

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

CO 034-01

INCOMING

DATE RECEIVED: SEPTEMBER 29, 1992

NAME OF CORRESPONDENT: THE HONORABLE ARLEN SPECTER

SUBJECT: URGES THE PRESIDENT TO SUPPORT THE PROPOSAL
FOR THE BMY-COMBAT SYSTEMS TO SELL THE
TAIWANESE GOVERNMENT 36 M88A1 TANK RECOVERY
VEHICLES

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACTION		DISPOSITION		
		ACT CODE	DATE YY/MM/DD	TYPE RESP	C D	COMPLETED YY/MM/DD
NICK CALIO		ORG	92/09/29	NC	A	92/10/13
NSC	REFERRAL NOTE: DJ	R	92/10/19			1/1
99003	REFERRAL NOTE: DJ	I	92/10/20			1/1
9900D	REFERRAL NOTE: DJ	I	92/10/20			1/1
99 DOL	REFERRAL NOTE: DJ	I	92/10/20			1/1
LADyer	REFERRAL NOTE: DJ	I	92/10/19			1/1
COMMENTS:						

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: 1220
MI MAIL USER CODES: (A) (B) (C)

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*ACTION CODES:          *DISPOSITION          *OUTGOING          *
*                       *                       *CORRESPONDENCE:  *
*A-APPROPRIATE ACTION  *A-ANSWERED          *TYPE RESP=INITIALS *
*C-COMMENT/RECOM       *B-NON-SPEC-REFERRAL *           OF SIGNER *
*D-DRAFT RESPONSE      *C-COMPLETED        *           CODE = A   *
*F-FURNISH FACT SHEET  *S-SUSPENDED         *COMPLETED = DATE OF *
*I-INFO COPY/NO ACT NEC*                       *           OUTGOING *
*R-DIRECT REPLY W/COPY *                       *                       *
*S-FOR-SIGNATURE       *                       *                       *
*X-INTERIM REPLY       *                       *                       *
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REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
(ROOM 75, OEOB) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

35335

16 ARLEN SPECTER
PENNSYLVANIA

COMMITTEES:
AGING
BANKING
JUDICIARY
APPROPRIATIONS
VETERANS' AFFAIRS

United States Senate

WASHINGTON, DC 20510-3802

September 25, 1992

The Honorable George Bush
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to request that BMY-Combat Systems, a Pennsylvania-based company, be permitted to sell the Taiwanese government the remaining 36 M88A1 tank recovery vehicles it contracted to sell them in June 1991. The M88A1s are designed to remove damaged tanks from the battlefield and have no offensive combat capability. The sale will preserve a large number of jobs in a region of Pennsylvania which has been particularly hard hit during the current recession.

M. Callio

By way of background, BMY signed the original contract for 61 M88A1 Medium Recovery Vehicles at a value of \$88.5 million, to be delivered in 1993 and 1994. I have been informed that immediately following the signing of the contract BMY requested the appropriate export licenses from the State Department. In September 1991, BMY was informed by the State Department that the license could not be issued because there was not enough room in the "bucket" of defense articles the U.S. can sell Taiwan in a given year based on the 1982 joint communique with the Peoples Republic of China.

I am advised that since the Army plans to upgrade approximately 200 M88A1s to an improved version in 1995, the sale of the remaining vehicles to the Taiwanese would enable BMY to keep the production line warm and avoid the tremendous costs associated with closing the line and reopening it in 1995. Accordingly, I request that you approve this sale of 36 tank recovery vehicles in order to save jobs in Pennsylvania and ensure a smooth, cost-effective transition to the M88A1 upgrade program in 1995.

Thank you for your attention to this important matter.

My best.

Sincerely,

Arlen Specter

Mr. President
This is very important
to BMY + Pennsylvania
They are strictly
defensive vehicles

AS/emr

October 13, 1992

Dear Senator Specter:

Thank you for your recent letter to the President, expressing your thoughts on the proposal for BMY-Combat Systems to sell the Taiwanese Government 36 M88A1 tank recovery vehicles.

We appreciate being advised of your concern on behalf of your constituents in Pennsylvania. Please know that I have shared your comments with several of the President's advisors on this matter so that they, too, are aware of your recommendations.

Thank you again for your interest in writing.

With best regards,

Sincerely,

Nicholas E. Calio
Assistant to the President
for Legislative Affairs

The Honorable Arlen Specter
United States Senate
Washington, D.C. 20510

NEC:DMT:

bcc: w/ copy of inc to NSC - for Direct Response
bcc: w/ copy of inc to Department of State - FYI
bcc: w/ copy of inc to Department of Defense - FYI
bcc: w/ copy of inc to Department of Labor - FYI
bcc: w/ copy of inc to Jim Dyer - FYI