

**United States Tariff Commission**

**Trade Agreement  
Between the United States  
And the Republic of Turkey**

Digests of Trade Data with Respect to Products  
On which Concessions Were Granted  
By the United States

**Washington  
1939**

UNITED STATES TARIFF COMMISSION

TRADE AGREEMENT  
BETWEEN THE UNITED STATES AND  
THE REPUBLIC OF TURKEY

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DIGESTS OF TRADE DATA WITH RESPECT TO PRODUCTS  
ON WHICH CONCESSIONS WERE GRANTED  
BY THE UNITED STATES  
TOGETHER WITH  
OTHER PERTINENT INFORMATION

This volume consists of digests of information regarding each item on which a concession was granted by the United States in the Trade Agreement with the Republic of Turkey, signed April 1, 1939. These digests are based on data obtained by the United States Tariff Commission in compliance with that part of Senate Resolution 334, 72d Congress, 2d session, which called for a revision of summaries of tariff information compiled by the Commission. No information obtained from individual concerns has been used in such form as to reveal the operations of any concern.

The introduction consists of a general analysis of the agreement including a summary of the tariff concessions granted by both countries followed by a short statement on Turkey's economy.

Washington

1939

**UNITED STATES TARIFF COMMISSION**

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## ANALYSIS OF THE AGREEMENT

General Statement

The trade agreement concluded between the United States and Turkey was signed at Ankara on April 1, 1939, and was proclaimed by the President of the United States on April 5, 1939, to become effective May 5, 1939. <sup>1/</sup> The agreement may be terminated by either government at the end of the calendar year 1939, 1940, or 1941, on 2 months' notice or thereafter on 6 months' notice. Under certain circumstances it may be terminated prior to these dates.

This is the twenty-first agreement to be signed by the United States under the provisions of the Trade Agreements Act of June 12, 1934, as extended on March 1, 1937, and the first to be concluded with a country in the Near East.

The agreement provides for general application between the United States and Turkey of the principle of unconditional most-favored-nation treatment with regard to customs duties and other forms of trade control.

The exchange provisions are based on the principle of payment for imports in free foreign exchange. Turkey undertakes to make available, within certain limitations, free foreign exchange in payment for imports of United States origin. The agreement does not permit the application by either country of compensation requirements in the trade between the two countries.

Under the agreement, Turkey grants to the United States percentage reductions from the Turkish tariff rates on the following products: Motor vehicles and parts; electric refrigerators; radios and parts; typewriters, calculating machines, etc. and parts; sewing machines; iron and steel sheets galvanized with zinc; filing cabinets; asbestos brake lining; cattle hides, goat and kid upper leather; dried prunes, canned prunes and juice, canned asparagus; rubber thread; plastic construction material; liquid waterproofing preparations; insecticides; toothpaste; typewriter ribbons; and lubricating oil. In 1937 Turkish imports of these products from the United States were valued at \$6,092,000 and accounted for 44 percent of the value of Turkey's total importation from the United States. The tariff concessions granted by Turkey to the United States are generalized to all countries to which Turkey extends most-favored-nation treatment.

The United States grants reductions to Turkey on cigarette leaf tobacco, figs, seedless raisins, shelled filberts, hand-made oriental rugs, pistache nuts, canary seed, valonia extract, licorice extract, cymbals, and crude meerschaum. The United States also binds against increase the present duty on poppy seed and binds on the free list crude licorice root and valonia, sheep, lamb and goat casings, hare and marten skins, chrome ore, emery ore, and crude borax. In accordance with the President's instructions to the Secretary of the Treasury of April 5, 1939, the tariff concessions granted by the United States to Turkey are applied to the products of all countries except "Germany \*\*\* Bohemia, Moravia and Slovakia, now under the de facto administrative control of Germany."

In 1938 the United States imports from Turkey of products upon which tariff reductions were granted amounted to \$12,296,000 and accounted for 81 percent of total imports from Turkey. The principal item, cigarette leaf tobacco, upon which the duty was reduced by 14-2/7 percent, accounted for 73 percent of the United States imports from Turkey in 1938. Imports of items which were bound on the free list or bound at the present rate amounted to \$1,593,000 in 1938. While the volume

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<sup>1/</sup> The Secretary of State issued a preliminary public announcement on Nov. 2, 1937, that trade agreement negotiations were contemplated with the Government of Turkey. On Jan. 12, 1938, the Secretary of State issued a formal public notice of intention to negotiate a trade agreement with Turkey, and on the same date the Committee for Reciprocity Information issued to the public a list of all products upon which the United States might grant tariff concessions to Turkey and announced that a public hearing would be held before the Committee for Reciprocity Information on Feb. 23, 1938, when interested persons might submit information and views relative to the proposed agreement.

## Trade Agreement with Turkey

of trade affected by tariff concessions granted by the United States is larger than the volume affected by concessions made by Turkey, the duty reductions made by Turkey on important commodities are larger in terms of percentages than the duty reductions made by the United States.

General Provisions

Duration.- The agreement became effective on May 5, 1939, and may terminate by either government at the end of the calendar year 1939, 1940, or 1941 on 2 months' notice; thereafter it will be subject to termination by either government on 6 months' notice. Under certain circumstances prescribed in articles 1, 5, 13, and 14 the agreement may be terminated prior to the dates enumerated here. For example, if either government adopts measures which, although not conflicting with the terms of the agreement, are regarded by the other government as impairing the effectiveness of the agreement, representations may be made; and if a satisfactory adjustment has not been reached within 30 days after such representations are received, the other government shall be free to terminate the agreement in its entirety upon due notice (article 13).

Most-favored-nation treatment.<sup>1/</sup>- The agreement provides for unconditional most-favored-nation treatment with respect to customs duties and other forms of trade control. Thus, any tariff reduction granted by Turkey to a third country will be extended automatically to the like product imported into Turkey from the United States. The United States obligates itself to the same treatment of imports from Turkey.

Exchange provisions.<sup>2/</sup>- The Turkish Government has maintained a system of controlled foreign exchange since 1929, but free foreign exchange was made available without delay for payment on imports from the United States during most of the period 1929-38. <sup>3/</sup> The agreement provides for the payment for imports from the United States in free foreign exchange on the following basis:

The Turkish Government will make available in each calendar year during the life of the agreement free foreign exchange in payment for commercial <sup>4/</sup> imports of United States origin up to an amount equivalent to not less than 10.91 percent of Turkey's total commercial imports during that calendar year, allowance being made for certain deductions. <sup>5/</sup> During the 3-year period 1935-37, when Turkish imports from the United States were increasing rapidly, the United States supplied 10.91 percent of Turkey's total commercial imports. Hence, under the agreement, American exporters are assured payment in free foreign exchange on a share of Turkey's total commercial imports equal to the proportion which American exporters enjoyed in a favorable past period (1935-37).

It is provided further that foreign exchange will be made available to American exporters to Turkey in the chronological order in which requests for exchange are made. Thus, in effect, the Turkish Government agrees to treat all imports of United States origin on an equal payment basis.

<sup>1/</sup> Articles 6, 4, 5, 7, and 8.

<sup>2/</sup> Article 9 and note incorporated in the agreement.

<sup>3/</sup> During the period May to December 1938, the Turkish Government stopped exchange payments on imports from the United States but resumed partial payments at the end of December 1938.

<sup>4/</sup> The term "commercial imports" refers to all imports except military supplies purchased by the Turkish Government. The published Turkish foreign trade statistics include only commercial imports.

<sup>5/</sup> For purposes of the calculation, there is deducted from the total Turkish commercial imports during any calendar year of the agreement the amount of such imports during that calendar year from the United Kingdom and Germany under the credits granted to Turkey by the United Kingdom in an agreement of May 1938, and by Germany in an agreement of October 1938, as were not paid for by Turkey during the same calendar year. Thus the 10.91 percent is applied to the difference between the total Turkish commercial imports and unpaid for commercial imports from the United Kingdom and Germany under the two credits.

Tariff reductions.- The Turkish Government grants tariff concessions to the United States in the form of percentage reductions from the Turkish tariff rates on a list of products enumerated in schedule I of the agreement. <sup>1/</sup> If the Turkish Government finds it necessary to increase the tariff rates enumerated in schedule I, the increased rates will not be applied to American products until 2 months after their promulgation; and if a satisfactory agreement, with respect to compensatory modifications, is not reached between the two governments, before application of the increased rates, the United States will be free (within 15 days after application of the increased duties) to terminate the agreement on 30 days' written notice. <sup>1/</sup>

The United States grants tariff concessions to Turkey in the form of specified tariff rates on a list of products enumerated in schedule II. <sup>2/</sup>

Quotas.<sup>3/</sup>- Quotas shall not be applied to any of the products enumerated in schedules I and II upon which tariff concessions have been granted, except when necessary to insure the effective operation of governmental measures designed to regulate the internal production, supply, or price of like domestic products or tending to increase the cost of producing such domestic products. The agreement provides that such quotas may be imposed only on condition that:

1. Importation of the like products originating in all third countries \*\*\* is similarly prohibited or restricted.
2. If such quotas are allocated by countries, there shall be allocated to the other country a proportion of the total importations equivalent to the proportion of the imports of such product supplied by the other country during a representative period prior to the establishment of the restriction in question.

If either government should find it necessary to impose such quotas on schedule products, the other government shall be free, after consultation with the first, to terminate the agreement upon due notice.

With respect to nonschedule products (that is, products not subject to tariff concessions in the agreement), import quotas may be imposed by either government on products originating in the country of the other, subject to the conditions noted above.

Internal taxes.- Products of either country upon importation into the other country are exempt from all internal taxes, fees, and charges higher than those payable on like products of national or foreign origin.

Public works and governmental purchases.<sup>4/</sup>- Neither country shall discriminate against the other in favor of any third country in awarding contracts for public works and in the purchase of nonmilitary supplies.

Summary of Tariff Concessions Granted by Turkey to the United States  
(Schedule I)

The tariff concessions granted by Turkey to the United States cover 44 items which, in 1937, accounted for 44 percent of the total imports from the United States. The concessions are specified percentage reductions below the general Turkish tariff rates set forth in schedule I of the agreement.

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<sup>1/</sup> Article 1.  
<sup>4/</sup> Article 6.

<sup>2/</sup> Article 2.

<sup>3/</sup> Articles 5, 6, and 7.



## Trade Agreement with Turkey

Concessions on 20 of these items represent reductions of more than 50 percent below the general rate of duty. In 1937 these items accounted for 16 percent of Turkey's total imports from the United States. The principal items in this group are automobiles and trucks, subject to a 60 percent reduction below the general rate of duty.

Two items were subject to tariff reductions ranging from 25 to 50 percent below the general rates, namely, goat and kid upper leather and toothpaste.

Concessions on 22 items represent reductions of less than 25 percent below the general rate, and these items accounted for 27 percent of Turkey's total imports from the United States in 1937. Of these 22 items, 10 represent reductions of 5 percent below the general rate. Although the reduction in duty on these 10 items was only 5 percent, inclusion of such items in the schedule will assure continuation of the present favorable Turkish tariff treatment on such products as cattle hides (over 18 kgs.), iron and steel plates galvanized with zinc, exposed motion picture films, sewing machines, lubricating oil, etc.

Table 1 summarizes the tariff concessions granted by Turkey to the United States and table 2 itemizes the concessions and the value of the trade in each item.

Table 1.- Summary of tariff concessions granted by Turkey to the United States (schedule I)

	Numbers of items	Imports into Turkey from the United States, 1937	Percent of total
		Turkish pounds	dollars
<u>Reductions below general rate of duty</u>			
Over 50 percent	20	2,834	2,271
Over 25 percent to and including 50 percent	2	121	97
Not over 25 percent <sup>1/</sup>	22	4,648	3,724
Total reductions	44	7,603	6,092
Items not subject to tariff concessions		9,692	7,766
Total imports into Turkey from the United States		17,295	13,858

<sup>1/</sup> Includes 10 items valued at 3,943,000 Turkish pounds (\$3,159,526) subject to reductions of 5 percent, and 12 items valued at 705,000 Turkish pounds (\$564,916) subject to reductions of over 5 percent but not over 25 percent.

Table 2. - Itemized list of Tariff concessions granted by Turkey to the United States (schedule I)

N.A. = not available; G.W. = gross weight; net weight; - = no imports

\* = Values indicated are for entire import statistical classification which includes in addition to the products upon which the duty was reduced some products not subject to duty reduction. Imports from the United States consist chiefly of products upon which the duty was reduced.

\*\* = Values include products other than electric refrigerating machines but electric refrigerating machines account for over one-half of the total imports shown here.

The tariff concessions obtained from Turkey, in accordance with Turkish policy, are percentage reductions below the rates of duty specified in the Turkish tariff law.

Specific rates of duty are levied on gross weight (weight of article plus the weight of all containers and packing), legal net weight (weight of article plus the weight of immediate containers and packing) or net weight (weight of article only). Unless otherwise indicated, specific duties are levied on legal net weight. 1 kilo = 2.2 lbs.

Most ad valorem equivalent calculations are based on the average value of Turkish imports from the United States in 1935 under the respective classification, and include the customs surtax of 10 percent of the duty.

Values are shown c.i.f. Turkey.

The Turkish pound = \$0.80/

Turkish tariff number	Description of commodity	Rate of duty				Imports into Turkey from the United States				Imports into Turkey from all countries, 1937	
		Before agreement	Percentage reduction provided by agreement	Resulting reduced rate	Ad valorem equivalent Of pre-1917 agreement reduced rate	1934	1935	1936	1937		
											Turkish pounds per 100 kilos
Ex 72 G 3	Cattle hides: Fresh, unworked, salted or pickled in lime, weighing 18 kilos or over	6.00	5	5.70	6.3	5.9	9,618	556,705	361,918	1,420,615	1,605,676
Ex 75 C	Glassed goat and kid skins, worked, weighing more than 4.5 grams per decimeter (goat and kid upper leather)	1,000.00 2/ 700.00	40	600.00	69.9	59.9	*130,008	*14,463	2,218	*89,489	*160,090
Ex 176 B	Dried prunes (counting 110 or less per kilo)	48.00	75	12.00	400.0	100.0	-	-	-	*341	*341
Ex 195	Canned prunes and prune juices: A. Without sugar B. With sugar	70.00 112.50	75 75	17.50 28.125	334.8 538.0	81.7 134.5	*130 *4	*441 -	*217 -	*244 -	*260 *10
Ex 201 B	Canned asparagus	120.00	75	30.00	253.3	63.3	-	-	-	*104	*109
442	Rubber thread	62.50 G.W.	5	59.375 G.W.	44.9	42.7	10,426	11,664	11,376	13,986	19,918
Ex 477 C	Plastic construction materials	6.00 G.W.	5	5.70 G.W.	24.1	22.9	*2,906	*1,469	*2,140	*5,650	*16,120
Ex 477 D	Asbestos brake lining	37.50 G.W.	5	35.625 G.W.	26.7	25.4	*5,140	*5,202	*7,990	*8,824	*29,329
Ex 523 B 2	Iron and steel plates and sheets (plain or corrugated) and hoops or bands, galvanized with zinc, up to a thickness of 3 millimeters	3.75 G.W.	5	3.5625 G.W.	37.8	35.9	*119,717	*268,542	*603,741	*913,064	*1,000,595
Ex 537	Iron and steel cabinets, boxes and drawers, with or without visible indexes, for filing purposes: 1. Plain and painted 2. Glided, varnished or others (combined or not with other materials)	30.00 G.W. 37.50 G.W.	20 20	24.00 G.W. 30.00 G.W.	34.3 41.9	27.4 33.5	*4,178 *744	*6,142 *95	*6,040 *4,815	*14,203 *6,978	*18,116 *14,162

1/ Imports into Turkey are reported in Turkish pounds which have been converted to dollars at the rate of 80 cents per Turkish pound.  
2/ Conventional rate under the German - Turkish agreement applicable to American products.

