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Last Updated: 03/03/2023

DRAFT

DRAFT/ECLenahan/h11/h11/11-16-83

Mr. Roger Milliken
Chairman of the Board
Milliken & Company
Post Office Box 3167
Spartanburg, South Carolina 29304

Dear Roger,

Thank you for your letter of November 3. I appreciate receiving your further views on the textile import program.

Wally Lenahan has reported to me on his conversation with you in Spartanburg on November 9. I hope Wally was able to fully explain that it was truly a bureaucratic slip-up that resulted in my letter of October 19 not having been mailed until October 26. Believe me, I have taken my staff to task on this matter.

Wally also has reported to me in considerable detail your concern about the surge of textile and apparel imports and your perception that the Administration appears unable to contain those imports in line with the President's commitment. As wally mentioned, we have taken effective action, within the framework of our multilateral and bilateral commitment, to minimize disruption to the domestic textile and apparel industry. We will take further action when appropriate.

Wally mentioned that you might soon be visiting Washington. I hope you will save me some time so that we can sit down privately to discuss your concerns about the future of your industry and other matters of mutual concern to us.

Sincerely,

Edwin Meese III
Counsellor to the President

DRAFT

MEMORANDUM FOR EDWIN MEESE III

From: Walter C. Lenahan
DAS for Textiles and Apparel

Subject: My Meeting with Roger Milliken

Per my agreement with Ken Cribb, I stopped by to see Roger Milliken for lunch on November 9 enroute to a speaking engagement in Florida. I had two full hours with Roger during which he outlined his principal areas of concern. To paraphrase Milliken, these are: Despite the President's commitment and despite rigorous implementation of the textile and apparel import program, imports continue to flood the domestic market at ever-increasing levels. While the domestic industry is doing well this year, these imports -- unless stopped now -- will badly erode the domestic manufacturing base in years to come.

- o It is obvious that the current textile import program, based on multilateral and bilateral agreements, cannot restrain imports at the growth level of the domestic market. The industry had expected that the White House Interagency Working Group would submit recommendations to the President aimed at limiting import growth to growth in the domestic market in line with the President's commitment. Instead, rumors are that the Working Group recommendations will not address the basic policy issue of limiting import growth, but instead will only address marginal changes in the current administration of the import program.

DRAFT

- 3 -

- o Renegotiation of agreements with generally more restrictive import control provisions.
- o Improved implementation of the import program to reduce circumvention and fraudulent trade.

I also explained to him the recommendations approved by the Cabinet Council on Commerce and Trade, asking him to keep the information confidential until the White House informed Senator Thurmond, et al. Milliken agreed to do so. He said, however, that my explanation of the recommendations only confirmed to him the rumors that the recommendations would only have a marginal impact on imports.

DRAFT

- 2 -

o This is completely unacceptable to the industry and, unless the Administration is prepared to take strong action to meet the President's commitment, industry will be forced to consider introducing legislation to provide absolute controls on imports. This may occur in the next few months and may become a heated campaign issue during the 1984 election.

o In the meantime, the textile and apparel community feel that the President and the Administration have burdened the textile and apparel industry. Because of this, Republican candidates in 1984 may face greater difficulty getting reelected. There is little that pro-Administration industry leaders can do to turn this situation around unless and until the Administration takes a more pro-active position toward the industry.

o Milliken also indicated that he personally believes that the White House innercircle is being too heavily insulated by staff on the textile and apparel issue and, consequently, does not realize the magnitude of the political fallout that will certainly occur if the Administration does not become more responsive to industry needs. He indicated that he would soon be visiting Washington and may seek a private meeting with you to discuss these issues.

I pointed out to Milliken what had been done for the industry in 1983:

o Establishment of 74 new quotas, more quotas than ever before established in any one year.

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: DECEMBER 24, 1984

NAME OF CORRESPONDENT: THE HONORABLE GEORGE C. WALLACE

SUBJECT: WRITES REGARDING THE TEXTILE AND APPAREL
INDUSTRY IN ALABAMA

ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACTION ACT CODE	DATE YY/MM/DD	DISPOSITION TYPE RESP	C COMPLETED D YY/MM/DD
ANDREW CARD	ORG	84/12/24		C 85 01/04
<i>max</i> OPD / Driggs	A	85 01/04		1 1
<i>USTR</i>	R	85 01/04		1 1
<i>Doc</i>	R	85 01/04		1 1
		1 1		1 1

COMMENTS: *sent to RR*

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES 2100

IA MAIL USER CODES: (A) _____ (B) _____ (C) _____

*ACTION CODES:	*DISPOSITION CODES:	*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 *			*
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*X-INTERIM REPLY *			*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
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KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

THE WHITE HOUSE

WASHINGTON

January 4, 1985

Dear George:

On behalf of the President I thank you for your letter regarding the textile and apparel industry in Alabama.

