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THE WHITE HOUSE  
WASHINGTON

*File*

September 20, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: L. WILLIAM SEIDMAN *LWS*  
SUBJECT: Implementation of your decision  
on sugar

In accordance with your decision to seek an expedited USITC study of sugar imports and to triple the tariff on sugar imports the following documents are attached for your signature: 1) a letter to USITC Chairman Leonard requesting an expedited investigation by the USITC (Tab A) and, 2) a Proclamation tripling the tariff on imported sugar (Tab B).

In accordance with our pattern on previous sugar policy matters, your decision will be announced in a White House press release (Tab C). Copies of your letter to Chairman Leonard and the Proclamation will also be released by the White House Press Office.

I will handle domestic industry prenotification and congressional prenotification in coordination with Max Friedersdorf's office.

Recommendation: That you sign the letter to Chairman Leonard and the Proclamation which are attached. Both of these documents as well as the Presidential statement have been cleared by the Editorial Office (Smith).

Attachments

The Honorable  
Will E. Leonard, Jr.  
Chairman  
U.S. International Trade Commission  
Washington, D. C. 20436

Dear Mr. Chairman:

It is my understanding that the Senate Finance Committee, acting pursuant to Section 201(b)(1) of the Trade Act of 1974, has requested that the U.S. International Trade Commission begin an investigation under Section 201 of the Trade Act to determine whether United States sugar producers are being harmed or threatened with harm by imports of sugar. I urge the Commission to promptly make such an investigation in view of recent trends in the sugar industry.

As a separate action, within the limits of my authority to establish appropriate rates of duty for sugar provided for in TSUS items 155.20 and 155.30, I have proclaimed a rate of duty applicable to such sugar imports of approximately 1.9 cents per pound. This action is not intended to prejudge the results of the Commission's investigation.

I request that the Commission expedite its investigation and submit its report to me as quickly as possible.

Sincerely,

Gerald R. Ford



## STATEMENT BY THE PRESIDENT

Since July the price of raw sugar has steadily declined and is now below the cost of production for most U.S. sugar producers. At current price levels many U.S. sugarbeet and sugarcane producers are unable to operate profitably. I have watched these developments with growing concern, mindful of the important contribution that our sugar industry makes to the national economy. Consequently, when prices plummeted in August, the interagency Task Force on Sugar Policy was reconstituted to update the supply, demand and price outlook for the remainder of 1976 and to consider the policy implications of these projections. The Task Force has now completed its review and has reported to me its analysis of the problem and the policy options.

After reviewing the work of this Task Force, and determining the views of members of Congress from the affected areas, I have decided to give my full support to the request of the Senate Finance Committee for an escape clause investigation by the U.S. International Trade Commission under Section 20<sup>7</sup> of the Trade Act of 1974. I fully agree with the Finance Committee that this matter requires a full and complete examination by the USITC. Further, because of the urgency of the problem for America's sugar producers, I am asking the USITC to expedite its review and to report its findings as soon as possible.

In addition, in view of the depressed state of the sugar industry, I have decided, pending completion of the USITC investigation, to raise the duty on imported sugar from .625 cents per pound to 1.875 cents per pound effective immediately. Increased custom duties will offer domestic producers some protection from imports while the USITC investigation is underway. I emphasize that this is an interim measure which I will review following receipt of the findings of the USITC, and that I am not prejudging the eventual findings and recommendations of the USITC with respect to the question of injury or possible remedial measures.

MODIFICATION OF TARIFFS ON  
CERTAIN SUGARS, SIRUPS AND MOLASSES

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. By Proclamation 4334 of November 16, 1974, the President modified Subpart A, Part 10, Schedule 1 of the Tariff Schedules of the United States (19 U.S.C. 1202, hereinafter referred to as the "TSUS") to establish, effective January 1, 1975, following expiration of the Sugar Act of 1948, a rate of duty and quota applicable to sugars, syrups, and molasses described in items 155.20 and 155.30 of the TSUS.

2. The President took the action described in recital 1 pursuant to the authority vested in him by the Constitution and statutes of the United States, including Section 201(a)(2) of the Trade Expansion Act of 1962 (19 U.S.C. 1821(a)(2)) and in conformity with Headnote 2 of Subpart A of Part 10 of Schedule 1 of the TSUS, which was added to the TSUS by Proclamation No. 3822 of December 16, 1967 (82 Stat. 1455), to carry out a trade agreement concluded pursuant to section 201(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1821(a)) consisting of the 1957 Geneva Protocol to the General Agreement on Tariffs and Trade, including annexed thereto "Schedule XX", a schedule of United States trade concessions, together with the Final Act Authenticating the Results of the 1964-67 Trade Conference Held under the Auspices of the Contracting Parties to the General Agreement.