Trade Agreement with Turkey

Table 2. - Itemized list of tariff concessions granted by Turkey to the United States (schedule I) - Continued

Turkish tariff number	Description of commodity	Rate of duty						Imports into Turkey from United States				Imports into Turkey from all countries, 1937	
		Before agreement	Percentage: provided by agreement		Resulting reduced rate		Ad valorem equivalent		1934	1935	1936	1937	
			percentage	reduced rate	of present rate	of present rate							
		Turkish pounds per 100 kilos		Turkish pounds per 100 kilos		Percent	Value in dollars 1/						
Ex 617B	Exposed motion picture films	375.00	5	396.25	27.2	25.8	9,698	15,573	22,417	26,488	66,172		
Ex 619	Radio receiving sets, complete or incomplete, including tubes and loud-speakers	500.00	75	125.00		85.0	45,462	58,884	135,053	259,883	526,846		
Ex 619	Nonassembled detached radio parts	500.00	88	60.00	n.a.	n.a.							
Ex 660	Sewing machines, machines for embroidering and tulle weaving, and mechanical parts and spare parts thereof, (including those electrically driven, but not including needles)	17.50 G.W.	5	16.625G.W.	10.2	9.7	51,042	83,410	197,357	201,877	365,794		
662	Typewriters, calculating and registering machines, and machines for counting, grouping and classifying, and parts thereof (including those electrically driven):												
	A. Weighing up to 5 kilos	60.00	12	52.80	9.9	8.7	10,002	23,402	32,085	40,050	84,730		
	B. Weighing 5 kilos and over	30.00	12	26.40	6.1	5.4	33,188	48,270	66,009	79,345	224,788		
663	Tables, bases, covers and stands for sewing machines and typewriters	12.00 H.W.	5	11.40 H.W.	14.4	13.7	27,681	50,284	97,555	128,905	183,651		
Ex 666	All kinds of electric refrigerating machines and apparatus (assembled or unassembled), the whole weighings:												
	A. Up to 50 kilos	15.00	12	13.20	n.a.	n.a.	** 1,960	** 4,482	**7,084	**15,319	**32,798		
	B. 50 kilos and up to 150 kilos	12.00	12	10.56	12.6	11.1	**37,599	**110,958	**162,305	**228,663	**262,080		
	C. 150 kilos and up to 500 kilos	10.00	12	8.80	9.4	8.3	**34,458	**50,546	**55,165	**64,626	**175,342		
	D. 500 kilos and up to 2,000 kilos	9.00	12	7.92	9.3	8.2	**17,031	**13,582	**32,826	**38,434	**212,297		
	E. 2,000 kilos and up to 10,000 kilos	8.00	12	7.04	7.0	6.2	**20,402	**12,306	**77,055	**50,740	**301,682		
	F. 10,000 kilos and over	7.00	12	6.16	n.a.	n.a.	**123,316	**83,262	**106,177	**12,394	**517,267		
667	Automotive vehicles:												
	A. Passenger automobiles:												
	1. Up to 900 kilos	75.00 H.W.	60	30.00 H.W.	n.a.	n.a.	10	868	-	-	-	4,228	
	2. 900 kilos and up to 1,300 kilos	67.50 H.W.	60	14.00 H.W.	61.6	24.6	136,291	156,043	204,303	510,446	553,388		

Trade Agreement with Turkey

1/ Imports into Turkey are reported in Turkish pounds which have been converted to dollars at the rate of 80 cents per Turkish pound.

2/ Includes Mtq. 27,760 from France consisting chiefly of American films dubbed in France.

3/ Conventional rate under the German - Turkish and the Netherlands - Turkish agreements applicable to American products.

4/ Conventional rate under the German - Turkish agreement applicable to American products.

Table 2. - Itemized list of tariff concessions granted by Turkey to the United States (schedule I) - Continued

Turkish tariff number	Description of commodity	Rate of duty				Imports into Turkey from United States				Imports into Turkey from all countries, 1937	
		Before agreement	Percentage reduction provided by agreement	Resulting reduced rate	Ad valorem equivalent		1934	1935	1936		1937
					Of pre-agreement rate	Of present reduced rate					
		Turkish pounds per 100 kilos		Turkish pounds per 100 kilos	Percent	Value in dollars 1/					
667	Automotive vehicles: continued										
	A. Passenger automobiles: continued										
	3. 1,300 kilos and up to 1,750 kilos	45.00 N.W.	60	18.00 N.W.	69.5	27.8	104,607	112,130	140,804	193,478	199,470
	4. 1,750 kilos and up to 2,000 kilos	175.00 N.W.	60	70.00 N.W.	181.0	72.4	-	1,483	-	-	-
	5. 2,000 kilos and over	250.00 N.W.	60	100.00 N.W.	115.0	46.0	3,742	-	-	-	-
	B. Motor vehicle chassis, weighing each:										
	1. Up to 750 kilos	48.00 N.W.	60	19.20 N.W.	64.7	25.8	-	-	1,430	-	-
	2. 750 kilos and up to 1,100 kilos	21.00 N.W.	60	8.40 N.W.	55.0	22.0	76,210	40,226	41,684	92,904	92,904
	3. 1,100 kilos and up to 1,500 kilos	25.50 N.W.	60	10.20 N.W.	58.1	23.3	342,666	375,123	602,586	1,083,861	1,095,425
	4. 1,500 kilos and up to 1,750 kilos	125.00 N.W.	60	50.00 N.W.	265.0	106.0	-	-	-	849	849
	5. 1,750 kilos and over	180.00 N.W.	60	72.00 N.W.	338.0	135.2	-	-	11,200	-	-
	C. Bodies of passenger automobiles	350.00 N.W.	60	140.00 N.W.	n.a.	n.a.	4,030	874	-	-	-
	D. Body parts, not specially provided for	150.00 N.W.	60	60.00 N.W.	n.a.	n.a.	346	453	434	738	906
	E. Chassis parts of automotive vehicles, not specially provided for	45.00 N.W.	60	18.00 N.W.	45.4	18.2	41,631	41,370	46,950	83,546	94,274
	F. Wheels and parts of wheels for automotive vehicles and rims of iron or steel	40.00 N.W.	60	16.00 N.W.	81.5	32.6	20,964	24,118	32,81	41,403	46,120
695 D	Heavy mineral oils and their residues (machine oils, kerosene, motorine and other such combustibles and residues, tars: The light fraction distilling below 270 degrees must not exceed 10%)	1.00 G.W.	5	.95 G.W.	23.7	22.5	203,586	379,678	421,261	757,082	1,350,706
Ex 703 D	Typewriter ribbons	45.00	10	40.50	114.6	103.3	*8,727	*2,509	*2,102	*2,583	*23,408
Ex 709 A	Varnish (only liquid waterproofing preparations):										
	A. With bronze, aluminum, and colors	24.00 2/19.20	20	19.20	2/22.3	22.3	*2,010	*4,456	*6,742	*10,851	*61,725
760	All kinds of insecticide preparations intended for the destruction of rats, fleas and other parasites and insects (powders, pastes, liquids, and other forms)	5.00	5	4.75	9.8	9.3	34,453	39,468	62,674	73,627	224,570
Ex 853	Specialties for which import permits have been issued by the Turkish Government:	Ad valorem		Ad valorem							
	Ex B-1 First class, toothpaste only	50%	50	25%	3/27.5	27.5	*6,208	*4,983	*4,634	*7,306	*55,038
	Total	3/25%			3/27.5		1,684,104	2,603,464	3,609,129	6,082,621	9,621,864

1/ Imports into Turkey are reported in Turkish pounds which have been converted to dollars at the rate of 80 cents per Turkish pound.  
 2/ Conventional rate under the Netherlands - Turkish agreement applicable to American products.  
 3/ Conventional rate under the German - Turkish agreement applicable to American products.

Trade Agreement with Turkey

Summary of Tariff Concessions Granted by the United States  
(schedule II)

The tariff concessions granted by the United States to Turkey cover 21 items which accounted for 91.6 percent of the total value of the United States imports from Turkey in 1938; cigarette leaf tobacco alone accounted for nearly three-fourths of that total. The concessions are of three types: Reduction in duty on 12 items; binding against increase of the present duty on 1 item; and binding on the free list of 8 items. Table 3 summarizes the tariff concessions granted by the United States.

Table 3. - Summary of tariff concessions granted by the  
United States to Turkey (Schedule II)

	Number of items	Imports into the United States from Turkey	Imports into the United States from Turkey, 1938	Percent of total imports into the United States from Turkey, 1938
		1937	1938	
		1,000 dollars	1,000 dollars	Percent
<b>I. REDUCTIONS IN DUTY —</b>				
Over 25% but not over 50%	7	1,005	758	5.0
Not over 25%	5	9,224	11,538	76.1
Total reductions	12	10,229	12,296	81.1
<b>II. BINDINGS —</b>				
Of present duty	1	-	-	-
On free list	8	2,413	1,593	10.5
Total bindings	9	2,413	1,593	10.5
Total of items upon which tariff conces- sions were granted	21	12,642	13,889	91.6
Items not subject to tariff concessions		1,078	1,277	8.4
Total United States imports from Turkey		13,720	15,166	100.0

1/ Includes cigarette leaf tobacco, unstemmed, upon which the duty was reduced by 14-2/7 percent. Imports into the United States from Turkey of cigarette leaf tobacco, unstemmed, were valued at \$8,807,000 in 1937 and \$11,125,000 in 1938.

2/ Poppy seed. Imports of poppy seed from Turkey were nil in 1937 and 1938 but amounted to \$34,000 in the peak year of 1932.

3/ Includes imports valued at \$757,000 in 1937 and \$564,000 in 1938 of products of Turkish origin upon which tariff concessions were granted but which were reported in the United States import statistics as imports from countries other than Turkey (see footnotes to table 4 for items so reported).

**Reductions.** - The 12 items upon which the duties are reduced accounted for slightly over 80 percent of total United States imports from Turkey in 1938. By far the principal item in terms of trade is cigarette leaf tobacco. The duty on this tobacco is reduced from 35 to 30 cents per pound, or by a little over 14 percent. The reduced rate is equivalent to 60 percent ad valorem on the basis of imports in 1938. Imported cigarette leaf tobacco is used almost entirely for blending purposes and is not competitive with domestic cigarette leaf tobacco.

On dried figs valued at 7 cents or more per pound, the duty is reduced from 5 to 3 cents per pound. Practically all imports of such figs come from Turkey and sell in the United States at considerably higher prices than the better grade domestic figs, and at much higher prices than the bulk of domestic figs used for bakery products. About two-thirds of the domestic output of figs is used for bakery products and wholesales in the United States at considerably less than 7 cents per pound.

On hand-made oriental rugs the duty is reduced from 50 cents per square foot but not less than 45 percent ad valorem, to 30 cents per square foot but not less than 45 percent. Under the new rates, oriental rugs having a foreign value of 66-2/3 cents or more per square foot will be dutiable at 45 percent ad valorem, while rugs having a lower foreign value will be dutiable at the reduced specific rate of 30 cents per square foot. Imported hand-made oriental rugs have in recent years sold at much higher prices than most domestic rugs. There is no commercial production of hand-made rugs and only a small production of machine-made sheen-type oriental-pattern rugs in the United States.

Shelled filberts dutiable at 10 cents per pound under the Tariff Act of 1930 are reduced to 8 cents per pound. The 8-cent rate is equivalent to an ad valorem duty of 46 percent, on the basis of imports in 1938. Most of the shelled filberts consumed in this country come from abroad. Domestic filberts are marketed almost entirely in the unshelled state. The duty on unshelled filberts has not been changed.

The duty on raisins made from seedless grapes is reduced from 2 to 1½ cents per pound. Imports of such raisins, which are quite small, come almost entirely from Turkey. The United States is the world's largest producer of raisins and one of the largest exporters.

The other items upon which tariff reductions are granted by the United States are valonia extract, licorice extract, pistachio nuts, canary seed, cymbals, and crude meerschaum. There is no domestic production of pistachio nuts and meerschaum. Production of canary seed, valonia extract (all from imported crude valonia), and of cymbals of the type imported from Turkey is very small. Domestic licorice extract is produced entirely from imported crude licorice root.

Bindings. - The United States duty on poppy seed was reduced 50 percent under the Netherlands agreement and the reduced rate is bound in the Turkish agreement. There is no domestic production of poppy seed.

The following items are bound on the free list: Crude licorice root, crude valonia, chrome ore, emery ore, crude borax, undressed hare and marten skins, and sheep, lamb, and goat casings. Some of these are not produced in the United States and the others are not produced in sufficient volume to meet domestic requirements.

Table 4 itemizes all the tariff concessions granted by the United States to Turkey.

Table 4. - Itemized list of tariff concessions granted by the United States to Turkey (schedule II)

(N. A. = Statistics not available)

Paragraph number in Tariff Act of 1930	Item	Rate of duty			Percentage of tariff reductions in 1938 1/			United States imports for consumption					
		1929	Before Turkish agreement	Under Turkish agreement	Turkish agreement	Rate before agreement	Rate under agreement	From Turkey					
								1929	1936	1937	1938	1938	
							Percent	— 1,000 of dollars —					
	<b>A. Reductions in duty</b>												
38	Valonia extract	.15% ad val.	.15% ad val.	.7 1/2% ad val.	50	15	7 1/2	48	12	26	11	45	
47	Licorice extract	.25% ad val.	.20% ad val.	.15% ad val.	25	20	15	n.a.	10	9	5	31	
601	Cigarette leaf tobacco, unstemmed	.35¢ lb.	.35¢ lb.	.30¢ lb.	14-2/7	70	60	10,366	6,001	8,807	11,125	24,660	
740	Figs, fresh, dried, or in brine, valued at 7¢ or more per pound	.2¢ lb.	.5¢ lb.	.3¢ lb.	40	12/54	12/33	1,168	245	221	155	155	
742	Raisins made from seedless grapes	.2¢ lb.	.2¢ lb.	.1 1/2¢ lb.	25	12/27	12/20	43	21	26	16	16	
757	Shelled filberts	.5¢ lb.	.10¢ lb.	.8¢ lb.	20	58	46	230	219	160	228	336	
761	Pistache nuts, not shelled	.1¢ lb.	.2 1/2¢ lb.	.1 1/2¢ lb.	50	10	5	391	483	532	370	555	
761	Pistache nuts, shelled	.1¢ lb.	.5¢ lb.	.2 1/2¢ lb.	50	11	5	138	161	195	195	238	
764	Canary seed	.1¢ lb.	.1¢ lb.	.3/4¢ lb.	25	37	28	49	244	222	164	402	
1116(a)	Handmade oriental rugs	.55¢ ad val.	.50¢ sq. ft., min.	.30¢ sq. ft., mini-	40	7/55 to 75	45 or over	1,907	68	44	12	2,649	
1541(a)	Cymbals	.40% ad val.	.40% ad val.	.20% ad val.	50	n.a.	20	n.a.	2	8	6	20	
1552	Meerschaum, crude	.20% ad val.	.20% ad val.	.10% ad val.	50	20	10	8	4	13	9	9	
	Total							14,210	7,444	10,229	12,296		
	<b>B. Bindings of present duty</b>												
762	Poppy seed	.32¢ per 100 lbs.	.16¢ per 100 lbs.	.16¢ per 100 lbs.	-	2	2	32	3	-	-	723	
	Total							32	3	-	-		
	<b>C. Bindings on free list</b>												
1602	Crude licorice root	Free	Free	Bound free	-	-	-	663	451	421	483	1,266	
1633	Crude borax	Free	Free	Bound free	-	-	-	158	-	-	-	-	
1647	Chrome ore	Free	Free	Bound free	-	-	-	18	365	751	469	4,895	
1670	Crude valonia	Free	Free	Bound free	-	-	-	267	97	365	103	103	
1672	Emery ore	Free	Free	Bound free	-	-	-	54	61	48	8	8	
1681	Hare skins, undressed	Free	Free	Bound free	-	-	-	308	102	137	97	789	
1681	Marten skins, undressed	Free	Free	Bound free	-	-	-	136	46	133	106	1,087	
1755	Sausage casings of sheep, lamb, and goat	Free	Free	Bound free	-	-	-	553	88	360	367	6,525	
	Total							2,177	1,210	2,113	1,593		

1/ Ad valorem equivalent computed on basis of total imports into the United States from all countries, unless otherwise indicated.  
 2/ Equivalent ad valorem calculated on basis of United States imports in 1938 from Turkey only.  
 3/ Practically all of the United States imports of dried figs valued at 7 cents or more per pound come from Turkey. Total United States imports from all countries of dried figs of all values amounted to \$290,000 in 1938.  
 4/ Practically all of the United States imports of raisins made from seedless grapes come from Turkey. United States total imports of raisins of all kinds were valued at \$36,000 in 1938.  
 5/ Statistics shown here for 1937 include United States imports from both Turkey and France as the latter were also of Turkish origin.  
 6/ Statistics for 1936, 1937, and 1938 include United States imports from India and Syria which are largely of Turkish origin. Statistics for 1929 include United States imports from Syria which are almost entirely of Turkish origin.  
 7/ Estimated.  
 8/ Includes all kinds of percussion instruments.  
 9/ Includes imports from Germany and Austria as the imports from those countries were of Turkish origin.