Your letter has been brought to the personal attention of the President and copies of your correspondence have been forwarded to the appropriate White House official, the office of the United States Trade Representative and to the Department of Commerce for further review.

My best wishes for the New Year, and if I can be of any further assistance please do not hesitate to contact me.

Warm regards,



Lee L. Verstandig
Assistant to the President
for Intergovernmental Affairs

The Honorable George C. Wallace
Governor of Alabama
Montgomery, Alabama 36130

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260023



STATE OF ALABAMA

GOVERNOR'S OFFICE

MONTGOMERY 36130

GEORGE C. WALLACE
GOVERNOR

December 20, 1984

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

Mr. President:

Please know that I am aware of your deep concern for the health and viability of all American industry. In line with your concern, I would like to bring to your attention the plight of the textile and apparel industry in the State of Alabama and the United States of America.

Today, there are 93,000 textile and apparel workers in Alabama. Recent plant closings and layoffs have eliminated approximately 5,000 jobs. Over 2,000,000 people in the United States work in the textile and apparel industry.

It is projected that our government's policy on textile/apparel imports is costing industry over 200,000 jobs annually. It is easy to question the fairness involved for U. S. markets to be open to the world while exporting countries, often subsidized by their governments, throw up protective barriers to prevent U. S. products from coming into their countries. Furthermore, I am sure that you agree that it is not fair to put Americans out of work so someone in a foreign country can have a job.

The textile and apparel trade deficit for the first ten months of 1984 reached a record of \$13.9 billion, a 56 percent increase over the same period last year. These statistics are alarming.

The President

December 20, 1984

Page 2

Many other industries in our state and nation have lost their once coveted industrial base. We have seen this happen in leather, shoes, small appliances, television sets, stereos, radios, and more. Today, among those on the endangered species list are steel, automobiles, textiles, and apparels.

The textile industry is not against "free trade," but it also asks for "fair trade" in order to continue the very existence of the industry. I am sure that you agree.

We respectfully request that you do everything possible to ensure that quotas and import restrictions placed into effect by our government are such as to protect this vital industry and give it a chance in the world's marketplace. Hopefully, you can put the textile industry on your priority list as needing the help and attention of our national government.

With kind regards, I am

Sincerely yours,



George C. Wallace

GCW:hh

THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON
20506

March 15, 1984

The Honorable Carroll A. Campbell, Jr.
U.S. House of Representatives
Washington, D.C. 20515

Dear Carroll:

Thank you for the March 6 letter from yourself and your colleagues regarding January imports of textile and apparel products.

Like you, I am deeply concerned about the continuing high level of import growth of textile and apparel products. While I believe the increase is to a great extent a function of the rising U.S. economy and strong position of the dollar, I am committed to using our existing import control program to moderate this growth where the increase is clearly disrupting our market.

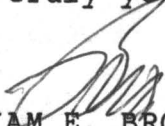
I would note in this regard that since December 16 we have made 61 calls -- far more than in any comparable time in the 20-year history of our textile/apparel import control program. The largest share of the increase (22%) coming, however, as it does from EEC and Canada, may well continue as we do not presently control these imports. Although we must continue to pursue an active and vigorous control program, I am encouraged to see that the general picture may be improving as reflected by considerably brighter economic indicators in both North and South Carolina.

With regard to our administration of the December 16 criteria, I want to assure you that we are following not only the letter but the intent of these guidelines for presumed market disruption. Our record of 61 calls in ten weeks, as stated earlier, demonstrates this. We must, of course, pay attention to our international commitments in this area, as the President said in his September 20 speech in Columbia, South Carolina. This means that in instances where the original presumption of market disruption cannot immediately be sustained on the basis of current data applied to the standards to which we have committed ourselves internationally, we defer a call until our case is better. For example, in a number of categories reviewed, overall trade was declining, indicating that sometimes increased imports from one source simply mean redistribution among foreign suppliers.

In other instances, trade from a particular country was actually declining. Deferred calls are, of course, closely reviewed in subsequent months and as soon as a minimal case can be made, we move to put appropriate quotas in place.

As you know, I have long recognized the importance of our textile and apparel industry, not only to North and South Carolina, but to our country. For that reason, we are and will continue to do all we can to sustain the viability of this sector in the face of rising foreign imports.