3. Headnote 2, Subpart A, Part 10 of Schedule 1 of the TSUS, which is based upon said trade agreement, provides in relevant part as follows:

"(i) That, if the President finds that a particular rate not lower than such January 1, 1968, rate, limited by a particular quota, may be established for any articles provided for in item 155.20 or 155.30, which will give due consideration to the interests in the United States sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade, he shall proclaim such particular rate and such quota limitation, . . .

"(ii) That any rate and quota limitation so established shall be modified if the President finds and proclaims that such modification is required or appropriate to give effect to the above considerations; . . ."

4. Section 201(a)(2) of the Trade Expansion Act authorizes the President to proclaim the modification or continuance of any existing duty or other import restriction or such additional import restrictions as he determines to be required or appropriate to carry out any trade agreement entered into under the authority of that Act.

5. I find that the modifications hereinafter proclaimed of the rates of duty applicable to items 155.20 and 155.30 of the TSUS, as established by Proclamation 4334, are appropriate to carry out the portion of a trade agreement referred to in recitals 2 and 3, and give due consideration to the interests in the United States sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade.

NOW THEREFORE, I, GERALD R. FORD, President of the United States of America, acting under the authority vested in me by the Constitution and statutes, including Section 201(a)(2) of the Trade Expansion Act of 1962 and in conformity with Headnote 2, Subpart A of Part 10 of Schedule 1 of the TSUS, do hereby proclaim until otherwise superseded by law:

a. 1. That part of Proclamation 4334 of November 16, 1974 which establishes a rate of duty inconsistent with that provided for in paragraph (2) below is hereby terminated.

b. 2. The rates of duty in rate column numbered 1 for items 155.20 and 155.30 of Subpart A, Part 10, Schedule 1 of the TSUS, are modified, and the following rates are established:

155.20. . . . .	1.9875¢ per lb. less 0.028125¢ per lb. for each degree under 100 degrees (and fractions of a degree in proportion) but not less than 1.284375¢ per lb.
155.30. . . . .	Dutiable on total sugars at the rate per lb. applicable under Item 155.20 to sugar testing 100 degrees

C. 3. The provisions of this proclamation shall become effective with respect to articles entered, or withdrawn from warehouse, for consumption on and after



the date of this Proclamation and shall remain in effect until the President otherwise proclaims or until otherwise superseded by law.

IN WITNESS WHEREOF, I have hereunto set my hand this                    day of September, in the year of our Lord nineteen hundred and seventy six and of the Independence of the United States of America, the two hundred first.

Five

THE WHITE HOUSE  
WASHINGTON

House--sugar

TL

- Virginia Smith
- Charles Thone
- James Abdnor,
- Joe Skubitz,
- Steve Symms
- Jim Snatini
- Harold Runnels
- Manuel Lujan
- Keith Sebelius
- Teno Roncalio

—

- Larry Pressler
- Bill Ketchum
- Gunn McKay

PR

- Harold Johnson
- Jack Hightower
- Mark Andrews
- John McCollister
- Patsy Mink
- James Johnson

—

CL

- John Krebs
- ✓ Guy Vander Jagt
- ✓ Harold Johnson
- ✓ John Rhodes
- ✓ Paul Rogers
- ✓ Bob Traxler
- ✓ W. Henson Moore
- ✓ Teno Roncalio
- ✓ Gillis Long
- ✓ Elford Cederberg
- ✓ Joe Waggoner

THE WHITE HOUSE  
WASHINGTON

House--sugar p.2

✓ *cl* *PR* Marilyn Lloyd  
*PR* Ron Sarasin  
✓ *cl* *TR* Dawson Mathis  
Frank Annunzio

THE WHITE HOUSE  
WASHINGTON

~~Jim Johnson~~

Sam Steiger - PR

~~Ruby Monk~~

~~John Krebs~~



MEMORANDUM  
OF CALL


TO:

*Charlie*

YOU WERE CALLED BY  YOU WERE VISITED BY—

*Bob*

OF (Organization)

PLEASE CALL  PHONE NO. CODE/EXT. \_\_\_\_\_  
 WILL CALL AGAIN  IS WAITING TO SEE YOU  
 RETURNED YOUR CALL  WISHES AN APPOINTMENT