From Agricultural Statistics of Turkey

## TURKEY'S ECONOMY

Agriculture and Industry of Turkey

Turkey, with an area of 294,492 square miles, is slightly larger than the State of Texas. The population was 16,201,000 according to the census of 1935. The principal cities are Ankara, the capital of the Turkish Republic, with a population of 124,000; Istanbul (Constantinople), the principal port, with a population of 741,000; and Izmir (Smyrna), an important port, with a population of 171,000.

Turkey is primarily an agricultural and pastoral country with 80 percent of its population engaged in or dependent upon these pursuits. Wheat and barley are grown throughout the country, especially in the dry interior region known as the Anatolian plateau. This region is also an important grazing land for sheep and goats. The southwestern plains, known as Cilicia, sheltered on the north by the high Taurus Mountains and bordered on the south by the Mediterranean, have a warm climate which favors the cultivation of cotton and citrus fruits. The production of cotton in the Cilician and Aegean regions has increased rapidly in recent years, and Turkey is now on an export basis with respect to raw cotton. The western region, bordering the Aegean Sea and the Sea of Marmora, has very fertile valleys which are well watered by the coastal rains. This region produces tobacco, figs, raisins, walnuts, and licorice. Izmir, on the Aegean Sea, is an important export market for these products. Some silk is produced in the vicinity of Brusa near the Sea of Marmora. The northern shore of Turkey, bordering the Black Sea, is noted for its production of filberts and tobacco. Other important products are pistachio nuts, in the region north of Syria, and opium. Sugar beets are produced in several localities, and the output supplies most of the Turkish requirements for sugar.

Turkish agriculture has shown marked progress in recent years. With governmental assistance improved farm machinery has been introduced. Government agricultural schools and experiment stations have been established to study improved methods of cultivation, seed selection, and grading. Cooperative marketing associations have been formed and laws have been enacted to regulate the grading of agricultural products for exports. These measures have resulted in a substantial increase in agricultural production in the last 15 years.

At the end of the war, Turkish industry was comparatively undeveloped but governmental encouragement has stimulated local industries and marked progress has been made. In 1933 the Government inaugurated the first Five-Year Plan, calling for the erection of 19 factories during the period 1934-38 at an estimated cost of \$36,000,000, with capital supplied by the Turkish treasury. Banks controlled by the Government have charge of the construction and operation of these factories. Most of the 19 factories are now in operation, producing such products as cotton and wool textiles, steel, copper, leather, paper, glass, sulfuric acid, and attar of roses.

The second Five-Year Plan (1939-43) calls for the development of mines and chemical industries, the establishment of electric power plants, and the improvement of the merchant marine. The cost of the second Five-Year Plan is estimated at \$72,000,000.

Turkey is very rich in mineral resources, most of which are not exploited intensively at present. Large coal deposits occur near the Black Sea at Zonguldak. Production of coal in this region increased from 1.2 million metric tons in 1926 to 2.5 million metric tons in 1938, and Turkey is now on an export basis with respect to coal. There are important deposits of iron ore in the vicinity of Adana, Kayseri, Ordu, and near the Sea of Marmora, but present production is small. The Karabuk steel and blast furnace works, financed by English capital but under Turkish control, is scheduled to begin operation this year. This plant is located not far from the Zonguldak coal fields.



Rich copper deposits occur in several localities, notably at Ergani in eastern Turkey, near Adana in southern Turkey, south of Trabson, and at Kuvvarshan in the Caucasus region. The Kuvvarshan deposit is the only one operated at present. Turkey is one of the world's largest producers of chrome ore, the principal deposits being near Brusa and Mugla which are near the sea. The Turkish production of chrome ore increased from 6,670 metric tons in 1926 to 192,508 metric tons in 1937. Other less important minerals found in Turkey are emery, manganese, borate, lead, zinc, antimony, and meerschaum.

#### Foreign Trade and Commercial Policy of Turkey

Turkey's merchandise balance of trade showed an excess of imports until the end of 1929. In that year, the Turkish tariff rates were increased, and a system of exchange control was established. The quota system was adopted in 1932, and the next year Turkey began to balance its trade with individual countries by negotiating bilateral accords and clearing agreements. In 1937, the import quota system was abolished on Turkish imports from (a) countries such as the United States, with which Turkey had an excess of exports, and (b) countries with which Turkey has marginal clearing agreements that provide for a balance of at least 20 percent in favor of Turkey. At the present time (April 1939), Turkey maintains a system of exchange control and has clearing agreements with more than 20 countries, including the United Kingdom, Germany, France, Italy, the Soviet Union, Belgium, Switzerland, Sweden, and the Netherlands. Turkey has clearing agreements with every country that offers a large market for Turkish exports, with the exception of the United States.

Under the exchange control and clearing agreements system, Turkey's foreign trade has increased appreciably since 1933. The balance was slightly in Turkey's favor from 1930 to 1937 but slightly against Turkey in 1938 (see table 5).

Table 5.- Turkey's merchandise balance of trade<sup>1/</sup>, 1923-38

Year	Exports	Imports	Excess of exports (+) or imports (-)	1,000 dollars <sup>2/</sup>	
				Exports	Imports
	1,000 Turkish pounds			1,000 dollars <sup>2/</sup>	
1923	84,651	144,789	-60,137	51,358	87,843
1924	158,868	193,611	-34,743	84,168	102,575
1925	192,428	241,619	-49,191	104,854	131,658
1926	186,423	234,700	-48,277	97,415	122,642
1927	158,421	211,398	-52,977	81,301	108,489
1928	173,537	223,532	-49,995	88,502	113,999
1929	155,214	256,296	-101,082	75,140	124,075
1930	151,454	147,551	+3,903	71,276	69,439
1931	127,275	126,660	+615	60,049	59,759
1932	101,301	85,984	+15,317	47,900	40,657
1933	96,161	74,675	+21,486	58,120	45,134
1934	92,149	86,790	+5,359	72,841	68,605
1935	95,861	88,823	+7,038	76,988	71,336
1936	117,733	92,531	+25,202	94,607	74,355
1937	137,984	114,379	+23,605	110,567	91,652
1938	144,947	149,837	-4,890	116,113	120,030

<sup>1/</sup> Export values are f.o.b. Turkey, and imports are c.i.f. Turkey. Turkish import statistics include "commercial" imports but not imports of military purchases by the Turkish Government, these not being published.

<sup>2/</sup> Turkish pounds converted to dollars at the following rates per Turkish pound:

1923 - \$0.6067	1931 - \$0.47181
1924 - .5298	1932 - .47285
1925 - .5449	1933 - .60440
1926 - .52255	1934 - .79047
1927 - .51320	1935 - .80312
1928 - .50999	1936 - .80357
1929 - .48411	1937 - .80130
1930 - .47061	1938 - .80107

Source: Official foreign trade statistics of Turkey.

#### Trade Agreement with Turkey

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Turkey's principal export markets are Germany, the United States, Italy, the United Kingdom, and the Soviet Union. It will be noted from table 6 that the United States share of Turkey's exports has remained fairly constant in recent years. Germany's share increased from 13.6 percent in 1932 to a high of 51.0 percent in 1936 and was 42.9 percent in 1938. The share of the United Kingdom, France, and Italy is much smaller at present than in the 1920's.

Turkey's imports come principally from Germany, the United Kingdom, and the United States. The United States' share has increased in recent years from a low of 2.6 percent in 1932 to a high of 15.1 percent in 1937, with a decline to 10.5 percent in 1938. Germany's share has increased very rapidly while that of France and of Italy has declined (see table 7).

Table 6.- Exports of Turkey to principal markets, 1923-38

Year	Total, all countries	UNITED STATES	Germany	United Kingdom	France	Italy	U.S.S.R.	Austria	Czecho-slovakia	Japan	Rumania	All other countries
Value in 1,000 Turkish pounds												
1923	84,651	6,750	7,626	15,757	10,504	15,201	1,732	8	-	-	728	26,345
1924	158,868	16,392	20,551	23,282	18,786	34,884	2,005	2	48	60	1,984	40,874
1925	192,428	25,472	27,701	17,202	24,040	50,274	4,892	49	27	-	1,353	41,418
1926	186,423	23,750	23,574	21,309	22,645	51,752	5,242	149	31	221	1,036	36,714
1927	158,421	24,584	14,708	16,839	16,941	37,022	6,230	533	5,557	126	1,343	34,538
1928	173,537	27,585	22,151	17,562	18,452	31,616	6,454	1,398	7,182	110	1,553	39,474
1929	155,214	15,387	20,582	14,949	19,618	33,845	5,432	849	3,645	33	1,762	39,112
1930	151,454	17,806	19,838	13,521	18,457	32,011	7,661	1,297	1,143	6	1,220	38,494
1931	127,275	12,678	13,649	10,850	12,156	30,752	4,688	1,099	3,063	43	1,083	37,214
1932	101,301	12,093	13,722	9,965	7,820	16,359	5,437	1,558	1,251	275	815	32,006
1933	96,161	10,066	18,223	8,594	6,182	12,968	4,449	990	3,676	1,458	927	28,628
1934	92,149	9,462	34,410	5,272	2,809	10,307	3,643	1,499	680	1,199	539	22,329
1935	95,861	9,653	39,201	5,193	3,040	9,493	4,150	1,787	3,043	579	297	19,425
1936	117,733	13,420	60,042	6,356	3,828	4,343	3,964	1,472	4,012	1,472	520	18,304
1937	137,984	19,201	50,412	9,769	5,264	7,266	6,508	2,798	6,093	765	1,025	28,883
1938	144,947	17,769	62,210	4,942	4,758	14,563	5,140	1,711	4,998	882	3,293	24,681
Percent of total												
1923	100.0	8.0	9.0	18.6	12.4	18.0	2.0	1/100	-	-	0.9	31.1
1924	100.0	10.3	12.9	14.7	11.8	22.0	1.3	1/100	1/100	1/100	1.3	25.7
1925	100.0	13.2	14.4	9.0	12.5	26.1	2.6	1/100	1/100	-	.7	21.5
1926	100.0	12.7	12.6	11.4	12.2	27.8	2.8	0.1	1/100	0.1	.6	19.7
1927	100.0	15.5	9.3	10.6	10.7	23.4	3.9	.3	3.5	.1	.9	21.8
1928	100.0	15.9	12.8	10.1	10.6	18.2	3.7	.8	4.1	.1	.9	22.8
1929	100.0	9.9	13.3	9.6	12.6	21.8	3.5	.6	2.4	1/100	1.1	25.2
1930	100.0	11.8	13.1	8.9	12.2	21.1	5.1	.8	.8	1/100	.8	25.4
1931	100.0	10.0	10.7	8.5	9.5	24.2	3.7	.9	2.4	1/100	.9	29.2
1932	100.0	11.9	13.6	9.8	7.7	16.2	5.4	1.5	1.2	.3	.8	31.6
1933	100.0	10.5	18.9	9.0	6.4	13.5	4.6	1.0	3.8	1.5	1.0	29.8
1934	100.0	10.3	37.3	5.7	3.1	11.2	4.0	1.6	.7	1.3	.6	24.2
1935	100.0	10.1	40.9	5.4	3.2	9.9	4.3	1.9	3.2	.6	.3	20.2
1936	100.0	11.4	51.0	5.4	3.2	3.7	3.4	1.3	3.4	1.3	.4	15.5
1937	100.0	13.9	36.5	7.1	3.8	5.3	4.7	2.0	4.4	.6	.8	20.9
1938	100.0	12.3	42.9	3.4	3.3	10.1	3.5	1.2	3.4	.6	2.3	17.0

1/ Less than one-tenth of 1 percent.

Source: Official foreign trade statistics of Turkey.

Table 7. - Imports into Turkey from principal sources, 1923-38

Year	Total, all countries	UNITED STATES	Germany	United Kingdom	France	Italy	U.S.S.R.	Austria	Czecho-slovakia	Japan	Rumania	All other countries
Value in 1,000 Turkish pounds												
1923	144,789	11,059	9,222	25,063	13,229	28,353	3,039	1,285	1,880	1,022	3,800	46,837
1924	193,611	11,378	19,114	34,278	18,302	40,984	6,369	2,083	6,104	3,057	10,165	41,777
1925	241,619	19,603	27,452	37,837	26,057	43,478	6,114	3,702	10,192	4,537	6,377	56,270
1926	234,700	8,166	32,341	33,049	32,097	37,096	8,541	4,800	16,484	9,018	4,754	48,354
1927	211,398	8,164	30,005	28,757	29,173	26,054	6,892	6,101	13,699	4,073	6,976	51,504
1928	223,532	10,182	31,688	27,100	29,169	26,426	12,064	5,335	13,598	4,183	7,683	56,104
1929	256,296	17,151	39,172	31,356	26,690	32,032	16,344	5,841	15,458	5,344	5,211	61,697
1930	147,551	6,094	27,380	16,536	15,499	20,391	10,605	3,306	8,182	3,796	2,492	33,270
1931	126,660	4,118	27,049	14,361	12,788	18,450	7,243	2,849	5,952	5,561	1,447	26,842
1932	85,984	2,267	19,983	10,640	7,190	11,074	5,942	1,670	3,735	3,969	915	18,599
1933	74,675	2,344	19,048	10,068	4,903	8,540	3,907	1,443	3,466	3,231	1,240	16,485
1934	86,790	3,756	29,349	8,570	6,439	7,394	3,911	2,137	4,650	1,569	1,584	17,431
1935	88,823	6,182	35,508	8,682	4,184	5,669	4,325	2,913	3,854	1,695	1,967	13,844
1936	92,531	8,993	41,742	6,103	2,335	2,026	5,034	2,595	3,627	1,472	1,507	17,097
1937	114,379	17,295	48,132	7,129	1,240	6,085	7,092	1,847	3,006	940	1,576	20,037
1938	149,837	15,680	70,411	16,794	1,972	7,120	5,891	772	5,776	972	1,720	22,729
Percent of total												
1923	100.0	7.6	6.4	17.3	9.1	19.6	2.1	0.9	1.3	0.7	2.6	32.4
1924	100.0	5.9	9.9	17.7	9.4	21.2	3.3	1.1	3.1	1.6	5.2	21.6
1925	100.0	8.1	11.4	15.7	10.8	18.0	2.5	1.5	4.2	1.9	2.6	23.3
1926	100.0	3.5	13.8	14.1	13.7	15.8	3.6	2.1	7.0	3.8	2.0	20.6
1927	100.0	3.9	14.2	13.6	13.8	12.3	3.2	2.9	6.5	1.9	3.3	24.4
1928	100.0	4.6	14.2	12.1	13.0	11.8	5.4	2.4	6.1	1.9	3.4	25.1
1929	100.0	6.7	15.3	12.2	10.4	12.5	6.4	2.3	6.0	2.1	2.0	24.1
1930	100.0	4.1	18.6	11.2	10.5	13.8	7.2	2.2	5.6	2.6	1.7	22.5
1931	100.0	3.3	21.4	11.3	10.1	14.6	5.7	2.2	4.7	4.4	1.1	21.2
1932	100.0	2.6	23.2	12.4	8.4	12.9	6.9	1.9	4.4	4.6	1.1	21.6
1933	100.0	3.1	25.5	13.5	6.6	11.4	5.2	1.9	4.6	4.4	1.7	22.1
1934	100.0	4.3	33.8	9.9	7.4	8.5	4.5	2.5	5.4	1.8	1.8	20.1
1935	100.0	7.0	40.0	9.7	4.7	6.4	4.9	3.3	4.3	1.9	2.2	15.6
1936	100.0	9.7	45.1	6.6	2.5	2.2	5.5	2.8	3.9	1.6	1.6	18.5
1937	100.0	15.1	42.1	6.3	1.1	5.3	6.2	1.6	2.6	.8	1.4	17.5
1938	100.0	10.5	47.0	11.2	1.3	4.8	3.9	.5	3.9	.6	1.1	15.2

Source: Official foreign trade statistics of Turkey.