Very truly yours,



WILLIAM E. BROCK

WEB:its



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P.O. BOX 478
UNION SOUTH CAROLINA 29378
803-427-3172

Congress of the United States

House of Representatives

Washington, D.C. 20515

March 6, 1984

Honorable Malcolm Baldrige
Secretary of Commerce
Washington, D.C. 20230

Dear Mr. Secretary:

We are deeply concerned about the January textile/apparel import numbers, representing the highest monthly level in history. In spite of the excellent policies which were announced by the White House on December 16 and which were approved personally by the President, imports continue to rise. We believe, however, that if the new policies are enforced strictly, import levels should respond in time.

In that regard, there have been troubling rumblings within the textile/apparel industry that there may, in fact, be enforcement problems and that some presumptive calls which meet the criteria have not been made. These reports are disturbing, to say the least, and if they are true, they fly in the face of the President's own wishes as we understand them.

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Inasmuch as the textile/apparel industry is of vital importance to the areas we represent, we would appreciate your attention to this matter as soon as possible. We will look forward to your response.

Sincerely,

Jesse Helms
U.S. Senator

James T. Boyhill
Member of Cong.

Strom Thurmond
U.S. Senate

Carroll A. Campbell, Jr.
Member of Cong.

CARROLL A. CAMPBELL JR.

4TH DISTRICT SOUTH CAROLINA

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEES

PUBLIC ASSISTANCE AND

UNEMPLOYMENT COMPENSATION

RANKING MINORITY MEMBER

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UNION, SOUTH CAROLINA 29379

803-427-3172

Congress of the United States

House of Representatives

Washington, D.C. 20515

March 6, 1984

Honorable William E. Brock
U.S. Trade Representative
600 17th Street, N.W.
Washington, D.C. 20506

Dear Mr. Ambassador:

We are deeply concerned about the January textile/apparel import numbers, representing the highest monthly level in history. In spite of the excellent policies which were announced by the White House on December 16 and which were approved personally by the President, imports continue to rise. We believe, however, that if the new policies are enforced strictly, import levels should respond in time.

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Jesse Helms
U.S. Senate

James Boyce
U.S. House of Representatives

Sincerely,

Strom Thurmond
U.S. Senate

Carroll A. Campbell
Member of Congress

CARROLL A. CAMPBELL JR.

4TH DISTRICT, SOUTH CAROLINA

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Congress of the United States

House of Representatives

Washington, D.C. 20515

March 6, 1984

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

Dear Mr. President:

We are deeply concerned about the January textile/apparel import numbers, representing the highest monthly level in history. In spite of the excellent policies which were announced on December 16 and which you approved personally, imports continue to rise. We believe, however, that if the new policies are enforced strictly, import levels should respond in time.

In that regard, there have been troubling rumblings within the textile/apparel industry that there may, in fact, be enforcement problems and that some presumptive calls which meet the criteria and which were considered by the Committee for Implementation of Textile Agreements have not been made. Our contacts within the industry have complained that only 10 calls were made in February at a time when over 70 calls could have been made under the criteria for market disruption which you established in December. If this is true, we believe it will severely damage your credibility and our own with this key industry and its workers and that it will call into question the sincerity of our commitments.

In our opinion, if there is a problem, it is within the bureaucracy and not in the White House. Accordingly, we have today written to Secretaries Baldrige and Shultz and Ambassador Brock asking specifically if any calls, E-country or otherwise, have been recommended to the CITA committee and not made and, if not, why not. We would respectfully suggest that the White House might want to seek the same information in light of your personal involvement in the December 16 textile trade policy statement.

Additionally, we understand that the White House Textile Working Group's recommendations have been ready for release for some months and that they apparently are designed to improve overall enforcement of the Textile Import Program. We would hope that consideration will be given to releasing this report at the earliest possible date.

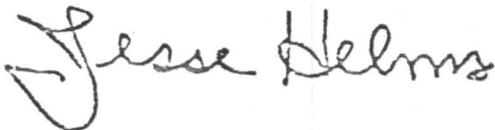
The President
March 6, 1984
Page 2

Last year, based on January numbers, the industry projected textile/apparel imports for 1983 of 7.2 billion square yards equivalent. In fact, their projection came up short as imports reached a record 7.4 billion square yards, a 1.4 billion yard increase over 1982. Based on this year's January performance, imports could reach 9.4 billion square yards equivalent, a 2 billion yard increase over 1983. This would be devastating.

We cannot overemphasize the difficult position we, as supporters of your Administration, have been put in as the result of ever-increasing textile and apparel imports. The frustration level is very high and it is of maximum importance that the Administration is not perceived as pulling back from its December commitment.

