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Message to Congress Requesting Authority to Consummate Commercial Agreements with Foreign Nations
I am requesting the Congress of the United States to authorize the Executive to enter into executive commercial agreements with foreign nations; and in pursuance thereof within carefully guarded limits to modify existing duties and import restrictions in such a way as will benefit American agriculture and industry.

This action seems opportune and necessary at this time for several reasons.

First, world trade has declined with startling rapidity. Measured in terms of the volume of goods in 1933, it has been reduced to approximately 70 per cent of its 1929 volume; measured in terms of dollars, it has fallen to 35 per cent. The drop in the foreign trade of the United States has been even sharper, 1933 exports being in 1929 but 52 per cent of the 1929 volume, and 32 per cent of the 1929 value. This has meant idle hands, still machines, ships tied to their docks, despairing farm households, hungry industrial families, the necessity for difficult planning.
You and I know that the world does not stand still; that trade movements and relations once interrupted can with the utmost difficulty be restored; that even in tranquil and prosperous times there is a constant shifting of trade channels.

How much greater, how much more violent is the shifting in these times of change and of stress is clear from the record of current history. Every Nation must at all times be in a position quickly to adjust its taxes and tariffs to meet sudden changes and avoid severe fluctuations in both its exports and its imports.
planning for economic readjustment in which the Government is now engaged.

I know the world does not stand still. I know that trade movements and trade relationships once interrupted can never be fully restored. I know that even in tranquil and prosperous times there is a constant shifting of trade channels. I know, too, that it is important that the country possess within its borders a necessary diversity and balance to maintain a rounded national life, that it must sustain activities vital to national defense and that such interests can not be sacrificed for passing advantage. Equally clear is the fact that a full and permanent domestic recovery depends in part upon a revived and strengthened international trade and that American exports can not be permanently increased without a corresponding increase in imports.

Second, other governments are to an ever-increasing extent winning their share of international trade by negotiated reciprocal trade agreements. If American Agricultural-
agricultural and industrial interests are to retain their
deserved place in this trade, the American Government must
be in a position to bargain for that place with other
governments by rapid and decisive negotiation based upon
a carefully considered program, and to grant with discernment
corresponding opportunities in the American market for
foreign products supplementary to our own.

If the American Government is not in a position to
make fair offers for fair opportunities, its trade will
be superseded. If it is not in a position rapidly to
make the terms on which it is willing to deal with other
countries, it can not adequately protect its trade against
discriminations and against bargains injurious to its
interests. Furthermore a promise to which prompt effect
can not be given is not an inducement which can pass
current at par in commercial negotiations. For this
reason, any smaller degree of authority in the hands of
the Executive would be ineffective. The executive branches
of virtually all other important trading countries already
possess some such power.

I would emphasize that quick results are not to be expected. The successful building up of trade without injury to American producers depends upon a cautious and gradual evolution of plans.

The disposition of other countries to grant an improved place to American products should be carefully sounded and considered; upon the attitude of each must somewhat depend our future course of action. With countries which are unwilling to abandon purely restrictive national programs, or to make concessions towards the reestablishment of international trade, no headway will be possible.

The exercise of the authority contained in this bill must be carefully weighed so as to ensure that no sound and important American interest will be injuriously disturbed. The adjustment of our foreign trade relations must rest on the premise that undertakings to benefit and not to injure such interests. In a time of difficulty and unemployment such as this, the most careful consideration of
the position of the different branches of American production is required.

From the policy of reciprocal negotiation which is in prospect, I hope in time that definite gains will result to American agriculture and industry.

Important branches of American agriculture, such as cotton, tobacco, hog products, rice, cereal and fruit-raising industries, and those branches of American industry whose mass production methods have led the world, will find expanded opportunities and productive capacity in foreign markets, and will thereby be spared in part, at least, the heartbreaking readjustments that would be necessary if the shrinkage of American foreign commerce remains permanent.

A resumption of international trade can not but improve the general situation of other countries, and thus increase their purchasing power, in turn spells increased opportunity for American sales.

Legislation such as this is an essential step in the
program of national economic recovery which Congress has elaborated during the past year. It is part of an emergency program necessitated by the economic crisis through which we are passing. It should provide that the trade agreements shall be terminable within a period not to exceed three years; a shorter period probably would not suffice for putting the program into effect. In its execution, the Executive must, of course, pay due heed to the requirements of other branches of our recovery program, such as the National Industrial Recovery Act.

I hope for early action on the many immediate situations in the field of international trade that await our attention can be met effectively and with the least possible delay.