Trade Agreement with Turkey

## Trade Agreement with Turkey

Turkey's exports consist chiefly of agricultural products, such as tobacco, filberts, raisins, wool and mohair, cotton, and figs. Imports consist largely of iron and steel machinery, cotton cloth, cotton and wool yarn, paper and petroleum products. The nature of the export and import trade is indicated in tables 8 and 9.

Table 8. - Turkey's exports, by principal products, 1934-36

Commodity	1934	1935	1936
1,000 dollars			
Tobacco, leaf	10,062	14,999	19,479
Filberts	5,686	8,204	10,873
Raisins	5,753	8,430	8,196
Cotton, raw	4,097	5,234	7,622
Mohair	2,986	1,718	5,650
Wool, in the grease	2,748	1,500	4,363
Hides and skins	1,205	1,276	3,277
Figs, dried	2,206	3,581	3,238
Other fruits and nuts	1,864	2,673	2,635
Chrome ore	2,291	2,305	2,352
Coal	2,533	2,128	1,996
Sheep and goats	2,779	2,322	1,869
Beans, legumes	1,592	1,906	1,806
Wheat	3,232	2,274	1,548
Canary seed, millet, rye	809	804	1,411
Eggs	2,077	1,098	1,352
Valonia	1,085	1,063	1,305
Opium, crude	285	855	1,244
Sausage casings	815	1,280	1,193
All other	18,834	13,338	12,996
Total	72,839	76,988	94,607

Sources: U. S. Department of Commerce, Foreign Commerce Yearbook, 1937. Turkish currency converted to dollars at average annual exchange rates published in Foreign Commerce Yearbook.

Table 9. - Turkey's imports of principal products, 1934-36

Commodity	1934	1935	1936
1,000 dollars			
Iron and steel	10,013	11,309	11,583
Cotton piece goods	11,185	11,394	10,856
Machinery, agricultural, textile, and other	8,324	5,736	8,029
Vehicles and vessels	3,739	4,248	3,827
Chemicals and medicines	2,698	3,383	3,509
Wool yarn	2,696	2,167	2,824
Paper and printed matter	2,289	2,186	2,496
Cotton yarn	2,843	2,144	2,468
Mineral oil, gasoline, and kerosene	2,429	2,371	2,409
Hides and leather	2,009	2,024	2,309
Scientific instruments	1,101	1,593	1,445
Wool piece goods	1,463	1,302	1,435
Paints and varnishes	1,266	1,224	1,352
Glass and glassware	1,508	1,521	1,344
Coffee	1,218	1,060	1,277
Sugar	335	215	1,137
Rubber and manufactures	983	889	1,085
Locomotives and tenders	1,002	851	953
Electric motors	884	836	823
All other	14,854	20,535	33,446
<b>Total</b>	<b>72,839</b>	<b>76,988</b>	<b>94,607</b>

Source: U. S. Department of Commerce, Foreign Commerce Yearbook, 1937. Turkish currency converted to dollars at average annual exchange rates published in Foreign Commerce Yearbook.

#### Turkey's Trade with the United States

Table 10 shows Turkey's balance of trade with the United States, according to the official Turkish statistics. The balance has been favorable to Turkey for many years.

## Trade Agreement with Turkey

Table 10. - Turkey's balance of trade with the United States, 1923-38

Year	Exports from Turkey to the United States	Imports into Turkey from the United States	Excess of exports (+) or imports (-)
	1,000 Turkish pounds		
1923	6,750	11,059	-4,309
1924	16,392	11,378	+5,014
1925	25,472	19,603	+5,869
1926	23,750	8,166	+15,584
1927	24,584	8,164	+16,420
1928	27,585	10,182	+17,403
1929	15,387	17,151	-1,764
1930	17,806	6,094	+11,712
1931	12,678	4,118	+8,560
1932	12,093	2,267	+9,826
1933	10,066	2,344	+7,722
1934	9,462	3,756	+5,706
1935	9,653	6,182	+3,471
1936	13,420	8,993	+4,427
1937	19,201	17,295	+1,906
1938	17,769	15,680	+2,089

Source: Official foreign trade statistics of Turkey.

Turkish import statistics, which correspond approximately with United States export statistics, may be regarded as an adequate indication of the volume of east-bound trade from the United States to Turkey. The United States import statistics afford a better indication than do the Turkish export statistics of the westbound trade from Turkey to the United States for the reason that a portion of the west-bound trade goes from Turkey to the United States via third countries. Such trade may appear in Turkish statistics as exports to other countries, whereas United States statistics are more likely to report such trade as imports from Turkey. However, United States import statistics do not indicate completely the trade from Turkey to the United States, since they also report some products of Turkish origin as importations from third countries (e.g., United States imports of pistachio nuts from Syria are of Turkish origin but appear in United States statistics as imports from Syria).

Table 11. - Comparison of United States and Turkish statistics of trade between the two countries, 1923-38

Year	: Merchandise moving from : Merchandise moving from		: United States to Turkey : Turkey to United States	
	: United States : Turkish	: United States : Turkish	: statistics	: statistics
	: 1,000 dollars			
1923	3,434	6,709	12,889	4,095
1924	3,315	6,028	14,621	8,684
1925	3,351	10,682	14,648	13,830
1926	2,917	4,267	16,832	12,411
1927	3,941	4,190	20,065	12,617
1928	4,110	5,193	18,388	14,068
1929	5,742	8,303	12,166	7,449
1930	4,184	2,868	11,638	8,380
1931	1,684	1,943	8,085	5,982
1932	1,506	1,072	5,388	5,718
1933	1,298	1,417	8,191	6,084
1934	2,697	2,969	7,161	7,479
1935	4,347	4,965	7,780	7,753
1936	6,153	7,226	7,811	10,784
1937	14,856	13,858	17,855	15,386
1938	13,195 <sup>2/</sup>	12,561	18,958	14,235

<sup>1/</sup> United States general imports (i.e., warehouse entries plus direct imports). United States imports for consumption (warehouse withdrawals plus direct imports), which are available only beginning in 1934, have been as follows:

1934	- \$8,348,000	1937	- \$12,963,000
1935	- 6,164,000	1938	- 14,602,000
1936	- 8,486,000		

<sup>2/</sup> Preliminary.

Sources: United States statistics from official foreign trade statistics of the United States. Turkish statistics from official foreign trade statistics of Turkey. The Turkish statistics, reported in Turkish pounds, were converted to dollars at the exchange rates used in table 5.

Turkey's imports from the United States consist chiefly of manufactured and semimanufactured articles, such as iron and steel sheets, automobiles, gasoline, lubricating oil, cotton cloth and yarn, machinery, etc. (see table 12).



Table 12. - Principal imports into Turkey from the United States

Commodity	Imports into Turkey from the United States		Imports into Turkey from all countries,
	1936	1937	1937
	1,000 dollars		
Iron and steel, ordinary, and sheets and plates	1,113	2,377	5,619
Automobiles, chassis, and parts	1,139	2,116	2,363
Gasoline, kerosene, and lubricating oil	834	1,631	3,390
Cattle hides	399	1,128	1,854
Cotton cloth and yarn <sup>1/</sup>	141	744	4,644
Tin ingots	228	598	715
Miscellaneous machines, including refrigerators	443	410	1,507
Agricultural implements, horse-drawn	115	396	1,436
Tires and tubes	268	347	570
Copper rods, sheets, and leaves	31	372	736
Radios and tubes	133	260	529
Typewriters, calculating machines, etc. and stands	197	248	496
Sewing machines	198	202	387
Gasoline and kerosene engines	10	175	227
Goat and kid upper leather	43	90	161
Insecticides	63	74	226
All other	1,872	2,690	
Total	7,227	13,858	

<sup>1/</sup> Only certain types or grades of which the United States is an important supplier of Turkey's imports.

Sources: Compiled from official foreign trade statistics of Turkey. Turkish pounds converted to dollars at the rate of one Turkish pound equals 80 cents.

The United States imports from Turkey consist chiefly of agricultural products, such as cigarette leaf tobacco, pistachios and filberts, licorice, opium, canary seed, and figs (see table 13).

Table 13. - Principal imports into the United States from Turkey, 1937 and 1938

Commodity	United States imports from Turkey		United States imports from all countries,
	1937	1938	1938
	1,000 dollars		
Cigarette leaf tobacco	8,807	11,125	24,660
Pistachio nuts	693	598	891
Licorice, crude and extract	430	488	1,297
Chrome ore	751	469	4,855
Opium	163	442	716
Sheep, lamb, and goat casings	560	367	6,525
Filberts, shelled	160	228	336
Canary seed	222	164	402
Figs	221	155	290
Valonia, crude and extract	391	114	148
Marten skins	133	106	1,887
Hare skins	137	57	789
All other	1,052	851	
Total <sup>1/</sup>	13,720	15,166	

<sup>1/</sup> See table 3.

Sources: Official foreign trade statistics of the United States.

**Trade Agreement with Turkey**

**21**

**DIGESTS OF TRADE DATA CONCERNING  
PRODUCTS ON WHICH TARIFF CONCESSIONS  
WERE GRANTED BY THE UNITED STATES**

## VALONIA, CRUDE AND EXTRACT

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 38. Valonia extract, not containing alcohol _____	15% ad val.	7½% ad val.
Par. 1670. Valonia, whether crude or advanced in value or condition by shredding, grinding, chipping, crushing, or any similar process, not containing alcohol _____	Free	Bound free

Tariff history

	<u>Valonia extract</u>	<u>Crude valonia</u>
Act of 1930 _____	Par. 38 - 15% ad val.	Par. 1670 - Free
Act of 1922 _____	Par. 39 - 15% ad val.	Par. 1568 - Free
Act of 1913 _____	Par. 624 - Free	Par. 639 - Free

Description and uses

Valonia is the commercial name for the cups and beards of a species of oak, *Quercus agrifolia*, which grows in the eastern Mediterranean countries. It is used either in a crude ground form or in the form of extract, usually in blends with other tanning materials, for tanning a special grade of light color, water-repellent leather.

United States production

There is no domestic production of crude valonia and little, if any, production of valonia extract for sale. Practically all of the imported crude valonia is used directly by the tanners, usually in blends with chestnut and quebracho extracts.

United States imports

Imports of crude valonia are normally larger than those of extract. Turkey and Greece are the principal suppliers of both the crude and the extract (see tables 14 and 15).

## Trade Agreement with Turkey

Table 14.- Valonia, crude: United States imports for consumption by principal sources, in selected years, 1929-38

Imported from -	1929	1931	1933	1935	1936	1937	1938 1/
Quantity in 1,000 pounds							
Turkey	15,714	14,112	21,854	21,990	5,135	24,306	7,481
Greece	2,552	3,046	-	323	1,015	1,123	-
Italy	136	-	-	-	260	-	-
Total	18,402	17,158	21,854	22,313	6,410	25,429	7,481
Value							
Turkey	\$267,089	\$251,855	\$236,276	\$313,512	\$97,289	\$364,941	\$103,252
Greece	35,541	29,825	-	5,385	20,353	14,882	-
Italy	2,103	-	-	-	3,539	-	-
Total	304,733	281,680	236,276	318,897	121,181	379,823	103,252
Unit value in cents per pound							
Turkey	1.7	1.8	1.1	1.4	1.9	1.5	1.4
Greece	1.4	1.0	-	1.7	2.0	1.3	-
Italy	1.6	-	-	-	1.4	-	-
Average	1.7	1.6	1.1	1.4	1.9	1.5	1.4

1/ Preliminary.

Sources: Compiled from official statistics of the United States Department of Commerce.

Table 15.- Valonia tanning extract: United States imports for consumption by sources, in selected years, 1929-38

Imported from -	1929 1/	1931 1/	1933 1/	1935	1936	1937	1938 2/
Quantity in 1,000 pounds							
Turkey	702	2,594	3,505	1,655	270	518	242
Greece	-	-	440	1,148	664	184	778
Total, all countries	702	2,594	3,945	2,803	934	702	1,020
Value							
Turkey	\$47,830	\$107,768	\$125,868	\$69,400	\$12,023	\$25,908	\$11,175
Greece	-	-	13,150	48,054	31,588	9,721	33,596
Total, all countries	47,830	107,768	139,018	117,454	43,611	35,629	44,771
Unit value in cents per pound							
Turkey	6.8	4.2	3.6	4.2	4.5	5.0	4.6
Greece	-	-	3.0	4.2	4.8	5.3	4.3
Average	6.8	4.2	3.5	4.2	4.7	5.1	4.4

1/ Includes myrobalan but imports of myrobalan from Turkey and Greece, if any, were small. Imports of myrobalan from countries other than Turkey and Greece are not shown here.

2/ Preliminary.

Sources: Compiled from official statistics of the U.S. Department of Commerce.

Foreign production and trade

Turkey and Greece are the chief producers of valonia. Tables 16 and 17 show the Turkish exports of crude valonia and valonia extract to principal markets. The United States is one of the two most important markets.

Table 16.- Crude valonia: Exports of Turkey to principal markets, 1934-37

Exported to -	1934	1935	1936	1937
	Quantity in 1,000 pounds			
UNITED STATES	22,207	15,897	6,865	21,493
Germany and Austria	21,250	20,915	27,628	15,560
United Kingdom	7,465	9,769	6,510	6,971
Czechoslovakia	1/	492	648	516
France	2,097	1,885	1,841	2,743
Italy	4,301	3,847	1,179	1,958
Greece	1/	6,634	8,563	7,571
Egypt	3,457	3,084	2,324	3,757
All other countries	25,324	12,905	9,859	13,755
Total	86,101	75,428	65,417	76,324
	Value			
UNITED STATES	\$222,122	\$160,624	\$106,875	\$281,256
Germany and Austria	320,931	350,963	597,053	301,289
United Kingdom	81,418	131,712	122,946	133,817
Czechoslovakia	1/	7,228	13,661	10,417
France	36,362	33,731	41,786	52,886
Italy	64,028	59,431	29,732	38,462
Greece	1/	76,296	139,821	100,964
Egypt	34,781	36,944	45,803	59,296
All other countries	325,673	205,599	207,321	239,589
Total	1,085,315	1,062,528	1,304,998	1,217,976

1/ Not reported.

Source: Official foreign trade statistics of Turkey.

Table 17.- Valonia extract: Exports of Turkey to principal markets, 1934-37

Exported to -	1934	1935	1936	1937
Quantity in 1,000 pounds				
UNITED STATES	5,269	2,758	291	635
Germany and Austria	3,805	5,229	4,440	2,765
United Kingdom	983	1,173	295	805
Czechoslovakia	741	714	701	1,354
France	141	238	112	205
Italy	686	44	77	203
All other countries	3,232	2,582	2,170	4,146
Total	14,857	12,738	8,086	10,113
Value				
UNITED STATES	\$263,227	\$89,949	\$13,661	\$34,456
Germany and Austria	194,456	232,905	244,285	155,452
United Kingdom	52,171	50,597	13,661	36,058
Czechoslovakia	37,152	33,731	40,178	76,124
France	7,905	11,244	6,429	11,218
Italy	36,362	2,409	4,821	12,020
All other countries	157,302	116,452	118,125	226,768
Total	748,575	537,287	441,160	552,096

Source: Official foreign trade statistics of Turkey.

Greek exports of crude valonia were reported at 1,918,000 pounds in 1934, 6,822,000 pounds in 1935, 5,296,000 pounds in 1936, and 7,906,000 pounds in 1937 (not including reexports). The principal markets are Germany, Yugoslavia, and the Netherlands. Statistics are not available for the Greek exports of valonia extract.