We appreciate your continued assistance with this matter and trust that we will be able to resolve this very difficult problem.

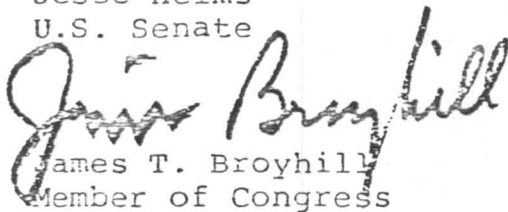
Respectfully,



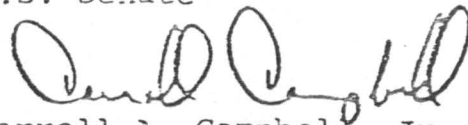
Jesse Helms
U.S. Senate



Strom Thurmond
U.S. Senate



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CARROLL A. CAMPBELL, JR.
4TH DISTRICT, SOUTH CAROLINA

COMMITTEE ON WAYS AND MEANS

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Congress of the United States

House of Representatives

Washington, D.C. 20515

March 6, 1984

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803-427-3172

Honorable George P. Shultz
Secretary of State
Washington, D.C. 20520

Dear Mr. Secretary:

We are deeply concerned about the January textile/apparel import numbers, representing the highest monthly level in history. In spite of the excellent policies which were announced by the White House on December 16 and which were approved personally by the President, imports continue to rise. We believe, however, that if the new policies are enforced strictly, import levels should respond in time.

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4TH DISTRICT, SOUTH CAROLINA

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Congress of the United States

House of Representatives

Washington, D.C. 20515

March 6, 1984

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Washington, D.C. 20230

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Washington, D.C. 20515

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4TH DISTRICT, SOUTH CAROLINA

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SUBCOMMITTEES:

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ASSISTANT REGIONAL WHIP



Congress of the United States
House of Representatives
Washington, D.C. 20515

March 6, 1984

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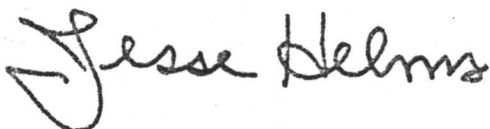
The President
March 6, 1984
Page 2

Last year, based on January numbers, the industry projected textile/apparel imports for 1983 of 7.2 billion square yards equivalent. In fact, their projection came up short as imports reached a record 7.4 billion square yards, a 1.4 billion yard increase over 1982. Based on this year's January performance, imports could reach 9.4 billion square yards equivalent, a 2 billion yard increase over 1983. This would be devastating.

We cannot overemphasize the difficult position we, as supporters of your Administration, have been put in as the result of ever-increasing textile and apparel imports. The frustration level is very high and it is of maximum importance that the Administration is not perceived as pulling back from its December commitment.

We appreciate your continued assistance with this matter and trust that we will be able to resolve this very difficult problem.

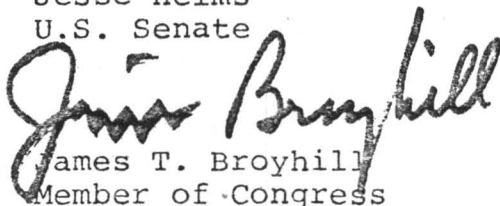
Respectfully,



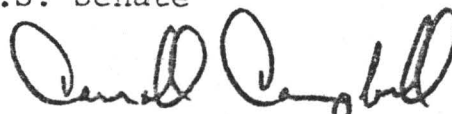
Jesse Helms
U.S. Senate



Strom Thurmond
U.S. Senate



James T. Broyhill
Member of Congress



Carroll A. Campbell, Jr.
Member of Congress



REAGAN for PRESIDENT

1828 L. Street, N.W.
Suite 201
Washington, D.C. 20036
202/861-5000

January 18, 1980

Congressman Carroll A. Campbell Jr.
1723 Longworth House Office Building
Washington, D.C. 20515

Dear Carroll:

I share your concern for the well-being and continued viability of the American textile-apparel-fiber industry, and its more than two million workers. I want to pledge my strong support for renewal of the Multifiber Arrangement, and for such other actions which will enhance the international competitive position of the industry.

The MFA has brought a vital measure of order to textile trade by setting a framework for bilateral agreements establishing quotas for imports from developing, low-wage nations. The instrument is not perfect, but its renewal is imperative. My administration would seek MPA renewal, hopefully in a strengthened form. We would consider, for instance, keying import growth to the growth of the American market. We should explore the possibility of setting global quotas or guidelines. We would bargain for the tightest possible bilateral agreements, particularly with the Peoples Republic of China. With developing countries relying on textile exports to help them cover rising oil costs, this MFA renegotiation will be even more difficult than it was in 1977. We need a strong President, who looks to the needs of this country, to handle negotiations.

