

The original documents are located in Box C23, folder “Presidential Handwriting, 6/25/1975” of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

THE WHITE HOUSE

WASHINGTON

June 25, 1975

MEMORANDUM FOR THE RECORD

FROM: JAMES E. GONNOR

I met with the President at 12:35 p.m. to discuss Secretary Simon's memorandum on East-West Trade. The President indicated that he had taken several steps in the area. He had decided that no legislation would be sent up before the recess. He had directed Secretary Kissinger to prepare letters to the Ways and Means, Senate Finance, and Banking and Currency Committees of both Houses indicating that legislation would be proposed after the July 4th recess to amend both the Export-Import Bank's law and the Trade Act. These letters would be given to the President when completed and staffed through the system. He intends to send them to the Congress early next week.

I talked with Brent Scowcroft afterwards, and he has the action for preparing the letters and he agreed that he would speak with Secretary Simon and inform him of the President's decision that the Secretary should indicate our strong interest to the Committee in proposing such legislation, but at this stage we should not discuss the specifics of the legislative package.

THE WHITE HOUSE
WASHINGTON

Jim Conner)

I have asked Sec.
K. to draft 4 bills (one
each to Ways & Means, Finance
& Banking & Currency)
and indicate that legislation
will be proposed after July 4th
needs to amend X M + trade
laws. They would go to Congress
not wrap. Have Bill remain
noted.

THE WHITE HOUSE
WASHINGTON

June 24, 1975

MR PRESIDENT:

Staffing of the attached memo from Secretary Simon re: Legislative Strategy for East-West Trade resulted in the following responses:

Seidman: Agrees

Marsh: Agrees but offers the following comment: "Role of Ways and Means and House jurisdiction requires special attention be given on House side in any attempts to change this legislation."

Scowcroft: Agrees but offers the following comment: "I believe that it would be premature, in hearings this week before the Senate Commerce Committee, to discuss corrective legislative options."

Should Secretary Simon be informed that Administration officials should not discuss possible corrective legislative options in testimony before the Senate Commerce Committee this week?

Yes AC7

No _____

Jim Connor



THE SECRETARY OF THE TREASURY

WASHINGTON 20220

June 18, 1975

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Legislative Strategy for East-West Trade

I. Background

On April 10, you told the Congress that "remedial legislation is urgently needed in our national interest." And, pursuant to your request, I told the Soviets in Moscow, on the same day, that "I hope that the clear cooperative spirit which I am sure will be demonstrated in our talks today and tomorrow will permit us to present specific new proposals to the Congress by mid-year."

The East-West Foreign Trade Board met on June 14 to discuss what initiatives should be undertaken with the Congress for removing the current restrictions on expanded East-West trade contained in the Trade Act and Eximbank legislation.

II. The Board's Conclusions

At the June 4 meeting there was agreement, in spite of the current prevailing negative mood of Congress toward changes in the Act, that it is appropriate now to move ahead in Congressional consultations and in other forums to:

- make the public case that Jackson-Vanik has been harmful and that legislative change is needed in the national interest.
- cite specific examples of adverse effects on U.S. employment, trade and commercial interests, and the ways in which the nation's humanitarian concern for Jewish emigration is being disserved.

DECLASSIFIED

AUTHORITY Treas Dts 8/22/06
Nsc Guidelines
BY HR NARA, DATE 9/10/12

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

- 2 -

Commerce Committee Hearings. An early opportunity to do so presents itself on June 25 when the Senate Commerce Committee will launch a major series of hearings on East-West trade. Secretary Morton, Chairman Casey, Assistant Secretary Hartman, and I will testify. Ambassador Dent will also likely testify.

The hearings will begin a potentially important new public dialogue on the meaning and effects of the Jackson-Vanik amendment. We will present a consistent Administration position intended to build a favorable climate for corrective legislation by discussing the adverse effects of Jackson-Vanik on U.S. trade and employment as well as on emigration.

Administration witnesses will be prepared to respond to questions that almost certainly will be asked, by discussing in general terms the range of possible legislative options to change Jackson-Vanik. Witnesses would also indicate that the course of action that might be selected would be determined in close consultation with the appropriate Congressional Committees.

III. Senate Trip to USSR and Poland

Another opportunity to advance the discussion and sound out opinion presents itself in the trip of a group of 16 Senators to the USSR and Poland. These Senators, including Senators Humphrey, Hugh Scott, Javits, Ribicoff, Percy and Symington, will visit these countries from June 27 to July 6 under auspices of the Foreign Relations Committee.

I briefed a group of these Senators on June 16. Though there was a recognition that the current climate of opinion on Capitol Hill would make passage of legislation difficult now, there was a view that the battle would be difficult at any time. However, there was a strong view that movement on this issue is needed and that legislation should be submitted soon if there is to be a possibility of action during this Congress. They asked that you do not submit a definite new legislative proposal before



~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

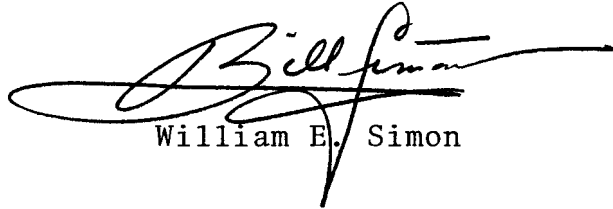
- 3 -

they return in July. However, they urged that we provide a strong signal that this issue is of primary importance to us. There was a willingness to consider ways to amend the Act and to use their trip to explore Soviet attitudes toward the legislative impasse to expanded trade.

I promised the Senators that we would talk with them immediately after their trip to get their impressions.

IV. Proposal

After the hearings, and after the return of the Senators, I propose to convene another meeting of the East-West Foreign Trade Board, in order to reassess the situation and to recommend to you the course of action that is most appropriate to advance our shared belief that remedial legislation is urgently needed in our national interest.



William E. Simon

~~CONFIDENTIAL~~