#### Competitive conditions

Valonia is used in blends with other domestic or imported tanning materials, such as chestnut and quebracho, to produce a special grade of light color, water-repellent leather. It is not directly competitive with any domestic tanning material.

The total consumption of valonia in this country is very small compared with that of other tanning materials. In 1937, imports of crude valonia and extract were valued at \$415,000. In the same year imports of quebracho wood and extract, the principal imported tanning material, were valued at \$4,836,317, and the domestic production of chestnut extract, the principal domestic tanning material, was valued at \$4,968,487 (quebracho wood and chestnut wood are free of duty and the extracts thereof are dutiable at 15 percent ad valorem).



## LICORICE ROOT AND EXTRACT

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 47. Licorice, extracts of, in pastes, rolls, or other forms -----	20% ad val.	15% ad val.
Par. 1602. Licorice root, natural and uncompounded and in a crude state, not advanced in value or condition by shredding, grinding, chipping, crushing, or any other process or treatment whatever beyond that essential to proper packing and the prevention of decay or deterioration pending manufacture, not containing alcohol -----	Free	Bound free

Tariff history

	<u>Licorice extract</u>	<u>Licorice root</u>
Act of 1930 -----	Par. 47 - 20% ad val.	Par. 1602 - Free
Act of 1922 -----	Par. 48 - 25% ad val.	Par. 36 - 1/2 <sup>4</sup> lb.
Act of 1913 -----	Par. 40 - 1 <sup>4</sup> lb.	Par. 39 - 1/4 <sup>4</sup> lb.

Description and uses

Licorice root is the commercial name applied to the dried roots of an herb, Glycyrrhiza glabra, which grows in southern Europe and southwestern Asia. The root is the source of licorice extract, used chiefly for flavoring both chewing and smoking tobacco. Some extract is used for flavoring candies and for medicinal preparations.

United States production

There is no commercial production of licorice root in the United States. Attempts have been made to grow licorice in California and Louisiana, but without commercial success.

The United States is a large producer of licorice extract from imported root, the great bulk of the imported root being used for this purpose. Table 18 shows imports of licorice root and the estimated domestic production of licorice extract compared with imports and estimated exports.<sup>1/</sup>

<sup>1/</sup> Production of extract estimated on the basis of 90 percent of the imported root being used for extract and the yield being 45 percent. This is only a rough estimate as the proportion of the imports used for extract may vary from year to year and the yield of extract may vary with the grade of extract produced. It is to be noted, too, that root imported in one year may go into stock and not be used for extract until the next year.

Table 18.-- Licorice root and extract: Summary of United States production, imports, and exports, 1923-38

Year	Licorice root		Licorice extract		Ratio of imports to production	Ratio of exports to production
	United States imports for consumption	Estimated United States production from imported licorice root	United States imports for consumption	United States exports <sup>2/</sup>		
	Quantity in 1,000 pounds					
1923	64,876	26,275	1,199	1,925	4.6	7.3
1924	64,300	26,041	1,534	2,512	5.9	9.6
1925	66,692	27,010	1,803	2,821	6.7	10.4
1926	43,767	17,726	916	2,584	5.2	14.6
1927	69,952	28,331	795	3,319	2.8	11.7
1928	68,633	27,796	1,103	2,898	4.0	10.4
1929	72,559	29,386	1,305	3,193	4.4	10.9
1930	127,611	51,682	1,194	2,959	2.3	5.7
1931	59,283	24,010	1,307	3,280	5.4	13.7
1932	57,569	23,315	1,056	2,394	4.5	10.3
1933	41,649	16,868	978	2,361	5.8	14.0
1934	53,013	21,470	561	2,586	2.6	12.0
1935	59,731	24,191	691	2,414	2.9	10.0
1936	55,161	22,340	709	2,564	3.2	11.5
1937	69,567	28,175	740	2,827	2.6	10.0
1938 <sup>3/</sup>	65,163	26,391	362		1.4	

<sup>1/</sup> Estimated on the basis that 90 percent of the imports of licorice root is used for extract and that the yield is 45 percent.

<sup>2/</sup> Total of imports into the United Kingdom and Canada from the United States (see table 21). United States export statistics do not report licorice extract separately.

<sup>3/</sup> Preliminary.

Source: Import statistics from official statistics of the U.S. Department of Commerce.

Licorice extract is produced by two concerns in New Jersey and Maryland. One of these also produced wallboard, and fire extinguisher liquid from the material remaining after the licorice extract has been removed. The extract accounts for more than one-half of the total value of the three products combined. The other concern produces only extract from the root.

#### United States imports

Imports of licorice root come principally from Turkey, the Soviet Union, and Iraq; the extract, chiefly from Spain and Turkey, as is noted in tables 19 and 20.



Table 19. - Licorice root: United States imports for consumption by principal sources,<sup>1/</sup>  
in specified years, 1929 to 1938

Imported from -	1929	1931	1933	1935	1936	1937	1938 <sup>2/</sup>
Quantity in 1,000 pounds							
Turkey	23,987	23,629	8,293	18,642	26,146	23,099	23,425
Soviet Union	22,971	16,458	11,189	14,644	10,507	16,036	15,379
Iraq	9,595	7,839	10,080	18,276	11,290	14,082	9,530
Italy	2,010	2,580	1,319	2,673	1,864	4,725	2,095
Syria	8,076	4,562	7,196	1,498	1,275	4,423	9,381
Greece	2,133	2,847	2,475	2,569	3,916	5,042	4,638
All other countries <sup>3/</sup>	3,787	1,368	1,097	1,429	163	2,160	715
Total	72,559	59,283	41,649	59,731	55,161	69,567	65,163
Value							
Turkey	\$663,188	\$483,007	\$168,142	\$346,795	\$451,420	\$421,068	\$482,894
Soviet Union	615,317	443,424	255,545	310,401	257,129	328,499	288,744
Iraq	213,124	128,291	115,316	249,489	162,541	233,399	163,831
Italy	106,555	131,600	44,758	84,487	60,018	137,073	74,492
Syria	207,873	97,460	112,164	19,406	18,187	65,414	137,556
Greece	84,424	97,314	38,815	53,873	76,466	107,737	100,991
All other countries <sup>3/</sup>	167,716	63,151	45,050	69,753	11,397	59,387	17,330
Total	2,058,197	1,424,247	779,790	1,134,204	1,037,158	1,352,577	1,265,838
Unit value in cents per pound							
Turkey	2.8	2.0	2.0	1.9	1.7	1.8	2.1
Soviet Union	2.7	2.7	2.3	2.1	2.4	2.0	1.9
Iraq	2.2	1.6	1.1	1.4	1.4	1.7	1.7
Italy	5.3	5.1	3.4	3.2	3.2	2.9	3.6
Syria	2.6	2.1	1.6	1.3	1.4	1.5	1.5
Greece	4.0	3.4	1.6	2.1	2.0	2.1	2.2
All other countries <sup>3/</sup>	4.4	3.2	4.1	4.9	7.0	2.8	2.4
Average	2.8	2.4	1.9	1.9	1.9	1.9	1.9

<sup>1/</sup> Dutiable at one-half cent per pound under the act of 1922 and on the free list under the act of 1930.

<sup>2/</sup> Preliminary.

<sup>3/</sup> Principally Spain.

Sources: Compiled from official statistics of the U. S. Department of Commerce.

Trade Agreement with Turkey

Table 20. - Licorice extract: United States imports for consumption by principal sources, in specified years, 1929 to 1938

Imported from -	1929	1931	1933	1935	1936	1937	1938 1/
Quantity in 1,000 pounds							
Spain	1,031	1,144	864	658	512	527	265
Turkey	-	-	62	21	122	106	49
France	117	91	35	3	36	51	26
All other countries	157	72	17	9	39	56	22
Total	1,305	1,307	978	691	709	740	362
Value							
Spain	\$183,374	\$129,173	\$103,242	\$107,168	\$83,132	\$39,946	\$20,179
Turkey	-	-	6,156	1,636	10,372	9,398	4,518
France	19,907	13,460	5,919	456	5,342	6,580	3,963
All other countries	10,454	9,376	2,355	1,630	5,386	7,983	2,601
Total	213,735	152,009	117,672	110,890	104,232	63,907	31,261
Unit value in cents per pound							
Spain	17.8	11.3	11.9	16.3	16.2	7.6	7.6
Turkey	-	-	10.0	7.9	8.5	8.9	9.3
France	17.0	14.8	16.8	18.0	14.8	13.0	15.0
All other countries	6.7	13.0	13.9	16.5	14.2	14.0	11.9
Total average	16.4	11.6	12.0	16.0	14.7	8.6	8.6

1/ Preliminary.

Source: Compiled from official statistics of the U. S. Department of Commerce.

United States exports

Licorice extract is not reported separately in United States export statistics. However, the United States exports considerable quantities of extract to the United Kingdom and Canada. These are recorded in the import statistics of those countries and given in table 21. The United States is the principal source of imports of licorice extract of both the United Kingdom and Canada. Information is not available on United States exports to countries other than Canada and the United Kingdom.

Table 21. - Licorice extract: Imports into Canada and the United Kingdom from the United States, 1923-37

Year	Canada	United Kingdom	Total
1,000 pounds			
1923	966	959	1,925
1924	1,330	1,182	2,512
1925	1,698	1,123	2,821
1926	1,616	968	2,584
1927	1,711	1,608	3,319
1928	1,558	1,340	2,898
1929	1,584	1,609	3,193
1930	1,410	1,549	2,959
1931	1,255	2,025	3,280
1932	1,268	1,126	2,394
1933	1,069	1,292	2,361
1934	1,177	1,409	2,586
1935	1,027	1,387	2,414
1936	1,071	1,493	2,564
1937	1,115	1,712	2,827

Source: Official foreign trade statistics of the United Kingdom and Canada which report imports into those countries of "licorice paste, not sweetened."

Foreign production and trade

Licorice root is produced chiefly in Turkey, Greece, Italy, Spain, the Soviet Union, Iraq, and Syria, but only Turkey and one or two other countries report their production and exports of the root and extract. Table 22 shows Turkish exports of both the root and extract to principal markets. Turkish exports consist chiefly of root which goes principally to the United States.

Table 22. - Licorice root and extract: Exports of Turkey to principal markets, 1935-37

Exported to -	Licorice root			Licorice extract		
	1935	1936	1937	1935	1936	1937
	Quantity in 1,000 pounds					
UNITED STATES	12,840	26,360	25,360	13	55	117
Germany and Austria	40	593	459	249	339	298
France	4,515	6,960	4,656	44	51	42
United Kingdom	608	690	595	300	150	110
Rumania	1/	1/	1/	-	-	174
All other countries	813	1,299	1,102	351	42	99
Total	18,816	35,902	32,172	957	637	840
	Value					
UNITED STATES	\$235,314	\$454,017	\$470,363	\$803	\$4,821	\$8,814
Germany and Austria	1,606	12,857	15,225	23,290	32,143	28,847
France	102,799	142,232	115,387	4,016	4,018	4,006
United Kingdom	16,866	16,072	15,225	26,503	12,857	9,616
Rumania	1/	1/	1/	-	-	9,616
All other countries	26,503	35,357	28,846	12,047	2,411	8,013
Total	383,088	650,535	645,046	66,659	56,250	68,912
	Unit value in cents per pound					
UNITED STATES	1.8	1.7	1.9	6.2	8.8	7.5
Germany and Austria	4.0	2.2	3.3	9.4	9.5	9.7
France	2.3	2.0	2.5	9.1	7.9	9.5
United Kingdom	2.8	2.3	2.6	8.8	8.6	8.7
Rumania	1/	1/	1/	-	-	5.5
All other countries	3.3	2.7	2.6	3.4	5.7	8.1
Average	2.0	1.8	2.0	7.0	8.8	8.2

1/ Not separately reported.

Source: Official foreign trade statistics of Turkey.

The Greek exports of licorice (not specified whether root or extract or both) amounted to 917,000 pounds in 1929, 2,660,000 in 1935, 4,189,000 in 1936, and 2,625,000 pounds in 1937. The principal markets for the Greek exports are the United States and Germany.

Spanish export statistics (not available after 1935) show exports of licorice root amounting to 2,434,000 pounds in 1929 and 1,685,000 pounds in 1935; and of licorice extract 1,312,000 pounds in 1929 and 848,000 pounds in 1935.

Competitive conditions

Licorice root is not produced in the United States, and imports are not directly competitive with any domestic product.

The United States has been on an export basis with respect to licorice extract for many years. Exports go chiefly to the United Kingdom and Canada, and the United States is by far the principal source of imports into both of these markets.

Imports of licorice extract have declined sharply in recent years both in quantity and also relative to imports of root. Imports of extract averaged 1,200,000 pounds annually under the act of 1922 and 800,000 pounds annually under the act of 1930. Imports of root averaged 64,400,000 pounds annually under the act of 1922 and 57,700,000 pounds annually under the act of 1930. United States exports of licorice extract are usually two or three times as large as United States imports of extract.



### CIGARETTE LEAF TOBACCO, UNSTEMMED

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 601. Filler tobacco not specially provided for; if unstemmed	35¢ per lb.	

#### Reclassification

Par. 601. Cigaretts leaf tobacco, not specially provided for, if unstemmed- 30¢ per lb.

#### Tariff history

Act of 1930, par. 601 - 35¢ per lb.  
 Act of 1922, par. 601 - 35¢ per lb.  
 Act of 1921, par. 25 - 35¢ per lb.  
 Act of 1913, par. 181 - 35¢ per lb.

#### Ad valorem equivalent

The duty of 35 cents per pound applicable to unstemmed cigarette leaf tobacco was equivalent to 70 percent ad valorem on the average unit value of the United States imports of such tobacco in 1938. Since 1930, the ad valorem equivalent has ranged from a low of 66 percent on imports in 1931 to a high of 114 percent on imports in 1935.

#### Description and uses

The tobaccos known in the trade as cigarette leaf tobacco are those types used principally in the manufacture of cigarettes. The chief domestic tobaccos used for this purpose are the flue-cured which include Old Belt and Middle Belt flue-cured of Virginia and North Carolina, the eastern North Carolina and Georgia flue-cured; and the light air-cured, which include Burley and Southern Maryland. The various foreign types used in the production of cigarettes are usually referred to as Turkish tobaccos and come principally from Turkey, Greece, and Bulgaria. There is no domestic production of the Turkish type.

The chief characteristics of cigarette tobaccos are thinness, lightness of body and color, and mildness. Only certain leaves of the tobacco plant meet these requirements, the other leaves being used in smoking mixtures, plug chewing tobacco, and twist.

#### Summary of United States production, imports, and exports

The United States is a large exporter of certain types of unmanufactured tobaccos produced in large quantities in this country and at the same time is a large importer of other types or qualities either not produced at all in the United States or produced in insufficient quantity to meet the domestic requirements. Table 23 shows the United States total production, imports, and exports of all kinds of unmanufactured tobaccos, including cigar, cigarette, and other types. It will be noted that the total exports of all types of unmanufactured tobaccos greatly exceed total imports.

Table 23. - Tobacco, unmanufactured (all kinds): Summary of United States production, imports, and exports, in selected years, 1927-38 <sup>1/</sup>

Year	Production	Exports <sup>2/</sup>	Imports <sup>3/</sup>
Quantity in million pounds			
1927	1,211	512	77
1929	1,533	566	80
1931	1,564	524	70
1933	1,371	439	51
1935	1,297	396	61
1936	1,155	425	65
1937	1,553	435	69
1938	1,456	489	68

<sup>1/</sup> Fava production on a not shrunk basis. Exports and imports on a shrunk basis.

<sup>2/</sup> Includes exports reported under the following export statistical classifications: Bright flue-cured, Burley, dark-fired, Kentucky and Tennessee, dark Virginia, Maryland and Ohio export, Green River, one sucker leaf, black fat water-baler and dark African, cigar leaf, perique leaf, tobacco stems, trimmings and scrap.

<sup>3/</sup> Includes cigar wrapper leaf, cigar filler leaf, cigarette leaf and scrap tobacco.

Sources: Production, the U. S. Department of Agriculture Annual Report on Tobacco Statistics for all years except 1938 and statistics for 1938 (preliminary) are from Crops and Markets; exports and imports, Foreign Commerce and Navigation, U. S. Department of Commerce.