The textile industry, of course, would also benefit from incentive-oriented business initiatives which I support, such as accelerated depreciation and new tax deductions

designed to encourage job-creating capital formation. Business productivity and modernization must be stimulated, and we should look to our tax laws to provide incentives for growth.

The textile industry is an integral part of South Carolina's and the nation's economy. I look forward to working with you to keep the industry sound.

Sincerely,


RONALD REAGAN

K MART CORPORATION
INTERNATIONAL HEADQUARTERS
TROY, MICHIGAN 48084

ROBERT E. DEWAR
CHAIRMAN OF THE EXECUTIVE
AND
FINANCE COMMITTEES

June 27, 1983

Mr. Craig Fuller
Assistant to the President
for Cabinet Affairs
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. Fuller:

On behalf of the delegation which met with you on June 16, 1983, concerning the new restrictions on textile trade, I would like to thank you for your time and concern for our problems.

As you will recall, this delegation was composed of representatives of the National Retail Merchants Association, the American Retail Federation, and the Textile and Apparel Group of the American Association of Exporters and Importers. Since K mart is a member of all three associations, I have been asked to present their views to you.

Our immediate concern is with the unprecedented number of restrictive actions taken against imports in the last several months. Altogether there were 41 individual restraint actions taken against Hong Kong (8), Taiwan (16) and Korea (17). Four of these calls came in April, twenty-one in May, and sixteen in June. The trade involved (calculated on 1982 trade) was over \$200 million. We believe these calls were not made properly or legally. If the thirty-three calls against China are added, it would mean that this year the United States has taken restrictive actions on 74 categories of textile and apparel imports.

These improper actions have damaged retailers and importers, consumers, and even apparel manufacturers who account for an estimated 25-30 percent of imports. They have created tremendous uncertainty in the trade. These actions were taken with no warning and no notice. Due to the long lead times involved in importing they have thrown retailing plans into turmoil, and have created serious hardship for the member companies of the three organizations. We believe if this trend continues that the business recovery, led by very strong retail sales in the first part of this year, could be jeopardized.

Mr. Craig Fuller
June 27, 1983
Page 2

We were pleased that the White House will take a careful look at the textile program and will review its policies and practices. We will be submitting our views in detail to Mr. Lenahan, to Mr. Gunn and yourself. We greatly appreciated your recognition that our participation will be useful and your very welcome commitment that we will have access for our views during the entire course of the White House review, including an opportunity to review recommendations or alternatives to be presented to the President prior to his final review.

We continue to be concerned about the scope of the review and the manner in which it will be conducted. In order to make certain that the full range of United States interests are reflected in this review, we hope that there will be a balanced input from all concerned Departments and Agencies and the private sector.

We believe it particularly important that the White House seek the full and active participation of the United States Trade Representative because of the implications textile protectionism has for our entire trade policy, the President's efforts to strengthen the GATT, and other international institutions, and the credibility of the United States in seeking to remove restraints other countries have imposed on our export trade. We think this is extremely important in view of our international obligations under the Multifiber Arrangement, our bilateral agreements with major trading partners, and to the whole GATT process.

In addition, we believe that input should be sought from the Department of Treasury because of the implications of protectionism for the world financial system; the Department of State because of the foreign policy implications of a protectionist policy in textiles; and the Department of Agriculture because of the adverse effect on American agricultural exports which have already resulted from a restrictionist textile policy.

Importers and retailers have been deprived of their fundamental constitutional rights of due process, including adequate notice and an opportunity to be heard. We believe that a review and reform of procedures in taking these actions is essential. In this connection, we believe that input from the Justice Department with regard to procedural matters would be useful.

Finally, we would hope the review would include the problem of the complete absence of current data on the performance of the domestic industry. These data are essential if the United States Government is to meet Constitutional requirements and its international obligations. In this connection, consultation with the International Trade Commission would be most useful.

In addition to input from retailers and importers, we believe that the White House should ensure that the views of American agriculture and industrial exporters, as well as the financial community, be sought because of the serious implications which trade policy will have on each of these sectors.

Mr. Craig Fuller
June 27, 1983
Page 3


We believe that whatever undertaking the President may have made with regard to "relating" import growth in textile products to the growth in domestic consumption, must be weighed against serious Presidential commitments at the highest level, the most recent of which was at the Williamsburg Summit:

"We commit ourselves to halt protectionism, and as recovery proceeds to reverse it by dismantling trade barriers."

