ID# 319926

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THE WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: APRIL 06, 1992

NAME OF CORRESPONDENT: THE HONORABLE HELEN DELICH BENTLEY

SUBJECT: EXPRESSES CONCERN REGARDING THE VOLUNTARY

RESTRAINT AGREEMENTS FOR MACHINE TOOLS; URGES THAT NEGOTIATIONS WITH TAIWAN AND JAPAN NOT

INCLUDE ANY SPECIAL EXEMPTIONS

	ACTION		DISPOSITION		
ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACT D	ATE TYPE MM/DD RESP	C COMPLE D YY/MM/		
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99 DOS /	VI 921	04128		_	
99 DOC REFÉRRAL NOTE:	C. II 9210	24/12	<u></u>		
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COMMENTS: Letters sent to all SI	ignees			_	
ADDITIONAL CORRESPONDENTS: 7 MEDIA	A:L INDIVID	UAL CODES:	1240 1230	_	
MAIL USER CODES: (A)	(B)	(C)			
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*C-COMMENT/RECOM *B-NON-SPEC-RE			SIGNER	*	
*D-DRAFT RESPONSE *C-COMPLETED		CODE =		*	
*F-FURNISH FACT SHEET *S-SUSPENDED	*	COMPLETED =	OUTGOING	*	
I-INFO COPY/NO ACT NEC *R-DIRECT REPLY W/COPY *	*		OOLGOING	*	
*S-FOR-SIGNATURE *	*			*	
*X-INTERIM REPLY *	*			*	
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REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE (ROOM 75,0EOB) EXT-2590 KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS MANAGEMENT.

HELEN DELICH BENTLEY
2ND DISTRICT, MARYLAND

COMMITTEE ON THE BUDGET

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

COMMITTEE ON MERCHANT MARINE AND FISHERIES

SELECT COMMITTEE ON AGING

Congress of the United States

House of Representatives Washington, DC 20515–2002

April 2, 1992

CAUCUSES:
STEEL
ART
TRADE AND TOURISM
MARITIME
HUMAN RIGHTS

ENERGY TASK FORCE

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

Three months ago you decided to seek a two-year extension of the machine tool Voluntary Restraint Agreements (VRA's) with Japan and Taiwan. We applaud that decision and believe these VRA's serve the best interests of both the domestic machine tool industry and national security.

When you announced your decision on December 27, 1991, you declared a 30-day grace period to allow for negotiations. That grace period has long since passed and our understanding is that the negotiations are no closer to a resolution now than they were two months ago. We believe the success of these negotiations is important to both the machine tool industry and to national security. We must all recognize that if the negotiations fail to protect American interests, the public perception will be extremely negative. U.S. workers are tired of being denigrated in the foreign press by our U.S. trade competitors and tired of losing their jobs to foreign competitors, some of whom use questionable trade practices that place many U.S. industries at a substantial disadvantage.

Mr. President, we believe that your advisors, the interagency group which has been charged with the responsibility for guiding these negotiations, have failed. Amazingly, the interagency group apparently has allowed the interests of a single machine tool importer to stall the negotiations and has actually considered providing special exemptions for this single company, despite the negative impact of such exemptions on a number of other machine tool manufacturers. U.S.T.R., the interagency panel and this Administration should be operating in the interests of U.S. manufacturers and in the interest of U.S. jobs, not in the interests of Taiwan or of a single importer.

We urge you to take a direct hand in these negotiations to ensure that they are concluded in a manner that is consistent with your original intent to protect both the industry and national security.

Respectfully yours,

PLEASE REPLY TO:

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THE UNITED STATES TRADE REPRESENTATIVE Executive Office of the President Washington, D.C. 20506

The Honorable Beverly Byron U.S. House of Representatives Washington D.C. 20515

Dear Congresswoman Byron:

This is in further response to your letter to the President with respect to the negotiations of voluntary restraint agreements (VRA's) with Japan and Taiwan to implement the President's December 27, 1991 decision.

Since your letter, we have concluded negotiations with Japan. Japan is our major trading partner for machine tools, and we believe our agreement with Japan will permit U.S. companies to complete the necessary programs for advancing U.S. national security interests while providing a gradual return to market-determined competition.

Negotiations with Taiwan are continuing. We are frustrated and disappointed with the pace of negotiations. I want to assure you that imports of machine tools in the interim period before an agreement is reached will not be allowed to undermine the President's machine tool revitalization program, and I hope very much to conclude this negotiation in the near term.

With respect to special license procedures, we expect that the Department of Commerce will consider such requests on the same basis as it did in the 1986-91 VRA period, namely, so as to contribute to the creation of a strong, technologically advanced domestic machine tool industry.

SincereTy,

Ćarla A. Hills