Cigarette leaf tobacco accounts for the major part of the United States imports of unmanufactured tobacco. Table 24 shows the most nearly comparable statistics of the United States production, imports, and exports of unmanufactured cigarette leaf tobacco. The United States is on an export basis in regard to unmanufactured cigarette leaf tobacco, and exports are usually from seven to ten times as large in quantity as imports. Imports of cigarette leaf consist entirely of aromatic Turkish type tobaccos. Imported tobaccos are of a different type from domestic cigarette tobaccos and are used principally for blending with the domestic product. The average foreign unit value of the imports is usually substantially higher than the average unit value of exports (see table 24).

The import statistics shown in table 24 are for cigarette leaf tobacco, unstemmed, that is unmanufactured cigarette tobacco (there are no imports of stemmed). The available production statistics are for flue-cured and light air-cured tobaccos, which types include practically all domestic tobaccos used for cigarettes and also some tobaccos used for smoking mixtures, chewing tobaccos, etc. The production statistics shown in table 24 are for the combined production of flue-cured and light air-cured converted to a shrunk basis in order to make quantitative comparisons with imports and exports, which are reported on a shrunk basis. Export statistics are available for bright flue-cured, and the light air-cured types, namely, Burley, and Maryland and Ohio export; the combined exports of these types are shown in table 24 since they account for the great bulk of the United States exports of unmanufactured cigarette tobacco.

## Trade Agreement with Turkey

Table 24. - Cigarette leaf tobacco, unmanufactured: Summary of United States production, imports, and exports, 1925-38

Calendar year	Quantity			Value			Unit value	
	Production 1/	Exports 2/	Imports for consumption 3/	Exports 2/	Imports for consumption 3/	Exports for consumption	Imports for consumption	
	1,000 pounds			1,000 dollars			Cents per pound	
1925	585,076	298,209	35,382	114,417	28,455	38.4	80.4	
1926	583,270	307,655	40,061	106,099	29,299	34.5	73.1	
1927	614,128	340,305	44,216	114,528	29,056	33.7	65.7	
1928	685,796	452,389	45,047	132,215	25,220	29.2	56.0	
1929	741,432	427,749	46,010	120,600	26,218	28.2	57.0	
1930	822,655	417,041	25,033	117,686	13,390	28.2	53.5	
1931	748,299	404,720	43,179	92,904	22,844	23.0	52.9	
1932	470,746	277,822	36,199	52,891	15,838	19.0	43.8	
1933	755,395	317,738	33,430	71,079	13,443	22.4	40.2	
1934	556,783	329,471	38,364	112,970	13,314	26.3	34.7	
1935	707,198	303,143	39,545	122,001	12,080	48.2	30.5	
1936	622,153	332,512	46,303	126,097	15,324	39.9	33.0	
1937	855,209	343,436	47,985	121,636	20,048	35.4	41.8	
1938	803,315	401,477	49,508	143,003	24,660	35.6	49.8	

1/ From table 25 fine cured and light air cured combined. Note that weights shown here allow for shrinkage in the preparation of the tobacco for manufacture in order that the production may be compared with imports and exports which are on a shrunken weight basis.

2/ From table 26 bright fine cured, burley, and Maryland and Ohio export combined.

3/ Cigarette leaf tobacco unshrunken from official statistics of the U.S. Department of Commerce.

## United States production

Cigarette types of tobacco are grown extensively in the Middle Atlantic and South Central States. Fine-cured is grown principally in North and South Carolina, Virginia, Georgia, and Florida, and a substantial proportion of the output of this type is exported. Light air-cured burley, most of which is used in this country, is grown in Tennessee, Ohio, Indiana, North Carolina, and Virginia. Southern Maryland, also a light air-cured type, is grown chiefly in Maryland. Table 25 shows the United States production of both fine-cured and light air-cured tobacco. A portion of the production reported here is used for smoking mixtures, chewing tobacco, etc. but by far the major part is used for cigarettes. The values shown in the table are based upon the prices received by farmers.

There is no production of Turkish type cigarette leaf in the United States. Attempts to grow such tobaccos in this country have not been successful commercially.

Table 25. - Cigarette leaf tobacco, unmanufactured: United States production by types, 1923-38.

Year	Flue-cured			Air-cured, light			Total		
	Quantity	Farm value	Unit value	Quantity	Farm value	Unit value	Quantity, as reported	Quantity, allowing for shrinkage in weight of one-third <sup>1/</sup>	Value
	<u>1,000 pounds</u>	<u>1,000 dollars</u>	<u>Cents per lb.</u>	<u>1,000 pounds</u>	<u>1,000 dollars</u>	<u>Cents per lb.</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 dollars</u>
1923	580,736	120,670	20.8	361,740	73,910	20.4	942,476	628,317	194,580
1924	437,335	94,474	21.6	320,258	65,054	20.3	757,593	505,062	159,528
1925	575,084	114,951	20.0	302,530	55,834	18.5	877,614	585,076	170,785
1926	560,072	139,669	24.9	314,833	42,956	13.6	874,905	583,270	182,625
1927	718,789	147,302	20.5	202,403	51,770	25.6	921,192	614,128	199,072
1928	739,099	128,067	17.3	289,596	87,616	30.3	1,028,693	685,796	215,685
1929	750,012	134,902	18.0	362,136	80,260	22.2	1,112,148	741,432	215,162
1930	865,171	103,418	12.0	368,812	59,202	16.1	1,233,983	822,655	162,620
1931	669,532	56,411	8.4	452,856	41,086	9.1	1,122,388	748,259	97,497
1932	373,705	43,405	11.6	332,414	42,913	12.9	706,119	470,746	86,318
1933	733,379	112,145	15.3	399,713	43,628	10.9	1,133,092	755,395	155,773
1934	556,780	151,727	27.3	278,395	44,161	17.0	835,175	556,783	195,888
1935	811,195	162,170	20.0	249,598	47,953	19.2	1,060,793	707,198	210,123
1936	682,850	151,553	22.2	250,380	86,281	34.5	931,852	622,153	237,834
1937	854,882	196,782	23.0	427,931	86,460	20.2	1,282,813	855,209	283,242
1938	788,060			416,913			1,204,973	803,315	

<sup>1/</sup> The U. S. Department of Agriculture, Circular No. 435 of July 1937, calculated the shrinkage in preparation for manufacture of flue-cured to be 31 percent, of light air-cured to be 31 percent for southern Maryland and 36 percent for Burley.

Source: U. S. Department of Agriculture Annual Report on Tobacco Statistics for 1923-37 and Crops and Markets for 1938.

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The United States production of cigarettes has increased sharply during the last 15 years, with a resulting increase in the consumption of both domestic and imported leaf tobacco (see table 26). The imported tobaccos are used largely for blending with domestic tobaccos, the blend being approximately 10 percent of imported and 90 percent of domestic in the standard brands. Most domestic cigarettes contain some Turkish tobacco to give the desired aroma. There is a small production in the United States of so-called Turkish or Egyptian cigarettes made largely or entirely of imported tobaccos. Such cigarettes account for considerably less than 5 percent of the total quantity produced in the United States.

Table 26. - United States production of cigarettes, consumption of cigarette tobacco and imports of cigarette tobacco, 1923-37

Year	Production of cigarettes 1/	Total quantity of leaf tobacco used in manufacture of cigarettes in U. S. (unstemmed basis) 1/	Imports for consumption of unstemmed cigarette leaf tobacco 2/	Ratio of imports to total quantity of cigarette tobacco 3/
	Number in millions	1,000 pounds	1,000 pounds	Percent
1923	66,734	200,395	28,228	14
1924	72,725	217,700	28,815	13
1925	82,265	244,315	35,382	14
1926	92,110	267,584	40,061	15
1927	99,820	290,464	44,216	15
1928	108,716	310,159	45,047	15
1929	122,402	346,543	46,010	13
1930	123,810	347,915	25,033	7
1931	117,069	329,963	43,179	13
1932	106,636	299,029	36,199	12
1933	114,877	326,093	33,430	10
1934	130,065	375,383	38,364	10
1935	139,969	399,458	39,545	10
1936	158,897	453,327	46,503	10
1937	169,972	479,961	47,985	10

1/ From Annual Report of the Commissioner of Internal Revenue.

2/ From official statistics of the U. S. Department of Commerce.

3/ These ratios do not mean that in 1923, for example, 14 percent of the tobacco used in the manufacture of cigarettes in that year was imported tobacco. It is the practice in the tobacco trade to age tobacco for two or three years before using it in cigarettes. Hence, the tobacco produced or imported in one year will not be used for cigarettes until several years later. Sometimes the imported tobacco is partially aged abroad before being imported into the United States.

#### United States imports

Imports of Turkish type tobacco at present come chiefly from Turkey, Greece, and Bulgaria (see table 27). The United States statistics show Italy as an important source of imports, but the major portion of the tobacco reported as from Italy consists of transshipments from Turkey to the United States via the free port of Trieste.



Table 27. - Cigarette leaf tobacco, unstemmed: United States imports for consumption by principal sources in specified years, 1925 to 1938

Imported from -	1925 <sup>1/</sup>	1927 <sup>1/</sup>	1929 <sup>2/</sup>	1931	1932 <sup>3/</sup>	1933	1934	1935	1936	1937	1938 <sup>4/</sup>
Quantity in 1,000 pounds											
Turkey	12,085	20,957	22,514	12,615	11,997	11,028	13,264	12,525	18,716	22,200	24,422
Greece	22,958	29,909	21,419	20,707	14,450	14,352	16,289	19,205	19,214	19,758	19,547
Bulgaria	347	77	66	1	1	2	1	-	22	795	2,067
Italy	10,312	17,570	1,646	9,346	8,742	7,228	6,934	5,333	6,193	2,216	522
Belgium	10	78	92	165	599	578	840	1,340	928	1,026	497
Syria	<sup>5/</sup> 320	16	62	5	7	30	77	256	412	811	1,154
Germany	892	896	108	166	128	78	73	81	204	698	547
All other countries	101	317	103	174	275	134	886	805	814	481	752
Total all countries	47,025	69,820	46,010	43,179	36,299	33,430	38,364	39,545	46,503	47,985	49,508
Value in 1,000 dollars											
Turkey	5,582	9,953	10,366	5,963	5,185	4,367	4,563	3,666	6,001	8,807	11,125
Greece	20,396	23,118	14,800	12,840	7,086	6,390	6,066	6,153	6,797	8,879	11,162
Bulgaria	205	43	40	6/	1	1	1	-	8	442	1,083
Italy	6,227	7,214	834	3,764	3,193	2,433	2,159	1,578	1,882	943	213
Belgium	7	38	40	128	244	184	281	382	258	379	254
Syria	<sup>5/</sup> 70	4	12	1	1	3	14	56	79	151	217
Germany	740	529	83	75	54	19	17	18	56	304	260
All other countries	53	308	43	73	74	45	213	227	243	143	344
Total all countries	33,280	41,207	26,218	22,844	15,838	13,443	13,314	12,080	15,324	20,048	24,660
Unit value in cents per pound											
Turkey	46.2	47.5	46.0	47.3	43.2	39.6	34.4	29.3	32.1	39.7	45.6
Greece	88.8	77.3	69.1	62.0	49.0	44.5	37.2	32.0	35.4	44.9	57.1
Bulgaria	59.2	55.6	60.2	29.0	34.2	26.5	65.7	-	34.6	55.6	52.4
Italy	60.4	41.1	50.7	40.3	36.5	33.7	31.1	29.6	30.4	42.6	40.9
Belgium	69.9	49.1	42.9	77.3	40.7	31.8	33.5	28.5	27.8	36.9	51.2
Syria	<sup>5/</sup> 21.7	24.1	19.1	18.5	22.4	9.7	18.1	21.8	19.1	18.5	18.8
Germany	82.9	59.1	77.1	44.8	42.5	24.5	22.7	22.1	27.6	43.6	47.6
All other countries	52.4	57.3	42.9	41.7	26.8	35.3	24.1	28.2	29.8	30.0	45.7
Average	70.8	59.9	57.0	52.9	43.8	40.2	34.7	30.5	33.0	41.8	49.8

Trade Agreement with Turkey

<sup>1/</sup> General imports.

<sup>2/</sup> Data revised since publication in Foreign Commerce and Navigation of the United States.

<sup>3/</sup> Excludes 1,282 pounds valued at \$370 product of Cuba (duty less 20 percent).

<sup>4/</sup> Preliminary.

<sup>5/</sup> Includes Palestine.

<sup>6/</sup> Less Than \$1,000.

Sources: Compiled from official statistics of the U. S. Department of Commerce.

United States exports

United States export statistics show exports of bright flue-cured and the two light air-cured types, namely, Burley and Maryland and Ohio. These types account for most of the domestic exports of unmanufactured cigarette tobacco, and the exports of these types are largely for the manufacture of cigarettes.

Table 28 shows that bright flue-cured accounts for the bulk of the exports of unmanufactured cigarette tobacco, although exports of Burley and Maryland and Ohio are also substantial. Domestic exports have increased very appreciably since the low period of 1932 but the quantity was smaller in 1938 than in the period 1928 to 1930. The value of the exports was at a high of \$143,000,000 in 1938.

Table 28. - Cigarette tobacco, unmanufactured: United States exports (domestic merchandise), by selected types, 1925-38

Year	Quantity	Value	Unit	Quantity	Value	Unit
	: 1,000 pounds	: 1,000 dollars	: Cents per pound	: 1,000 pounds	: 1,000 dollars	: Cents per pound
	Bright flue cured			Maryland and Ohio export		
1925	278,279	109,979	39.5	13,913	2,622	18.8
1926	287,334	102,607	35.7	13,592	2,108	15.5
1927	302,425	109,212	36.1	20,036	2,923	14.6
1928	434,898	128,948	29.7	10,947	2,069	18.9
1929	410,836	116,933	28.5	11,577	2,465	21.3
1930	397,695	113,386	28.5	9,721	2,227	22.9
1931	388,252	88,993	22.9	7,549	2,323	30.8
1932	255,311	49,161	19.3	10,169	2,343	23.0
1933	297,941	67,656	22.7	9,186	2,084	22.7
1934	305,984	109,410	35.8	7,103	1,455	20.5
1935	289,609	119,183	41.2	4,690	1,153	24.6
1936	315,943	122,853	38.9	6,100	1,197	19.6
1937	327,696	117,980	36.0	5,321	1,137	21.4
1938 <sup>1/</sup>	385,219	139,180	36.1	4,509	1,278	28.3
	Burley			Total of three types		
1925	6,017	1,816	30.2	298,209	114,417	38.4
1926	6,729	1,385	20.6	307,655	106,099	34.5
1927	17,844	2,393	13.4	340,305	114,578	33.7
1928	6,544	1,198	18.3	452,389	132,215	29.2
1929	5,336	1,203	22.5	427,749	120,600	28.2
1930	9,625	2,073	21.5	417,041	117,686	28.2
1931	8,919	1,588	17.8	404,720	92,904	23.0
1932	12,342	1,386	11.2	277,822	52,891	19.0
1933	10,611	1,339	12.6	317,738	71,079	22.4
1934	16,384	2,106	12.9	329,471	112,970	34.3
1935	8,844	1,645	18.8	303,143	122,001	40.2
1936	10,469	2,047	19.6	332,512	126,097	37.9
1937	10,419	2,519	24.2	343,436	121,636	35.4
1938 <sup>1/</sup>	11,749	2,545	21.7	401,477	143,003	35.6

<sup>1/</sup> Preliminary.

Sources: Compiled from official statistics of the U.S. Department of Commerce.

The United Kingdom is the principal market for the United States exports, followed by China, Australia, and the Netherlands (see table 29).

