

News from Senator

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

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DOLE MEETS WITH JAPANESE AMBASSADOR ON AUTO RESTRICTIONS

WASHINGTON -- In a meeting today with Japanese Ambassador Yoshio Okawara, Finance Committee Chairman Senator Bob Dole (R-Kan.) expressed his hope that auto import restrictions between the United States and Japan be mutually agreed to, rather than imposed by legislated quotas. The two met at Walter Reed Army Medical Center, where Dole is recuperating from surgery for removal of a kidney stone.

In the meeting, Dole indicated that the imposition of legislated quotas could create "unfortunate consequences" for future trade between the two nations.

"The Japanese are currently awaiting a decision by the Reagan Administration on the course of U.S. action on the matter," Dole said. "But should the United States and Japan be unable to resolve this problem in a mutually acceptable manner, the distinct possibility exists that legislation imposing mandatory quotas will proceed in either or both Houses of Congress. I believe this could have unfortunate consequences, including increasing pressures on other aspects of our trading relationship. Such a development could impede efforts being made to ensure that both Japan and the United States gain the greatest possible benefits from the multilateral trading system."

"As President Reagan stated at his news conference on Friday, an Administration task force is presently completing work on an automotive industry report and will be presenting its recommendations to the President in the near future. While no final decisions have been made, it is clear that reductions in imports are an option under consideration."

Dole gave Okawara a letter in which he spelled out his desire to see a voluntary agreement worked out.

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March 9, 1981

His Excellency Yoshio Okawara
Ambassador of Japan
Embassy of Japan
2520 Massachusetts Avenue, N.W.
Washington, D.C. 20008

Dear Mr. Ambassador:

As you know, Senator Danforth is holding hearings today on the legislation which he has introduced to restrict the importation into the United States of automobiles manufactured in Japan. In introducing this legislation, Senator Danforth stated that he did so "reluctantly" and had taken this action only because of the critical state of this vital industry.

As President Reagan stated at his news conference on Friday, an administration task force is presently completing work on an automotive industry report and will be presenting its recommendations to the President in the near future. While no final decisions have been made, it is clear that reductions in imports are an option under consideration. Among others, eight Governors have urged the President to negotiate voluntary import restrictions. Senator Danforth and several administration spokesmen have also indicated their preference that such restrictions be mutually agreed to by the U.S. and Japan rather than imposed by legislated quotas. This is also my preference.

Should the United States and Japan be unable to resolve this problem in a mutually acceptable manner, the distinct possibility exists that legislation imposing mandatory quotas will proceed in either or both Houses of Congress. I believe this could have unfortunate consequences including increasing pressures on other aspects of our trading relationship. Such a development could impede efforts being made to ensure that both Japan and the United States gain the greatest possible benefits from the multilateral trading system. Our countries are the cornerstone of this system and the failure to mutually resolve the automobile import problem can only detract from its strength and ability to maintain and enhance the open world trading system.

It is my hope, and I know it is the hope of Senator Danforth, that this issue will be quickly resolved in order that we may move on to a discussion and resolution of other issues under consideration between our countries.

Sincerely yours,

BOB DOLE
Chairman

BD:cgk