We reiterate our view that there is an issue of credibility if, immediately preceding and following the Summit, the United States has embarked on a harshly protectionist regime in textiles.

We will be submitting our detailed comments on these matters. In the meantime, we would like to thank you again for the courtesy and understanding which you have shown to us and your recognition of our interests in the administration of the textile program.

Sincerely,



ROBERT E. DEWAR
Chairman of the Executive
and Finance Committees,
K mart Corporation

on behalf of

NATIONAL RETAIL MERCHANTS
ASSOCIATION
AMERICAN RETAIL FEDERATION
AMERICAN ASSOCIATION OF
EXPORTERS AND IMPORTERS-
TEXTILE AND APPAREL GROUP

cc: The Honorable Malcolm Baldrige
The Honorable W. Allen Wallis

K MART CORPORATION
INTERNATIONAL HEADQUARTERS
TROY, MICHIGAN 48084

ROBERT E. DEWAR
CHAIRMAN OF THE EXECUTIVE
AND
FINANCE COMMITTEES

June 27, 1983

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Assistant to the President
for Cabinet Affairs
The White House
1600 Pennsylvania Avenue, N.W.
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June 27, 1983
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Mr. Craig Fuller
June 27, 1983
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Sincerely,



ROBERT E. DEWAR
Chairman of the Executive
and Finance Committees,
K mart Corporation

on behalf of

NATIONAL RETAIL MERCHANTS
ASSOCIATION
AMERICAN RETAIL FEDERATION
AMERICAN ASSOCIATION OF
EXPORTERS AND IMPORTERS-
TEXTILE AND APPAREL GROUP

cc: The Honorable Malcolm Baldrige
The Honorable W. Allen Wallis
bcc: Mr. Wendell Gunn ✓
Mr. Walter C. Lenahan
Mr. B. M. Fauber
Mr. R. E. Davis
Mr. J. C. Tuttle
Mr. A. R. Stevenson

K MART CORPORATION
INTERNATIONAL HEADQUARTERS
TROY, MICHIGAN 48084

ROBERT E. DEWAR
CHAIRMAN OF THE EXECUTIVE
AND
FINANCE COMMITTEES

June 27, 1983

The Honorable Malcolm Baldrige
Secretary of Commerce
Herbert Clark Hoover Building
Fourteenth Street
Between Constitution Avenue and E. Streets, N.W.
Washington, DC 20230

Dear Secretary Baldrige:

On behalf of the retailers and importers represented by the National Retail Merchants association, the American Retail Federation, and the Textile and Apparel Group of the American Association of Exporters and Importers, I want to thank you and Mr. Lenahan for taking the time to meet with us on June 16, and for the sympathetic hearing you gave our concerns.

We will send you shortly a detailed proposal incorporating ways in which we believe the Department could ensure retailers and importers due process in the administration of the textile and apparel program. In the meantime, I enclose a copy of a letter to Mr. Craig Fuller which expresses our intent to participate fully in the White House review of textile and apparel policy in which Mr. Lenahan will participate.

You have my warm, personal thanks as well for the care you expressed for our concerns.

Sincerely,

ROBERT E. DEWAR
Chairman of the Executive
and Finance Committees
K mart Corporation .

on behalf of

NATIONAL RETAIL MERCHANTS
ASSOCIATION
AMERICAN RETAIL FEDERATION
AMERICAN ASSOCIATION OF EXPORTERS
AND IMPORTERS- TEXTILE AND
APPAREL GROUP

K MART CORPORATION
INTERNATIONAL HEADQUARTERS
TROY, MICHIGAN 48084

ROBERT E. DEWAR
CHAIRMAN OF THE EXECUTIVE
AND
FINANCE COMMITTEES

June 27, 1983

The Honorable W. Allen Wallis
Under Secretary for Economic Affairs
Department of State 2201 C Street, N.W.
Washington, DC 20520

Dear Secretary Wallis:

On behalf of the retailers and importers represented by the National Retail Merchants Association, the American Retail Federation, and the Textile and Apparel Group of the American Association of Exporters and Importers, I want to thank you for taking the time to meet with us on June 16, and for the very sympathetic hearing you gave our concerns.

We will send you shortly a detailed proposal incorporating ways in which we believe the government could ensure retailers and importers due process in the administration of the textile and apparel program. In the meantime, I enclose a copy of a letter to Mr. Craig Fuller which expresses our intent to participate fully in the White House review of textile and apparel policy.