Table 29. - Cigarette tobacco, unmanufactured: <sup>1/</sup>United States exports (domestic merchandise) by principal markets in selected years 1927 to 1938

Exported to -	1927	1929	1931	1933	1935	1936	1937	1938 <sup>2/</sup>
Quantity in 1,000 pounds								
United Kingdom	167,113	199,799	146,089	165,817	208,901	200,477	196,966	254,469
China	47,941	99,903	148,635	69,369	15,832	30,501	36,680	46,791
Australia	17,372	19,109	15,056	6,316	15,240	20,751	20,087	20,077
Netherlands	15,837	9,530	9,782	11,968	7,424	12,299	9,399	9,926
Belgium	8,206	5,597	6,870	6,933	3,051	5,801	10,266	7,141
Germany	15,369	7,154	8,366	5,550	6,106	3,859	4,596	3,895
Canada	13,118	13,361	11,553	8,482	5,366	3,988	3,776	3,219
Netherlands Indies	9,223	16,107	7,772	3,288	766	1,202	2,865	2,097
France	9,582	15,083	8,014	3,330	1,505	1,094	3,630	2,615
British India	3,832	4,716	2,656	2,040	1,521	2,734	2,882	3,576
Japan	9,991	13,995	11,053	6,191	7,031	9,618	6,869	698
Portugal	2,542	3,274	1,984	1,703	2,959	3,523	2,400	3,508
Switzerland	1,464	1,962	2,136	2,131	1,260	1,355	1,522	2,218
All other countries	18,715	18,159	24,754	24,620	26,181	35,310	41,498	41,247
Total	340,305	427,749	404,720	317,738	303,143	332,512	343,436	401,477
Value in 1,000 dollars								
United Kingdom	75,829	76,001	56,631	47,137	95,651	93,804	85,855	109,243
China	8,982	13,607	14,768	9,315	3,101	5,948	6,182	6,221
Australia	6,795	7,123	2,613	1,436	6,096	7,125	7,347	7,570
Netherlands	1,995	1,399	1,044	1,293	1,010	1,381	1,132	1,314
Belgium	1,059	801	807	648	486	771	1,223	965
Germany	2,540	1,066	990	669	1,109	687	810	661
Canada	3,444	3,177	2,464	1,727	1,195	1,041	1,047	1,020
Netherlands Indies	2,410	2,906	1,211	442	191	244	583	389
France	1,352	2,022	2,013	1,099	560	362	1,293	937
British India	1,078	1,569	877	816	988	1,350	1,577	1,800
Japan	4,289	4,880	3,056	1,126	2,809	3,296	1,958	289
Portugal	467	723	385	242	553	589	495	709
Switzerland	555	734	894	766	532	500	528	830
All other countries	3,733	4,591	5,152	4,363	7,722	8,998	11,607	11,054
Total	114,528	120,600	92,904	71,079	122,001	126,097	121,636	143,003

<sup>1/</sup> Flue-cured, Burley and Maryland and Ohio export combined.

<sup>2/</sup> Preliminary.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Trade Agreement with Turkey

Foreign production and trade

Cigarette tobaccos are produced in many countries, but the aromatic types known collectively as Turkish tobaccos are produced almost entirely in the Near East. The chief aromatic types produced in Turkey are known by the locality of production, that is, Izmir, Brusa, and Samsun. Some of the Greek islands also produce the Izmir type. There is a small production of Samsun in southern Russia. Kavalla, a type important in Greece, is produced to some extent in Bulgaria. Tobaccos vary in characteristics according to the locality of production, and cigarettes made from one type have a different flavor and aroma from those made from another type.

Table 30 shows the exports of cigarette leaf tobacco by Turkey, Greece, and Bulgaria, and the proportion of the exports of each country going to the United States. The annual exports of each country to the United States do not correspond precisely with the annual imports into the United States. This is due to several factors. Shipments leaving the Near East at the end of one year do not arrive in the United States until the beginning of the next year (shipping time 1 month or longer). Furthermore, shipments may be stored in the United States customs warehouses and not be entered for consumption (and therefore not reported in statistics of imports for consumption) until some time after their arrival in this country. In addition, some of the Turkish and Greek exports to the United States are warehoused in the free port of Trieste, Italy; prior to 1937 these shipments were reported in the United States import statistics as imports from Italy.

Table 30. - Cigarette leaf tobacco, unmanufactured: Exports of Turkey, Greece, and Bulgaria, 1923-37

Year	Total to all countries from -			To United States from -			Proportion of total from specified country exported to United States		
	Turkey	Greece	Bul- garia	Turkey	Greece	Bul- garia	Turkey	Greece	Bul- garia
	Quantity in 1,000 pounds						Percent		
1923	53,854	47,104	37,808	4,370	4,094	872	8	9	2
1924	59,044	92,225	69,963	7,127	17,365	786	12	19	1
1925	74,346	91,952	74,179	11,647	24,893	714	16	27	1/2
1926	91,370	120,552	60,546	14,189	21,299	220	16	18	1/2
1927	64,663	116,231	59,391	15,485	23,292	-	24	20	-
1928	87,763	107,812	49,381	16,105	18,538	44	18	17	1/2
1929	71,971	110,351	44,582	5,203	21,590	-	7	20	-
1930	72,201	108,455	49,499	13,785	19,654	5	19	18	1/2
1931	48,969	94,897	54,205	10,269	20,375	14	21	21	1/2
1932	63,589	77,827	45,176	14,059	12,152	2	22	16	1/2
1933	57,170	76,594	49,629	11,027	13,508	-	19	18	-
1934	39,861	82,459	45,923	11,819	17,394	29	30	21	1/2
1935	48,188	111,178	53,545	15,004	22,086	35	31	20	1/2
1936	51,310	88,083	44,116	20,022	14,447	1,329	39	16	3.0
1937	87,503	93,016	48,717	28,565	20,675	3,999	33	22	8.2

1/2 Less than one-half of 1 percent.

Source: Official foreign trade statistics of specified exporting countries.

Tables 31 and 32 show the exports of cigarette leaf tobacco from Turkey and Greece to principal markets in recent years. Germany and the United States are the chief markets for both Turkey and Greece. The American purchases consist

largely of certain high grades of Turkish and Greek tobacco especially suitable for blending with domestic tobacco; the United States purchases the bulk of the output of these grades in Turkey and Greece. Bulgarian exports go chiefly to Germany and other western European countries.

Table 31. - Cigarette leaf tobacco, unstemmed: Exports of Turkey to principal markets, 1929 and 1934-37

Exported to -	1929	1934	1935	1936	1937
Quantity in 1,000 pounds					
UNITED STATES	5,203	11,819	15,004	20,022	28,565
Germany and Austria	20,582	19,676	22,207	21,854	37,185
Czechoslovakia	5,080	101	2,950	3,009	2,899
United Kingdom	774	40	258	289	1,909
Italy	21,252	2,028	450	126	2,599
France	1,005	165	974	328	759
Poland	2,147	-	2	126	2,432
All other countries	15,928	6,032	6,343	5,556	11,155
Total	71,971	39,861	48,188	51,310	87,503
Value in 1,000 dollars					
UNITED STATES	1,513	3,745	5,446	8,149	11,956
Germany and Austria	5,244	4,337	5,294	7,129	15,418
Czechoslovakia	1,701	47	1,583	1,785	1,605
United Kingdom	246	5	88	119	696
Italy	5,712	468	60	57	789
France	233	61	311	138	282
Poland	468	-	2	57	1,052
All other countries	4,580	1,399	2,215	2,065	3,375
Total	19,697	10,062	14,999	19,499	35,173
Value in cents per pound					
UNITED STATES	29.1	31.7	36.3	40.7	41.9
Germany and Austria	25.5	22.0	23.8	32.6	41.5
Czechoslovakia	33.5	46.8	53.7	59.3	55.4
United Kingdom	31.8	12.0	34.2	41.2	36.5
Italy	26.9	23.1	13.4	45.4	30.3
France	23.2	36.8	31.9	42.1	37.2
Poland	21.8	-	109.3	45.4	43.3
All other countries	28.8	23.2	34.9	37.2	30.3
Average	27.4	25.2	31.1	38.0	40.2

Source: Official foreign trade statistics of Turkey.

Table 32. - Cigarette leaf tobacco: Exports of Greece to principal markets, 1929 and 1934-37

Exported to -	1929	1934	1935	1936	1937
Quantity in 1,000 pounds					
UNITED STATES	21,590	17,394	22,086	14,447	20,675
Germany and Austria	41,808	38,448	52,348	53,391	43,517
U.S.S.R.	1/	6,720	5,307	4,581	2,381
Czechoslovakia	1,903	1,455	2,590	1,072	2,590
United Kingdom	902	256	1,340	161	452
Italy	23,272	2,319	3,109	20	3,267
France	652	183	5,873	1,038	399
Poland	1,135	225	968	946	2,130
Sweden	4,164	2,657	4,378	2,608	1,620
All other countries	14,925	12,802	13,179	9,819	15,985
Total	110,351	82,459	111,178	88,083	93,016
Value in 1,000 dollars					
UNITED STATES	11,395	5,321	8,551	7,153	11,219
Germany and Austria	19,530	8,556	14,849	17,714	17,993
U.S.S.R.	1/	498	554	511	462
Czechoslovakia	918	724	1,220	529	2,001
United Kingdom	530	38	798	56	235
Italy	9,326	809	910	3	1,539
France	142	38	704	334	235
Poland	673	28	291	409	978
Sweden	2,923	1,185	2,591	1,932	933
All other countries	5,639	1,861	3,031	2,926	4,102
Total	51,076	19,058	33,499	31,567	39,697
Value in cents per pound					
UNITED STATES	52.8	30.6	38.7	49.5	54.3
Germany and Austria	46.7	22.3	28.4	33.2	41.3
U.S.S.R.	-	7.4	10.4	11.2	19.4
Czechoslovakia	48.3	49.8	47.1	49.4	77.3
United Kingdom	58.8	14.7	59.5	34.6	52.1
Italy	40.1	34.9	29.3	14.0	47.1
France	21.8	20.6	12.0	32.2	59.0
Poland	59.2	12.5	30.1	43.2	45.9
Sweden	70.2	44.6	59.2	74.1	57.6
All other countries	37.8	14.5	23.0	29.8	25.7
Average	46.3	23.1	30.1	35.8	42.7

1/ Not separately reported.

Source: Official foreign trade statistics of Greece.

#### Competitive conditions

Imported tobaccos are used for blending and are supplementary to rather than competitive with the domestic cigarette tobaccos.

Table 33 shows the trend of prices paid to farmers for domestic types of cigarette tobacco over a period of years and the computed costs to manufacturers of the domestic types, allowance being made for shrinkage and handling charges. Comparison of these costs with the computed landed costs in the United States of imported tobacco indicates roughly that imported cigarette tobacco costs substantially more in the United States than does domestic cigarette tobacco.

Table 33. - Cigarette leaf tobacco, unmanufactured: Price paid to farmers for domestic types and landed cost of imports in the United States, 1925-38

(Cents per pound)

Year	Average price paid to farmers for domestic tobacco 1/			Computed cost to manufacturer of domestic tobacco processed to same extent as imported tobacco 2/			Computed landed cost in the United States of imported cigarette leaf tobacco 3/
	Flue-cured	Burley	Southern Maryland	Flue-cured	Burley	Southern Maryland	
1925	20.0	18.0	23.7	31.5	30.6	36.8	115.9
1926	24.9	13.1	20.2	38.6	23.0	31.8	108.6
1927	20.5	25.9	23.4	32.2	43.0	36.4	101.2
1928	17.3	30.5	27.2	27.6	50.2	41.9	91.5
1929	18.0	21.8	27.7	28.6	36.6	42.6	92.5
1930	12.0	15.5	26.6	19.9	26.7	41.1	89.0
1931	8.4	8.7	15.0	14.7	16.1	24.2	88.4
1932	11.6	12.5	16.8	19.3	22.0	26.8	79.3
1933	15.3	10.5	17.8	24.7	18.9	28.3	75.7
1934	27.3	16.9	17.5	42.1	28.9	27.9	70.2
1935	20.0	19.1	20.0	31.5	32.3	31.5	66.0
1936	22.2	35.7	25.4	34.7	58.3	39.3	68.5
1937	23.0	20.1	22.0	35.8	33.9	31.9	77.3

1/ From U.S. Department of Agriculture, Annual Report on Tobacco Statistics for all years except 1937 which was obtained from unpublished sources of the Department of Agriculture.

2/ Computations allow for 31 percent shrinkage in flue-cured and Southern Maryland and 36 percent in Burley, and they allow 2.5 cents per pound for handling costs.

3/ Average unit foreign value of imports, as reported in the United States import statistics, plus duty of 35 cents per pound and an estimated 1/2 cent per pound transportation cost to the United States.



## DRIED FIGS VALUED AT 7 CENTS OR MORE PER POUND

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 740. Figs, fresh, dried, or in brine _____	5¢ per lb.	

Reclassification:

Par. 740. Figs, fresh, dried, or in brine: Valued at 7 cents or more per pound \_\_\_\_\_ 3¢ per lb.

Tariff history

Act of 1930, par. 740 - Figs, fresh, dried, or in brine - 5 cents per lb.  
 Act of 1922, par. 740 - Figs, fresh, dried, or in brine - 2 cents per lb.  
 Act of 1913, par. 217 - Dried figs - 1 cent per lb.  
 par. 218 - Fresh figs - 2 cents per lb.  
 par. 488 - Figs in brine - Free

Ad valorem equivalent

Imports of "figs, fresh, dried, or in brine" consist almost entirely of dried figs, principally from Turkey and Greece. Table 34 shows the average unit value of the United States imports of figs, fresh, dried, or in brine from Turkey and Greece and the equivalent ad valorem of the specific rate applicable thereon. The reduced tariff rate provided for in the Turkish agreement applies only to figs having a foreign value of 7 cents or more per pound.

Table 34. - Figs, fresh, dried, or in brine<sup>1/</sup> Average unit value of United States imports and ad valorem equivalents of the specific duty, in selected years 1925 to 1938

Year	Rate of duty	Average unit value		Equivalent	
		of United States imports for consumption from - Turkey	of United States imports for consumption from - Greece	ad valorem rate on imports from - Turkey	ad valorem rate on imports from - Greece
		Cents per pound		Percent	
1925	2¢ per lb.	9.0	5.5	22	36
1927	do.	7.5	5.2	27	38
1929	do.	9.8	4.9	21	41
1931	5¢ per lb.	8.6	5.2	58	97
1932	do.	7.5	4.3	66	117
1933	do.	7.7	4.8	65	103
1934	do.	6.9	5.7	72	88
1935	do.	7.4	5.1	68	98
1936	do.	8.0	4.9	63	101
1937	do.	8.8	5.3	57	95
1938 2/	do.	9.2	4.9	54	102

<sup>1/</sup> Fig paste is not included in the imports of figs, fresh, dried, or in brine but is reported under a separate import statistical classification and is dutiable under another tariff classification at 5 cents per pound. Imports of fig paste are negligible.

<sup>2/</sup> Preliminary.

Description and uses

Figs are used for food. Dried figs are sold in packages and in bulk for the retail trade, and they are also made into paste for use in the manufacture of fig newtons and other bakery products. Relatively small quantities are consumed fresh and canned.



Summary of United States production, imports, and exports

The domestic production of dried figs, practically all in California, increased substantially during the last decade while imports declined. Table 35 shows the California production of dried figs and the United States imports of figs, fresh, dried, or in brine. Approximately two-thirds of the marketed California production of dried figs (excluding the output diverted from normal market channels by the Agricultural Adjustment Administration) are used for bakery products and most of the remainder is sold in packages and in bulk for the retail trade. Figs are not separately reported in United States export statistics, but exports are known to be very small.

Table 35. - Dried figs: Production in California compared with United States imports, 1925 and 1927-38

Year	Production	United States imports from 1/		Ratio of total
	in California (dry weight)	All countries	Turkey	Imports to Turkey other than production in California
	Quantity in short tons			
				Percent
1925	9,600	23,300	11,800	243
1927	12,000	15,500	9,200	129
1928	11,500	19,400	11,300	169
1929	17,000	10,000	6,000	59
1930	21,000	7,500	5,200	36
1931	17,000	3,300	2,600	19
1932	19,000	3,700	2,800	19
1933	21,500	3,400	2,600	16
1934	22,900	2,800	1,800	12
1935	24,000	3,100	1,700	13
1936	20,000	3,100	1,500	16
1937	28,700	3,000	1,300	11
1938 3/	30,500	2,100	800	7

1/ General imports for 1925, 1927, 1928, and 1930; imports for consumption in other years.

