THE WHITE HOUSE WASHINGTON

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December 20, 1963

NATIONAL SECURITY ACTION MEMORANDUM NO. 275

MEMORANDUM FOR

The Secretary of State
The Secretary of the Treasury
The Secretary of Defense
The Secretary of the Interior
The Secretary of Commerce
The Secretary of Agriculture
The Secretary of Labor

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 92-271

By 9 NARA, Date 3/25/92

Subject: Exception of items from trade negotiations

On December 2, 1963, public hearings began before both the Tariff Commission and the interagency Trade Information Committee. These hearings will concern tariff reductions, both U. S. and foreign, to be made in the course of next year's trade negotiations. Many hundreds of representatives of business, farm, and labor organizations will come forward to plead for their products to be excepted from the U. S. tariff reductions or for certain concessions to be sought from foreign governments. At the same time, it is only reasonable to anticipate that pressure from the same sources, and from members of Congress, will be exerted on Government officials to give advance commitments that certain products will be placed on the exceptions list.

As you know, the final decision as to exceptions other than a few required by law rests with the President. I do not anticipate that I shall receive any recommendation from either the Tariff Commission or from the Special Representative for Trade Negotiations until well along in the spring of next year. Even then, however, I shall not be in a position

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to make a final determination on exceptions. At the Ministerial Meeting of the GATT last May, the resolution that was adopted prescribed the following rule:

"The tariff negotiations...shall be based upon a plan of substantial linear tariff reductions with a bare minimum of exceptions which shall be subject to confrontation and justification."

This process of confrontation and justification among the participating countries will, of course, be a highly important phase of the trade negotiations as a whole, in the course of which the original exceptions lists tabled by ourselves and other countries may be subject to change. It is clear that in order to carry out this critical provision of the resolution, I will not be able to make final decisions on exceptions until this procedure has been carried out. The actual process of confrontation and justification will not, of course, be a public matter, and very possibly it will extend over a number of months.

In light of the above, I request that all individuals within the Government who may be approached with regard to possible advance commitments on any products should make it quite clear that the Government is in no position to make such commitments before the international confrontation and justification procedure has been completed.

cc:

Mr. Bundy

Gov. Herter

Mr. Johnson

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Dispatches 1/23/63