty about it. But nobody can doubt that this was brought about only because our two major parties in this country were able to put aside the differences that are narrow and self-serving and partisan, and say for a common purpose we will cooperate.

President Bush obviously started the NAFTA agreement, a very superb achievement for him. There were some honest problems with it. I called Bill Clinton only three times during his administration -- during his campaign. I was for him from the beginning. It's the first time I ever said this publicly, but I'm proud of it.

(Laughter.) Because I've tried to stay neutral, you know, within the Democratic Party, but Rosalynn and I were for Bill. I called him three times. One of those time was when I feared that he might make a public statement denouncing the North American Free Trade Agreement. And he said, okay, I will be for it, but with provisos. We've got to do something about labor, to protect the working people of our country, and we've got to do something about the environment. That has now been done. The side agreements have alleviated the serious questions that did arise about NAFTA. That's been done.

Finally, let me say that in a time like this with an earth-shaking change in international relations confronting us, there are those who doubt the ability, or even the integrity of government. That exists, I guess, in all countries and in ours as well. And there are those who are uncertain about the future and doubtful about their own jobs.

NAFTA, as has been so eloquently described by our President and by President Bush, will alleviate those legitimate concerns. But unfortunately, in our country now, we have a demagogue who has unlimited financial resources and who is extremely careless with the truth, who is preying on the fears and the uncertainties of the American public. And this must be met, because this powerful voice can be pervasive, even within the Congress of the United States, unless it's met by people of courage who vote and act and persuade in the best interest of our country. (Applause.)

I just want to make one other brief comment, and that is about the consequences of failure. I cannot think of any other failure, even including a rejection of the Panama Canal Treaties, which may have brought a war, that will be more far-reaching than the rejection of our Mexican neighbors, who have put their faith in a Republican President and his allies, George Bush, and a Democratic

administration that follows.

If we fail, I think it would be the end of any hope in the near future that we'll have honest democratic elections in Mexico. The illegal immigration will increase. American jobs will be lost. The Japanese and others will move in and take over the markets that are basically and rightly ours.

So I'm not trying to be a foreseer of doom, but I do believe that we ought to think not only about the benefits to be derived from this agreement, but we ought to be deeply concerned about the well-being of our nation that will be in danger if we fail. We cannot afford to fail. (Applause.)

PRESIDENT FORD: It's a very, very high honor and a very great privilege for me to have the opportunity to follow each of the former Presidents and President Clinton to indicate my very strong affirmative endorsement of the NAFTA Agreement. I will not repeat what each one of them have said -- they've done it eloquently and convincingly -- but I'm old enough and have been around this town long enough to remember some things that ought to be put on the table.

Right after World War II, there was a tremendous effort by Democratic presidents, Republican presidents, Democratic congresses and Republican congresses to pass what we then called reciprocal trade legislation. And the aim and objective, as Lloyd Bentsen well knows, was to undo the stupidity of what had been done in 1930 and '31 by the then-Congress of the United States to pass what they called the Smoot-Hawley Tariff Act, which raised tariffs all around the United States to prevent any imports. And the net result was, we, the United States, could not sell abroad.

And in order to undo that very unwise decision back in '30 and '31, Republicans and Democrats, the White House and the Congress strongly supported the kind of legislation that has led to tremendous expansion of trade on a global basis.

I don't recall the statistical data, but the truth is that world trade has been the real engine that has given the free Western industrial nations the capacity to have prosperity and growth.

In my judgment, NAFTA is a follow-on to what was done in the post-World War II period to undertake a new global effort. And the consequence of NAFTA, as has been pointed out by my predecessors, is vitally important not only for the United States, this hemisphere, and the globe, but it's important primarily for jobs that are going to be built here in the United States. Our exports will expand tremendously, as the President has pointed out.

And then let's look at what has happened in our neighbor to the south. A few of us can remember five, six years ago when we were deeply concerned with Mexico's \$100-billion foreign debt, how was that going to be resolved. We were worried about runaway inflation in Mexico, over 100 percent. We were concerned about the instability of government in our good neighbor to the south.

In my judgment, President Salinas has done a fantastic job. You no longer hear about their foreign debt. They've privatized banks, airlines, et cetera. They've reduced inflation from 100 percent to less than 10 percent. Mexico is a growing, thriving neighbor, and we should be happy.

I fear very strongly that if NAFTA is defeated it could have serious political and economic ramifications in Mexico. Under Salinas, jobs are growing, wages are going up. Mexicans want to stay in Mexico and work in Mexico.

I read the other day a prominent Mexican political leader said, pass NAFTA and we will have jobs for Mexicans in Mexico. Defeat NAFTA and there will be a tremendous flow of Mexicans to the United States wanting jobs in the United States. We don't want that. We want

Mexicans to stay in Mexico so they can work in their home country. We don't want a huge flow of illegal immigrants into the United States from Mexico.

And I say with all respect to my former members of the House and the Congress, don't gamble. If you defeat NAFTA, if you defeat NAFTA, you have to share the responsibility for increased immigration to the United States, where they want jobs that are presently being held by Americans. It's that cold-blooded and practical. And members of the House and Senate ought to understand that.

I think it's a matter of tremendous importance for NAFTA to be approved so we can solidify 370 million people in all of Western society. So we can have growth, prosperity, jobs from the Arctic to the Antarctic. And I applaud those -- President Bush, Carla Hills and her associate, President Clinton, Mickey Kantor and his -- for bringing before this country an opportunity for future prosperity and good living for people in this entire hemisphere.

We can't afford to make the stupid, serious mistake that was made in the 1930s and 1931 with the passage of legislation that tried to put a protective ring around the United States with high