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AND IMPORTERS-TEXTILE AND
APPAREL GROUP

AMERICAN RETAIL FEDERATION

1616 H STREET, N. W. WASHINGTON, D. C 20006 (202) 783-7971

LOYD HACKLER
PRESIDENT

June 23, 1983

Mr. Craig L. Fuller
Assistant to the President
for Cabinet Affairs
The White House
Washington, D. C., 20500

Dear Craig:

Please accept my sincere thanks for the gracious and generous way in which you hosted the retail executives who met with you last Thursday. You went out of your way to make us feel welcome.

We realize that the issue of trade in textiles and apparel is as politically charged as any economic issue facing the Administration. However, much can be accomplished in the administration of the program even if the policy concerning this area of trade continues. We welcome the opportunity to consult with you and your associates on the problems which we as American retailers face, and the costs that are borne by American consumers as a result of arbitrary administration of some parts of the textile import program. We also believe that a re-examination of the long-standing protectionist program for the textile and apparel industry is in order.

We will gladly serve as a catalyst to bring together American retailers and businesses which also have a vital stake in this particular trade policy. We are preparing a more detailed paper which we will forward to you shortly.

Sincerely,



Loyd Hackler

LH:asl

THE WHITE HOUSE

WASHINGTON

October 4, 1982

Dear Strom:

You know that I share your concern about the unemployment and the decrease in production in the textile/apparel industry caused by imports and further exacerbated by the recession. As I mentioned during our recent discussion concerning textile industry problems, I have made a commitment that was reaffirmed last December by Jim Baker, to seek to relate total import growth to the rate of growth in the domestic market.

This year this Administration has concluded negotiations with our three largest suppliers that limit the growth in quota levels to well below the rate of growth in the domestic market for six years. These agreements compare favorably with any previously negotiated agreements.

Although significant progress has been made this year, I have instructed all agencies and departments which have responsibilities related to the textile program to continue their efforts to work vigorously towards that goal. This applies not only for the important ongoing negotiations with the Peoples Republic of China, but also in future negotiations and implementation decisions as well.

To that end I want to assure you that the United States will continue efforts to negotiate a new bilateral agreement with the Peoples Republic of China independent from other considerations.

Sincerely,

Ronald Reagan

The Honorable Strom Thurmond
United States Senate
Washington, D.C. 20510

Response needed

Textiles

United States Senate

WASHINGTON, D.C. 20510

May 23, 1983

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
E.O. 12958, Sec. 1.3(a)

PERSONAL AND ~~CONFIDENTIAL~~

By NARA 603 Date 11/9/09

The Honorable James A. Baker III
Chief of Staff and Assistant to
the President
The Honorable Edwin Meese III
Counselor to the President
The White House
Washington, D.C. 20500

Gentlemen:

We appreciate the time you gave us and the textile and apparel leadership this past Thursday.

We won't belabor the points made except to say that the President's commitment to relate import growth to the domestic market simply cannot be met unless present trends are dramatically and promptly reversed. That you recognize this and are as anxious as we to see that commitment fully achieved is gratifying to us all.

Both we and the industry representatives were particularly pleased at the positive reaction you had to the problem. As we understand it, you propose to create in the White House a point of contact for the administration and implementation of the President's textile/apparel program. This person will have full authority to see that import growth is reduced and the President's commitment is met, and will work with the agencies involved to achieve these objectives.

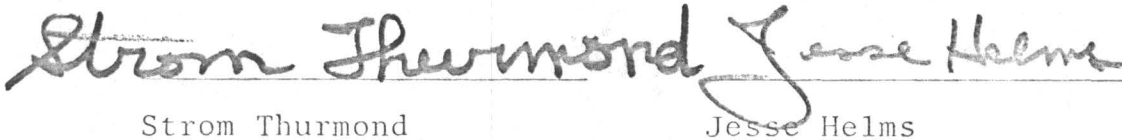
This job will require a particularly able and knowledgeable person reporting directly to one of you. We suggested a candidate who has our confidence as well as that of the industry and could be detailed to the White House for whatever period is required to do the job. We urge you to give that individual serious consideration.

We urge you to act immediately. If this approach does not succeed in meeting the President's commitment, we would work with you to come up with alternatives. The situation

The Honorable James A. Baker III
The Honorable Edwin Meese III
May 23, 1983
Page Two

is critical and any further delay in remedying it will erode the confidence of the industry and its two million employees in this Administration.

Sincerely,

Handwritten signatures of Strom Thurmond and Jesse Helms in cursive script, written over a horizontal line.

