## THE WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: JUNE 29, 1990

IT 012

NAME OF CORRESPONDENT: THE HONORABLE PATRICIA SAIKI

SUBJECT: URGES THE PRESIDENT TO SUPPORT TAIWAN'S

APPLICATION TO THE GENERAL AGREEMENT ON

TARIFFS AND TRADE (GATT)

	ACTION	DISPOSITIO	N
ROUTE TO: OFFICE/AGENCY (STAFF NAME)		E TYPE C COMPL /DD RESP D YY/MM	
FREDERICK MCCLURE  990STR REFERRAL NOTE:  990S  REFERRAL NOTE:	ORG 90/06	129 FM A 900	
PODOC REFERRAL NOTE:  NSCSITT REFERRAL NOTE:	三 _/_ 三 _/_		/_ /_ /
COMMENTS: Letters sent to all	signees	2	_
ADDITIONAL CORRESPONDENTS: 40 MEDIA:L  MAIL USER CODES: (A) (B		L CODES: 1240 123	0
**************************************	*OU *CO *TY RRAL *	TGOING RRESPONDENCE: PE RESP=INITIALS OF SIGNER	* * * * * * * * * *

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE (ROOM 75,0EOB) EXT-2590 KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING

KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS MANAGEMENT.

PATRICIA SAIKI 1ST DISTRICT, HAWAII

OFFICE ADDRESS 1609 LONGWORTH BUILDING WASHINGTON, DC 20515 (202) 225-2726 FAX (202) 225-4580

DISTRICT OFFICE: 300 ALA MOANA BOULEVARD, ROOM 4104 PRINCE KUHIO FEDERAL BUILDING HONOLULU, HI 96850 (808) 541-2570 FAX (808) 541-2579 Mariner



## Congress of the United States House of Representatives

Washington. DC 20515

June 12, 1990

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

SURCOMMITTEES!

FINANCIAL INSTITUTIONS HOUSING AND COMMUNITY DEVELOPMENT **ECONOMIC STABILIZATION** INTERNATIONAL DEVELOPMENT, FINANCE, TRADE AND MONETARY POLICY

COMMITTEE ON MERCHANT MARINE AND FISHERIES

SUBCOMMITTEES:

FISHERIES AND WILDLIFE
CONSERVATION AND THE ENVIRONMENT OCEANOGRAPHY

SELECT COMMITTES G I AGING

The Honorable George H.W. Bush The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

Dear Mr. President:

We are writing to urge you to support Taiwan's application to the General Agreement on Tariffs and Trade(GATT). As our fifth largest trading partner and the thirteenth largest trading entity in the world, Taiwan deserves to be a member of this multi-national body that governs international trade agreements.

Taiwan has made considerable progress in eliminating many of its foreign trade barriers, and was removed this year from the Administration's "priority watch list", established by the 1988 Trade Act. Not only has Taiwan made great strides in eliminating its trade barriers, it has made considerable progress in creating a more democratic society.

Meanwhile, mainland China has been moving in the opposite direction, toward political oppression and away from free market economic principles. By urging GATT to approve Taiwan's admission before that of the PRC, the United States would send a powerful signal to China's leaders and the world that America looks favorably on governments that promote freedom and open markets.

We respectfully urge you to support Taiwan's application to GATT.

Sincerely,

Patricia Saiki, M.C.

Chuck Douglas

Tom Lewis, M.C.

,	, N
Mel Hancock	Jaime B. Fuster
Frih DeWint	au
Michael DeWine	John Porter V. Shuuay
H. Martin Lancaster	Norman D. Shumway
oe Barton	Larry E. Craig
Herbert H. Bateman	Ileana Ros-Lehtineh
Dana Robrabacher  Dana Bohrabacher	Richard K. Armey
Claude Harris	Tim Johnson
John G. Rowland	C. Christoph Cox
The land	Par Lymning
Ron Marlenee	Robert J. Lagomarsino .
Frank Horton	Helen Delich Bentley
Stoven Schiff	mile R memet
Steven Schiff	Michael R. McNulty

Church Backlest V-	A-1811
Sherwood L. Boehlert	Thomas M. Foglietta
David Dreier	Jim Courter
Robert K. Domain	Com Mate
Robert K. Dornan	James H. Scheuer
William E. Dannemeyer	William & Broomfield
Jack Fields	Eliot L. Engel
Dan Burton	Duncan Hunter
Cardiss Collins Callins	
carries corring)	
	· · · · · · · · · · · · · · · · · · ·
	9

## DEPUTY UNITED STATES TRADE REPRESENTATIVE EXECUTIVE OFFICE OF THE PRESIDENT

WASHINGTON, D.C. 20506

SEP - 7 1990

The Honorable Chuck Douglas U. S. House of Representatives Washington, D.C. 20515

Dear Congressman Douglas:

This is in further response to your June 12 letter to the President, co-signed by 40 of your colleagues, concerning the application by Taiwan for accession to the General Agreement on Tariffs and Trade (GATT). I share your perspectives on Taiwan's growing commercial importance and the value of its recent trade liberalizing measures, and it is clear that both bilateral and multilateral U.S. trade interests would be served if Taiwan negotiated membership in the GATT. Taiwan's decision on January 1 of this year to submit a formal request for GATT contracting party status presents us with a unique opportunity to bring under GATT discipline one of the last major market-price based trading entities outside the GATT system, and to foster its future development along GATT lines.

Taiwan has taken great care to avoid politicizing its approach to the GATT, particularly in its request to apply only as the Customs Territory of Taiwan, Penghu, Kinmen and Matsu, rather than under a more politically contentious title. Nevertheless, this request presents political difficulties. The GATT does not require political sovereignty for GATT participation, but the People's Republic of China strongly objects to any consideration of an independent request by Taiwan for membership in this international organization, equating this with political recognition of the Taiwan regime. As a consequence, the GATT Contracting Parties have delayed formal consideration of the request in order to reflect on Taiwan's application and on how it can be addressed in the GATT.

I continue to believe that the eventual accession of Taiwan to the GATT will serve U.S. commercial and trade policy objectives, and will benefit the international trading system as a whole. We will work with other GATT contracting parties to address the problems that face eventual initiation of the GATT review of Taiwan's request, and we seek your continued support for our efforts.

Sincerely,

Julius L. Karz

JLK:ckm