MESSAGE

*add to your list*

*Traxler  
Rhodes  
Bing Johnson  
Vander Jagt*



RECEIVED BY

DATE

TIME

THE WHITE HOUSE  
WASHINGTON

House--sugar  
Virginia Smith  
Charles Thone  
James Abdnor,  
Joe Skubitz,  
Steve Symms  
Jim ~~St~~atini  
Harold Runnels  
Manuel Lujan  
Keith Sebelius  
Teno Roncalio  
Larry Pressler  
Bill Ketchum  
Gunn McKay  
Harold Johnson  
Jack Hightower  
Mark Andrews  
John McCollister  
Patsy Mink  
James Johnson  
John Krebs  
Guy Vander Jagt  
Harold Johnson  
John Rhodes  
Paul Rogers  
Bob Traxler  
W. Henson Moore  
Teno Roncalio  
Gillis Long  
Elford Cederberg  
Joe Waggoner

THE WHITE HOUSE  
WASHINGTON

House--sugar p.2

Marilyn Lloyd  
Ron Sarasin  
Dawson Mathis  
Frank Annunzio

2 illegible

Virginia  
Paul  
Sam  
Bill  
Tenny  
Clarence  
Del  
Thad  
Ron  
Henson  
Ralph  
Chuck  
Bill

JM

~~Virginia Smith~~  
Paul Findley  
Samuel L. Devine  
G. William Whitehurst  
Tennyson Guyer <sup>ALSO write</sup> ~~separately~~  
Clarence E. Miller  
Delbert L. Latta  
Thad Cochran  
Ron Paul  
~~W. Henson Moore~~  
Ralph S. Regula  
Charles E. Grassley  
C. W. Bill Young

John  
Bill  
Jack  
Al  
Dr. Carter

~~John Y. McCollister~~  
William L. Dickinson  
Jack Edwards  
Albert W. Johnson  
Tim Lee Carter

Bill  
Larry  
Pete  
Jimmy

~~William M. Ketchum~~  
~~Larry Pressler~~  
Paul N. McCloskey, Jr.  
James H. (Jimmy) Quillen

Robin  
Charley  
Bill  
Al  
Bob  
Clair  
Bob

ND

~~Robin L. Beard~~  
~~Charles Thone~~  
William L. Armstrong  
Albert H. Quie  
Robert E. Bauman  
Clair W. Burgener  
Robert W. Kasten, Jr.

Joe  
George  
Jim  
Jack  
Larry  
Garner  
Ed  
Ben  
Trent

~~Joe Skubitz~~  
George M. O'Brien  
~~James P. Johnson~~  
Jack F. Kemp  
Larry Winn, Jr.  
Garner E. Shriver  
Edward Hutchinson  
Benjamin A. Gilman  
Trent Lott

John  
Tom  
Ken  
Mark  
John  
Lou  
Bob  
Marjorie  
Ed

VH

John T. Myers  
Tom Hagedorn  
J. Kenneth Robinson  
~~Mark Andrews~~  
John Jarman  
Louis Frey, Jr.  
Robert J. Lagomarsino  
Marjorie S. Holt  
Edward R. Madigan

Guy  
Keith  
Carlos

~~Guy Vander Jagt~~  
~~Keith G. Sobolius~~  
Carlos J. Moorhead





2 illegible

Virginia	Virginia Smith	John	John Y. McCollister
Paul	Paul Findley	Bill	William L. Dickinson
Sam	Samuel L. Devine	Jack	Jack Edwards
Bill	G. William Whitehurst	Al	Albert W. Johnson
Tenny	Tennyson Guyer <sup>ALSO WIFE</sup> <del>Sept 1941</del>	Dr. Carter	Tim Lee Carter
Clarence	Clarence E. Miller		
Del	Delbert L. Latta		
Thad	Thad Cochran		
Ron	Ron Paul		
Henson	W. Henson Moore		
Ralph	Ralph S. Regula		
Chuck	Charles E. Grassley		
Bill	C. W. Bill Young		
Bill	William M. Ketchum		
Larry	Larry Pressler		
Pete	Paul N. McCloskey, Jr.		
Jimmy	James H. (Jimmy) Quillen		
Robin	Robin L. Beard		
Charley	Charles Thone		
Bill	William L. Armstrong		
Al	Albert H. Quie		
Bob	Robert E. Bauman		
Clair	Clair W. Burgener		
Bob	Robert W. Kasten, Jr.		
Joe	Joe Skubitz		
George	George M. O'Brien		
Jim	James P. Johnson		
Jack	Jack F. Kemp		
Larry	Larry Winn, Jr.		
Garner	Garner E. Shriver		
Ed	Edward Hutchinson		
Ben	Benjamin A. Gilman		
Trent	Trent Lott		
John	John T. Myers		
Tom	Tom Hagedorn		
Ken	J. Kenneth Robinson		
Mark	Mark Andrews		
John	John Jarman		
Lou	Louis Frey, Jr.		
Bob	Robert J. Lagomarsino		
Marjorie	Marjorie S. Holt		
Ed	Edward R. Madigan		
Guy	Guy Vander Jagt		
Keith	Keith G. Sebelius		
Carlos	Carlos J. Moorhead		

