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## Valley leaders love, hate NAFTA

By MARY HAYES  
and MONICA CAMPBELL

Silicon Valley business leaders cheered approval of the North American Free Trade Agreement by the House of Representatives last week, while labor representatives and environmentalists warned of ominous consequences.

NAFTA will create the world's largest free-trade bloc, eliminating all tariffs and most trade barriers among the United States, Mexico and Canada.

The Senate is expected to approve NAFTA next week, and the agreement would take effect Jan. 1. President Clinton has lobbied for NAFTA since its inception.

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tions barriers Mexico had that the NAFTA took away.

"Now that those barriers are gone, many U.S. companies will be able to do their business here instead. But we are in Mexico to be closer to our customers. We are not in Mexico for cheap labor purposes."

**Amy Dean, political director, South Bay AFL-CIO, San Jose**

**NO on NAFTA**

"We think NAFTA will mean a further polarization between the haves and the have-nots in our country.

"It's not just simply what jobs we win and what jobs we lose, it's about what will happen to the existing wage base in this country.

"Suddenly, the auto worker in Pontiac, Mich., who's making \$20 an hour, will find himself in competition with the Mexican auto worker. The legal minimum wage in Mexico is \$4.21 a day."

**Ronald Telzel, president, Viking Freight System Inc., San Jose**

**YES on NAFTA**

"This agreement is good for the trucking industry. Obviously, with more trade, there will be a greater need for trucks.

"Currently, we have a limited partnership in Mexico, but it's possible that five years down the road we may open our own operation down there. But nothing will happen right away."

**Ted Smith, executive director, Silicon Valley Toxics Coalition, San Jose**

**NO on NAFTA**

"It's going to be very good for people who look at profits of Silicon Valley industry as an indicator of their world view. It'll be real bad for people who depend on high-tech jobs in this valley, and will have decidedly negative impact on environmental concerns.

"We've been working on developing environmental standards here that we've been trying to bring up to state and federal levels. With NAFTA, the dynamics will be reversed. There will be increasing pressures from companies that say we'll need to relax environmental standards, or we're off to Mexico.

"Mexico is a one-party state and has a long history of oppressing dissent and has a horrible environmental record."

**Michael Maibach, director of government affairs, Intel Corp., Santa Clara**

**YES on NAFTA**

"Eliminating tariffs on U.S. chips means we'll make more here, and sell more (in Mexico).

"Whether or not NAFTA passes, Intel does not plan to move any production to Mexico. We prefer to remain in the United States, where you have the infrastructure and access to good customers and good universities.

"The larger issue here, is that NAFTA gives United States, Canada and Mexico more buying power with Europe. I think trade will become much more contentious in the 1990s because of the recession in Europe.

"I think NAFTA will also give President Clinton a stronger hand in getting U.S. objectives in Geneva at the GATT (General Agreement on Trade and Tariffs) talks. Without NAFTA, his influence would be greatly weakened, and GATT could fall apart."

**Bill Fasig, manager of international trade and governmental affairs, Apple Computer Inc., Cupertino**

**YES on NAFTA**

"I'm just relieved it passed. Over half of Apple's sales come from the international market, so passage of NAFTA is an overall net win.

"Our Mexico business is our fastest-growing international marketplace and increased exports the NAFTA will bring means more revenues, profits and jobs.

"Our present operations in Mexico have been relatively small; we've been manufacturing computer products there for less than two years. In the last six months we've

opened a sales and marketing subsidiary. But this has less to do with NAFTA and more to do with the size of the Mexican market."

**Ken Mee, international vice president of the western conference of Teamsters, San Jose.**

**NO on NAFTA.**

"In order to look forward, we should look back. We should look at Canada and see what a trade agreement (with the U.S. several years ago) did there. Wages are higher in Canada because companies don't pay for health insurance, the government does. Because of the trade agreement, they lost 25 percent of their jobs (to the U.S.)."

"(Mexico President) Salinas and the 33 governing families of Mexico were for NAFTA because they'll make more money, and labor in Mexico is against it.

"I spent three months on the road defeating George Bush's free trade deal, and working to get Bill Clinton elected. I really believed the guy understood the heartbeat of America. He understands the heartbeat of corporate America, but I don't think he understands the heartbeat of the people."

**David Ringler, spokesman, Acuson Corp., Mountain View**

**YES on NAFTA**

"In general, the passage of NAFTA won't affect us significantly in our present market, but we do see a potential for more business in Mexico.

"We do all our manufacturing here in Mountain View and have no plans for manufacturing offshore. What we are monitoring though are the talks about the GATT agreement. This will lower trade barriers, especially in the Pacific Rim where we see significant business opportunities."

**Nancy Biagini, president, Communication Workers of America Local 9423, San Jose**

**NO on NAFTA**

"NAFTA has opened up the flood gates and jobs will flee the United States.

"It galls me to no end that labor is being tagged as protectionists because we're opposed to NAFTA. Silicon Valley will scream bloody murder if they see what they determine is unfair trade practices by Japan, but now we're suddenly the protectionists.

"I think what it comes down to is that the issue all along for NAFTA was fair trade. There wasn't an adequate amount of time spent on negotiations that would portend fair trade. What we're saying is not this NAFTA. As far as what the future portends, I'm not optimistic."

**Jennifer Konecny, vice president of human resources and community relations, Silicon Graphics Inc., Mountain View**

**Yes on NAFTA**

"The impact will be a positive one, both for Silicon Graphics and the entire high-tech industry. It will create new jobs, I can't say how many. Right now we have a sales team in Mexico and as our customer base expands down there, so will our operations. We won't be moving any manufacturing sites to Mexico.

"The broader part of NAFTA is that the Clinton administration is creating an economic plateau that will help move business into the global economy."

**John Tyson, chief executive officer, Compression Labs Inc., San Jose.**

**YES on NAFTA**

"We've had good market opportunities in both Mexico and Canada. (but) we pay almost 20 percent in tariffs in Mexico and nearly 17 percent in Canada.

"Both countries are trying to improve their economic infrastructure, and telecommunications is a part of that. We have a number of products that can be used for that. We've sold nearly \$4 million (in products) to both countries over the past few years, and we think sales will improve over the next two or three years.

"We expect to expand here in San Jose, and we think increasing sales will mean more jobs in San Jose."