Strom Thurmond

Jesse Helms

THE WHITE HOUSE

WASHINGTON

October 4, 1982

Dear Ken:

You know that I share your concern about the unemployment and the decrease in production in the textile/apparel industry caused by imports and further exacerbated by the recession. As I mentioned during our recent discussion concerning textile industry problems, I have made a commitment that was reaffirmed last December by Jim Baker, to seek to relate total import growth to the rate of growth in the domestic market.

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To that end I want to assure you that the United States will continue efforts to negotiate a new bilateral agreement with the Peoples Republic of China independent from other considerations.

Sincerely,

Ronald Reagan

The Honorable Ken Holland
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE
WASHINGTON

October 4, 1982

Dear Jim:

You know that I share your concern about the unemployment and the decrease in production in the textile/apparel industry caused by imports and further exacerbated by the recession. As I mentioned during our recent discussion concerning textile industry problems, I have made a commitment that was reaffirmed last December by Jim Baker, to seek to relate total import growth to the rate of growth in the domestic market.

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Sincerely,

Ronald Reagan

The Honorable James T. Broyhill
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE

WASHINGTON

October 4, 1982

Dear Strom:

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Sincerely,

Ronald Reagan

The Honorable Strom Thurmond
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

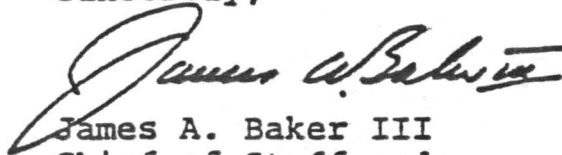
December 11, 1981

Dear Carroll:

In follow up to our recent conversations, I want to emphasize the importance that President Reagan attaches to the textile import question. In this regard, and in view of the current situation in the domestic market, the President has instructed the U.S. negotiators in Geneva to strengthen the U.S. proposal presented in Geneva on the renewal of the MFA.

This Administration will make every effort to satisfactorily conclude an MFA that will allow us to relate total import growth to the growth in the domestic textile and apparel market. The President has authorized me to reaffirm that we shall work to achieve that goal.

Sincerely,



James A. Baker III
Chief of Staff and
Assistant to the President

The Honorable Carroll A. Campbell
U.S. House of Representatives
408 Cannon House Office Building
Washington, D.C. 20515



Burlington Industries, Inc.

Corporate Offices
3330 West Friendly Avenue
Greensboro, North Carolina 27420

William A. Klopman
Chairman of the Board

May 17, 1983

The President
The White House
1600 Pennsylvania Avenue
Washington, D. C. 20500

Dear Mr. President:

As Chairman and Chief Executive Officer of Burlington Industries, Inc., the largest textile manufacturer in the United States, I am writing to express some views and concerns about the Administration's handling of the textile program and specifically about its dedication to support your commitment to the industry.

Before your election in 1980, you made commitments to the textile and apparel industry through Strom Thurmond and Carroll Campbell to relate total import growth to the rate of growth of the domestic market. This commitment was reaffirmed on your behalf in December, 1981 by Jim Baker and you again repeated the same commitment in letters to Senator Thurmond, Congressman Campbell and other concerned Congressmen in October, 1982.

I am sure you are aware that, since you took office in January 1981, textile and apparel imports have grown substantially but have you any idea of the rate of growth of these imports since you've been in office compared to the rate of growth of the domestic market? In the 2½ year period, from January 1, 1981 through March 31, 1983, imports have grown at an annual rate of 11% -- while the domestic market has shrunk at an annual rate of 2% during this same time period. At no time since the broad program was adopted in 1974 has the record been worse -- and this includes the four years of the Carter Administration.

The President
May 17, 1983
Page 2

When I look at the record of import growth of textiles and apparel, at your commitments and at your free trade statements as well as the free trade statements of your top adviser, I cannot help but think that the inconsistency between your commitment to our industry and your support of free trade (even though free trade does not exist anywhere in this world) is being resolved in favor of the free trade advocates.

Mr. President, it was with great hopes that we welcomed you to the White House. Our industry has been a strong supporter of yours, so I am sure you can appreciate the disillusionment we now feel.

Serious damage has befallen the textile and apparel industry through the increase in imports in the period you have been in office. This damage has resulted in mill closings, short workweeks and layoffs of thousands of workers in the southeast, with the consequent erosion of the normal, positive contribution made to the economy of the southeast by the textile and apparel industry. Nevertheless, there is still much that can be salvaged if an earnest effort is made by those in your administration responsible for implementing the textile and apparel program. Now, what can we expect Mr. President in this area during the next year and a half?

Sincerely,



William A. Klopman

ap

cc: Honorable George Bush
Mr. James A. Baker, III ✓