STATEMENT BY THE PRESIDENT

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After reviewing the work of this Task Force, and determining the views of members of Congress from the affected areas, I have decided to give my full support to the request of the Senate Finance Committee for an escape clause investigation by the U.S. International Trade Commission under Section 204 of the Trade Act of 1974. I fully agree with the Finance Committee that this matter requires a full and complete examination by the USITC. Further, because of the urgency of the problem for America's sugar producers, I am asking the USITC to expedite its review and to report its findings as soon as possible.

In addition, in view of the depressed state of the sugar industry, I have decided, pending completion of the USITC investigation, to raise the duty on imported sugar from .625 cents per pound to 1.875 cents per pound effective immediately.  
Increased custom duties will offer domestic producers some protection from imports while the USITC investigation is underway. I emphasize that this is an interim measure which I will review following receipt of the findings of the USITC, and that I am not prejudging the eventual findings and recommendations of the USITC with respect to the question of injury or possible remedial measures.

Virginia	<del>Virginia Smith</del>	John	<del>John V. McColister</del>
Paul <i>Chidley</i>	Paul Findley	Bill	William L. Dickinson
<del>Delley</del> <i>Cooper</i>	Samuel L. Devine	Jack	Jack Edwards
Bill <i>Powell</i>	G. William Whitehurst	Al	Albert W. Johnson
Tenny <i>Bill</i>	Tennyson Guyer <i>ALSO write separately</i>	Dr. Carter	Tim Lee Carter
Clarence <i>Cave</i>	Clarence E. Miller		

Del	Delbert L. Latta
Thad <i>John</i>	Thad Cochran
AST Ron <i>Roger</i>	Ron Paul
Henson <i>Wm</i>	<del>W. Henson Moore</del>
Ralph <i>Tom</i>	Ralph S. Regula
Chuck <i>Long</i>	Charles E. Grassley
Bill <i>Mary</i>	C. W. Bill Young

Bill	<del>William M. Ketchum</del>
Larry	<del>Larry Pressler</del>
Pete <i>Loyett</i>	Paul N. McCloskey, Jr.
Jimmy <i>John</i>	James H. (Jimmy) Quillen

Robin	Robin L. Beard
Charley	<del>Charles Thone</del>
Bill	William L. Armstrong
Al	Albert H. Quie
Bob	Robert E. Bauman
Clair	Clair W. Burgener
Bob <i>ND</i>	Robert W. Kasten, Jr.
Joe	<del>Joe Slubitz</del>
George	George M. O'Brien
Jim	<del>James P. Johnson</del>
Jack	Jack F. Kemp
Larry	Larry Winn, Jr.
Garner	Garner E. Shriver
Ed <i>5767</i>	Edward Hutchinson <i>Lucy</i>
Ben <i>5776</i>	Benjamin A. Gilman <i>Bob Becker</i>
Trent <i>5772</i>	Trent Lott

John	John T. Myers
Tom	Tom Hagedorn
Ken	J. Kenneth Robinson
Mark	<del>Mark Andrews</del>
John	John Jarman
Lou <i>VH</i>	Louis Frey, Jr.
Bob	Robert J. Lagomarsino
Marjorie	Marjorie S. Holt
Ed	Edward R. Madigan

Guy	<del>Guy Vander Jagt</del>
Keith	<del>Keith G. Sebelius</del>
Carlos	Carlos J. Moorhead

*Pagan*



*Cong. Mahon called and requested, so I read statement to him  
nd*

Virginia	<del>Virginia Smith</del>	John	<del>John V. McCollister</del>
Paul	Paul Findley	Bill	William L. Dickinson
Sam	Samuel L. Devine	Jack	Jack Edwards
Bill	G. William Whitehurst	Al	Albert W. Johnson
Tenny	Tennyson Guyer <sup>ALSO wife</sup> <del>Seaton</del>	Dr. Carter	Tim Lee Carter
Clarence	Clarence E. Miller		
Del	Delbert L. Latta		
Thad	Thad Cochran		
Ron	Ron Paul		
Henson	<del>W. Henson Moore</del>		
Ralph	Ralph S. Regula		
Chuck	Charles E. Grassley		
Bill	C. W. Bill Young		

