

*orig* NEWS STATEMENT BY SENATOR STROM THURMOND (D-SC) ON LETTER TO PRESIDENT IN REGARD TO TARIFF CUTS, JUNE 29, 1955 ✓

WASHINGTON, June 29--Senator Strom Thurmond (D-SC) disclosed today he has asked President Eisenhower to request an investigation and report from the Tariff Commission on the possible effects of the recent textile tariff reductions negotiated at the GATT Conference in Geneva.

The South Carolina Democrat yesterday announced his intention to introduce a resolution in the Senate late this week requesting the Tariff Commission to make a similar study. He said he will introduce the resolution under statutory authority contained in the Trade Agreements Extension Act which provides that the Tariff Commission may be directed by resolution of the Senate to make such an investigation.

In a letter dated June 28 and addressed to the President, Sen. Thurmond pointed out the importance of the textile industry to the nation and the severity of the reductions negotiated at Geneva on basic textile products. He said:

"I am reliably informed that the tariff reductions agreed to in the General Agreements on Tariffs and Trade Conference in Geneva will run as high as 27 to 48 per cent on the basic products of the textile industry. This industry employs more than a million persons, approximately 133,000 in South Carolina.

"In many sections of the Southeast and in New England, the whole economy is directly tied to the healthy operation of the textile industry. Also, the textile industry is closely allied with production of items essential to national defense.

"For these reasons, being fearful of the threat of disaster posed by the GATT agreements, I earnestly request that you take action, under authority vested in you to request the Tariff Commission to make a prompt investigation and report, on the effects of the trade agreements on the textile industry. I realize that the agreements with Japan and the other nations involved do not become effective till September 10, and thereafter, even though it was negotiated under the old Reciprocal Trade Agreements Law.

"However, I believe it essential that an immediate study be started, if you are to have the information necessary on which to take proper action under the escape clause, which provides protection against disastrous tariff reductions."

In closing, Sen. Thurmond pointed out that should the results of this investigation reveal that a serious threat exists, then this would enable the President to modify the agreements made in Geneva to the extent necessary to provide adequate protection to the textile industry before irreparable damage is done.