
189. Bill Clinton, Speech on Signing of NAFTA (1993)

Source: The White House.

Early in his first term as president, Bill Clinton signed the North American Free Trade Agreement (NAFTA). The fact that negotiations had begun under his predecessor, George H. W. Bush, illustrated that a consensus

existed among political leaders of both parties on the virtues of free trade and economic globalization. NAFTA created a free-trade zone (an area where goods can travel freely without paying import duties) including Canada, the United States, and Mexico. In his speech promoting the agreement, Clinton asked Americans to accept economic globalization as an inevitable form of progress and the path to future prosperity. Speaking as the United States was emerging from a serious economic recession, he promised, "There will be no job loss." In fact, NAFTA led many manufacturers to shift production to low-wage sites in Mexico.

AS PRESIDENT, it is my duty to speak frankly to the American people about the world in which we now live. Fifty years ago, 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, 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, and 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 averseness to change that are 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. . . . 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 believe that NAFTA will create 1 million jobs in the first 5 years of its impact. . . . NAFTA will generate these jobs by fostering an export boom to Mexico by tearing down tariff walls. . . . There will be no job loss.

Questions

1. Why does Clinton feel that free trade is necessary to American prosperity?
2. How does Clinton view the impact of globalization on the United States?