JM

Bill	<del>William M. Ketchum</del>
Larry	<del>Larry Pressler</del>
Pete	Paul N. McCloskey, Jr.
Jimmy	James H. (Jimmy) Quillen
Robin	Robin L. Beard - <i>Harry Sisco</i>
Charley	<del>Charles Thone</del>
Bill	William L. Armstrong - <i>Walt Kline</i>
Al	Albert H. Quie - <i>Roger</i>
Bob	Robert E. Bauman - <i>Nancy Beth</i>
Clair	Clair W. Burgener - <i>Carol</i>
Bob	Robert W. Kasten, Jr. - <i>Jim</i>
Joe	<del>Joe Skubitz</del>
George	George M. O'Brien - <i>Miss Zahn</i>
Jim	<del>James P. Johnson</del>
Jack	Jack F. Kemp - <i>Don</i>
Larry	Larry Winn, Jr. - <i>Meredith</i>
Garner	Garner E. Shriver - <i>Patty</i>
Ed	Edward Hutchinson
Ben	Benjamin A. Gilman
Trent	<del>Trent Lott</del>

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John	John T. Myers
Tom	Tom Hagedorn
Ken	J. Kenneth Robinson
Mark	<del>Mark Andrews</del>
John	John Jarman
Lou	Louis Frey, Jr.
Bob	Robert J. Lagomarsino
Marjorie	Marjorie S. Holt
Ed	Edward R. Madigan

UH

Guy	<del>Guy Vander Jagt</del>
Keith	<del>Keith C. Sebelius</del>
Carlos	Carlos J. Moorhead



2 illegible

Virginia  
Paul  
Sam  
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Henson  
Ralph  
Chuck  
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JM

~~Virginia Smith~~  
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G. William Whitehurst  
Tennyson Guyer <sup>ALSO wife</sup>  
Clarence E. Miller  
Delbert L. Latta  
Thad Cochran  
Ron Paul  
~~W. Henson Moore~~  
Ralph S. Regula  
Charles E. Grassley  
C. W. Bill Young

John ~~John V. McGollister~~  
Bill ~~Ron~~ William L. Dickinson - 2901-  
Jack ~~Buckhalt~~ Jack Edwards - 4931 - David Frost  
Al Rick Robb Albert W. Johnson - 5121  
Dr. Carter Tim Lee Carter - 4601  
Doug Francisco

Bill  
Larry  
Pete  
Jimmy  
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Garner  
Ed  
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~~William M. Ketchum~~  
~~Larry Pressler~~  
Paul N. McCloskey, Jr.  
James H. (Jimmy) Quillen  
Robin L. Beard  
~~Charles Thone~~  
William L. Armstrong  
Albert H. Quie  
Robert E. Bauman  
Clair W. Burgener  
Robert W. Kasten, Jr.  
~~Joe Skubitz~~  
George M. O'Brien  
~~James P. Johnson~~  
Jack F. Kemp  
Larry Winn, Jr.  
Garner E. Shriver  
Edward Hutchinson  
Benjamin A. Gilman  
Trent Lott 5772 - <sup>and Tom Houston</sup> ~~Nickel~~ Malden

John  
Tom  
Ken  
Mark  
John  
Lou  
Bob  
Marjorie  
Ed

VH

John T. Myers - 5805 - <sup>and Tom Houston</sup> Ron Hartman  
Tom Hagedorn - 2472 - George Berg  
J. Kenneth Robinson - 6561 ~~Walter Graham~~ Rep. J. Kenneth Robinson  
~~Mark Andrews~~  
John Jarman - 2132 Walter Graham  
Louis Frey, Jr. - 3671 Anne Pickett  
Robert J. Lagomarsino - 3601 Mouty Wenkler  
Marjorie S. Holt - 8090 - Rick Prendergast  
Edward R. Madigan - 2371 Wendy Maxfield

W. A.  
Begin calls at 10:55 am  
9/21

Guy  
Keith  
Carlos

~~Guy Vander Jagt~~  
~~Keith C. Sebelius~~  
Carlos J. Moorhead - 4176 Alice Anderson



and the policy options.

After reviewing the work of this Task Force, and determining the views of members of Congress from the affected areas,

11-86  
[I have decided to give my full support to the request of the Senate Finance Committee for an escape clause investigation by the U.S. International Trade Commission under Section 20<sup>7</sup> of the Trade Act of 1974. [I fully agree with the Finance Committee that this matter requires a full and complete examination by the USITC.] Further, because of the urgency of the problem for America's sugar producers, I am asking the USITC to expedite its review and to report its findings as soon as possible.

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