2/ Includes 4,880 short tons diverted from normal market channels by the Agricultural Adjustment Administration.

3/ Preliminary.

4/ Includes 10,500 short tons diverted from normal market channels by the Agricultural Adjustment Administration.

Source: Production from the U. S. Department of Agriculture; imports from the U. S. Department of Commerce.

Table 36. - Dried figs: California production by varieties and grades, 1938

Variety	Merchantable	Non-merchantable	Total
	Quantity in short tons (dry weight)		
Calimyrna 1/	5,562	3,538	9,100
Adriatic	7,859	2,841	10,700
Kadota	3,182	218	3,400
Black Mission	3,448	3,852	7,300
Total	20,051	10,449	30,500

1/ The production of merchantable Calimyrna figs in other recent years has been as follows:

1933 - 3,500 short tons	1936 - 3,154 short tons
1934 - 4,400 short tons	1937 - 5,407 short tons
1935 - 3,640 short tons	

Source: Compilations made by the U. S. Department of Agriculture.

United States production

Figs are produced chiefly in California and Texas. The small output in Texas is used almost entirely for canning; approximately 85 percent of California production is dried and the remainder is sold fresh or canned.

The principal varieties of figs grown in California are the Calisyra, Adriatic, Kadota, and Black Mission. The Calisyra, which is the American variety of the Turkish Smyrna, has a finer flavor and sells at a higher price than other domestic figs. All of these varieties are consumed in both the fresh and the dried state.

Table 36 shows the California production of different varieties and grades of figs. The distinction between merchantable, or high grade, and nonmerchantable, or low grade, figs varies somewhat from year to year with the quality of the crop and market practices. At present, merchantable grades are those which by test lots of 100 figs contain 65 or more figs conforming to Government sanitary requirements (i.e. having not more than 10 percent of defects in the individual figs). Grades containing less than 65 passable figs per lot of 100 are referred to as nonmerchantable figs. Only merchantable figs are packaged or sold in bulk for the retail trade.

Approximately two-thirds of the merchantable output is used as paste in bakery products. In earlier years, some of the nonmerchantable grades were reworked and used in bakery products. At the present time, virtually all of the nonmerchantable production is diverted from normal market channels under the Agricultural Adjustment Administration program and used in the manufacture of alcohol, for animal feed, and for other purposes. The Agricultural Adjustment Administration diverted 4,880 short tons of dried figs from the normal market channels in 1937 and 10,500 short tons in 1938.

United States imports

Prior to 1927, most of the figs imported into the United States were used for paste in bakery products and imports of such figs were very large. After the enactment in 1927 of Government sanitary regulations prohibiting interstate trade in figs containing more than 10 percent of defects (the tolerance having been 30 percent formerly) and after an increase in 1930 in the tariff duty from 2 cents to 5 cents per pound, imports, particularly of lower-priced figs for bakery products, declined very sharply. Since 1930, imports of figs for bakery products have been very small, imports now consisting chiefly of packaged or bulk figs for the retail trade.

Table 37 shows United States imports of figs over a period of years, by countries. Turkey and Greece are the principal sources. At present some of the imported Turkish figs go into a special bakery trade, but the major portion consists of packaged and bulk figs for the retail trade. Imports from Greece consist chiefly of string figs which are consumed by the foreign population in eastern seaboard cities. The average unit value of imported Turkish figs is substantially higher than that of imported Greek figs.

Table 37. - Figs, fresh, dried, or in brines:<sup>1/</sup> United States imports<sup>2/</sup> by principal sources, in selected years, 1925 to 1938

Imported from -	1925	1927	1929	1931	1933	1934	1935	1936	1937	1938 <sup>3/</sup>
Quantity in short tons										
Turkey	11,768	9,235	5,990	2,606	2,594	1,756	1,729	1,536	1,253	840
Greece	2,057	1,198	2,562	431	496	737	1,025	974	1,395	917
Italy	2,160	1,085	237	169	256	269	215	560	339	361
Portugal	3,087	2,029	472	79	62	9	67	56	39	10
Spain	967	75	133	10	25	5	13	-	-	4
All other countries	3,248	1,889	632	11	2	29	35	11	14	3
Total	23,286	15,509	10,025	3,305	3,435	2,804	3,083	3,135	3,040	2,134
Value in 1,000 dollars										
Turkey	2,119	1,383	1,168	447	397	242	256	245	221	155
Greece	226	125	251	45	48	84	105	96	147	90
Italy	208	119	30	20	28	34	30	73	37	43
Portugal	232	140	43	8	6	1	5	5	3	1
Spain	84	9	17	1	4	1	2	-	-	1
All other countries	307	191	73	1	1	3	4	1	2	4
Total	3,176	1,967	1,582	522	484	365	402	420	410	290
Unit value in cents per pound										
Turkey	9.0	7.5	9.8	8.6	7.7	6.9	7.4	8.0	8.8	9.2
Greece	5.5	5.2	4.9	5.2	4.8	5.7	5.1	4.9	5.3	4.9
Italy	4.8	5.5	6.3	5.9	5.5	6.3	7.0	6.5	5.5	6.0
Portugal	3.8	3.4	4.6	5.1	4.8	5.6	3.7	4.5	3.8	4.3
Spain	4.4	5.9	6.4	5.3	8.0	11.1	7.7	-	-	13.1
All other countries	4.7	5.1	5.8	4.8	25.0	5.2	5.8	4.8	7.4	2.6
Average	6.8	6.3	7.9	7.9	7.0	6.5	6.5	6.7	6.7	6.8

<sup>1/</sup> Practically all dried; includes prepared or preserved figs prior to 1929.

<sup>2/</sup> General imports in 1925 and 1927; imports for consumption in 1929 and subsequent years.

<sup>3/</sup> Preliminary.

<sup>4/</sup> Less than \$500.

Sources: Compiled from official statistics of the U. S. Department of Commerce.

United States exports

Figs are not separately reported in United States export statistics but exports are known to be very small. Canadian import statistics show imports of dried figs into Canada from the United States of less than 500 short tons annually. Small quantities of low grade domestic figs are exported to Europe for use as a substitute for coffee. The United States reexports of figs are also very small (less than 100 tons per year).

Foreign production and trade

Figs are grown in most of the Mediterranean countries, the principal producers being Turkey, Greece, and Italy. There is a large consumption of both fresh and dried figs in these countries and also a large production of dried figs for the export trade. Most of the Turkish figs for export are of the Smyrna type, and this type is also grown to some extent in Greece. Table 38 shows exports of the three principal exporting countries.

Table 38. - Dried figs: Exports of Turkey, Greece, and Italy, 1929-37

Year	Turkey	Greece	Italy
Quantity in short tons			
1929	30,405	18,596	12,853
1930	26,245	23,936	15,549
1931	29,989	10,632	17,970
1932	28,238	21,289	12,273
1933	29,752	18,876	12,428
1934	31,742	16,415	12,031
1935	41,321	19,747	10,019
1936	32,117	17,059	11,746
1937	26,842	20,835	10,374

Source: Official export statistics of specified countries.

Exports of dried figs from Turkey are marketed chiefly in Germany, the United Kingdom, France, and the United States (see table 39). The average unit value of those exported to the United States is substantially higher than that of exports to other markets as sales to the United States are of high-grade figs only. Exports from Greece go to Italy, Germany, and other western European countries. Italy exports chiefly to Germany and France.

Table 39. - Dried figs: Exports of Turkey to principal markets, 1934-37

Country	1934	1935	1936	1937
Quantity in short tons				
UNITED STATES	1/ 2,928	1,536	1,696	1,106
Germany	7,178	15,930	9,336	7,632
Austria	811	3,892	1,976	2,693
France	4,039	3,957	3,320	1,204
United Kingdom	6,214	6,544	6,546	5,655
Italy	2,690	1,111	27	210
Canada	2/	2/	1,559	1,099
Greece	1	2	3/	3/
All other countries	7,881	8,349	7,656	7,243
Total	31,742	41,321	32,117	26,842
Value in 1,000 dollars				
UNITED STATES	1/ 214	249	276	221
Germany	435	1,217	808	542
Austria	41	160	110	123
France	340	431	430	144
United Kingdom	471	585	591	581
Italy	114	70	2	20
Canada	2/	2/	152	146
Greece	3/	3/	-	-
All other countries	591	869	869	824
Total	2,206	3,581	3,238	2,601
Unit value in cents per pound				
UNITED STATES	1/ 3.65	8.10	8.13	9.98
Germany	3.03	3.82	4.33	3.55
Austria	2.52	2.06	2.77	2.29
France	4.21	5.44	6.48	5.98
United Kingdom	3.79	4.47	4.51	5.13
Italy	2.12	3.16	4.21	4.71
Canada	2/	2/	4.88	6.64
Greece	3.98	1.80	-	-
All other countries	3.75	5.21	5.68	5.69
Average	3.48	4.33	5.04	4.84

1/ The Turkish statistics for 1934 do not correspond closely with the United States statistics for that year (see table 37).

2/ Not available.

3/ Less than 1.

#### Competitive conditions

Domestic figs sell at lower prices in the United States than imported Turkish figs. Practically all of the domestic figs for the bakery trade wholesale in California and New York at less than 7 cents per pound and a considerable portion wholesales at 4 cents or less per pound. The highest priced domestic fig, the Calimyrna in 8 ounce packages, was quoted wholesale in New York at 13.5 cents per pound in 1938. At the same time the New York wholesale quotations for the lowest priced Turkish figs (naturals in 30-pound bags for the bakery trade) was 15.8 cents per pound and Turkish bulk figs for direct consumption were quoted at 20 cents or more per pound. Table 40 shows the New York wholesale quotations for domestic and Turkish figs in recent years.

## Trade Agreement with Turkey

Table 40. - Dried figs: Wholesale price quotations at New York, 1932-38

Year	California figs			Turkish figs (Smyrna)		
	Fancy and extra choice Adriatic (25-lb. bxs.)	Fancy Black Mission (25-lb. bxs.)	Cali-myra pack-ages	Layer Naturalist (in 10 lb. boxes) (in 8 os. pack-ages)	4 crown size	7 crown size
1932	6.8	7.0	2/	2/	14.6	17.3
1933	8.6	9.2	14.0	13.4	16.4	19.4
1934	10.2	10.7	14.1	15.2	17.2	20.1
1935	9.6	9.0	13.9	17.6	18.1	20.9
1936	9.9	10.5	15.3	17.1	18.0	21.0
1937	9.5	9.8	14.2	15.5	18.5	20.5
1938	8.0	6.6	13.5	15.8	18.0	20.9

1/ Four crowns indicates a fig 2" square; 5 crowns 2 1/4" square, 6 crowns 2 1/2" square; 7 crowns 2-3/4" square; 9 crowns 3" square. The 9 crown size is used principally in cellophane packages. The 4 crown size is used only in 10-pound box layer figs.

2/ Not available.

Source: Journal of Commerce. Average mid-monthly quotations from September to December.

Greek figs sell in the United States at lower prices than Turkish figs but the Greek figs differ in type from both the domestic and the Turkish figs and enter different markets. Imports from Greece are chiefly string figs consumed principally by the foreign population in eastern cities. In 1938 the average landed cost in New York (including transportation costs of 0.5 cent per pound and the tariff duty of 5 cents per pound) of imports from Greece was 10.4 cents per pound as compared with 14.7 cents per pound for imports from Turkey.

The tariff reduction from 5 cents to 3 cents per pound provided for in the Turkish agreement applies only to figs having a foreign value of 7 cents or more per pound. Thus, under the agreement, figs having a foreign value of 7 cents per pound cannot be landed duty-paid in New York at less than 10.5 cents per pound. This figure is substantially higher than the New York wholesale price of both domestic figs for the bakery trade and of a considerable portion of the domestic bulk figs for the retail trade.

Figs having a foreign value of less than 7 cents per pound, as well as all fig paste, will remain dutiable as before the agreement at 5 cents per pound.



RAISINS MADE FROM SEEDLESS GRAPES <sup>1/</sup>United States tariff

Rate of duty  
Before agreement   Under agreement

Par. 742. Raisins \_\_\_\_\_ 2¢ per lb.

Reclassification

Par. 742. Raisins made from  
seedless grapes \_\_\_\_\_ 1½¢ per lb.

Tariff history

Act of 1930, par. 742 - 2¢ per lb.  
Act of 1922, par. 742 - 2¢ per lb.  
Act of 1913, par. 218 - 2¢ per lb.

Ad valorem equivalent

The specific duty of 2 cents per pound was equivalent to 27 percent ad valorem on the basis of the average unit value of imports from Turkey in 1938. Since 1929 the ad valorem equivalent on imports from Turkey has ranged from a low of 21 percent to a high of 36 percent.

The tariff reduction provided for in the Turkish agreement applies only to raisins made from seedless grapes, and practically all of the imports of this kind of raisin come from Turkey. They are known to the trade as Sultanas.

Description and uses

Raisins are grapes which have been dried, either naturally or artificially. The principal domestic types are the Thompson Seedless and the Muscat. Thompson Seedless raisins (also known in this country as Sultaninas<sup>2/</sup>) are dried from the same variety of grape as the imported Sultanas. The Muscat raisin is dried from grapes having seeds, but the seeds are frequently removed in processing. The tariff reduction granted in the Turkish agreement does not apply to Muscat raisins.

Raisins are used chiefly in home cooking and in commercial baking. There is also a large direct consumption of raisins without further preparation.

Summary of United States production, imports, and exports

The United States is the world's largest producer and one of the world's largest exporters of raisins. Exports amount to over one-fourth of the total domestic production. Imports are very small relative to either domestic production or exports (see table 41).

<sup>1/</sup> This report refers only to raisins. Currants, dutiable at the same rate as raisins, are reported in import statistics under a separate classification. The United States imports of currants, chiefly from Greece, amounted in 1938 to 3,749,689 pounds and were valued at \$226,319.

<sup>2/</sup> The domestic Thompson Seedless or Sultanina raisin is of the same variety as imported Sultanas. There is a relatively small production in the United States of a type of semiseedless raisin known as Sultana which should not be confused with imported Sultanas or domestic Thompson Seedless, both of which are seedless.

## Trade Agreement with Turkey

Table 41. - Raisins made from grapes with or without seeds: United States production, imports, and exports in selected years, 1923-38

Year	Production	Imports	Exports	Ratio of -	
	in	for	Exports	Imports to	Exports to
	California	consumption		production	production
	Quantity in 1,000 pounds			Percent	
1923	580,000	7,600	77,814	1.3	13
1925	400,000	7,143	125,924	1.8	32
1927	570,000	2,859	177,435	.5	31
1929	430,000	1,537	149,687	.3	35
1931	338,000	1,401	135,754	.4	40
1932	524,000	1,361	115,454	.3	22
1933	390,000	1,070	91,214	.3	23
1934	342,000	1,002	92,248	.3	27
1935	406,000	803	109,620	.2	27
1936	364,000	594	92,952	.2	26
1937	494,000	617	145,303	.1	29
1938 <sup>1/</sup>	534,000	322	154,735	.06	29

<sup>1/</sup> Preliminary.

Source: Production statistics from the U. S. Department of Agriculture; import and export statistics from the U. S. Department of Commerce.

United States production

The domestic raisin industry is practically confined to California where soil and climate are favorable to the growing and drying of raisin grapes. About 85 percent of the California production consists of Thompson Seedless and about 12 percent of Muscats. Most of the Thompson Seedless packed for both the domestic market and for exports are sun-dried. A relatively small portion of the exports consists of Thompson Seedless raisins, artificially dried and bleached to resemble the color of the Turkish Sultanas.

United States imports

Imports consist chiefly of Muscat raisins from Spain and Sultana raisins from Turkey. Both the Muscats, which are fancy packed clusters for direct consumption in the holiday trade, and the Turkish Sultanas, which are used for special bakery products, have a higher unit value than domestic raisins. Table 42 shows the United States imports of raisins from principal sources.

United States exports

The United Kingdom, the Netherlands, Sweden, and France are the principal markets for United States exports (see table 43). Formerly, Germany was an important market, but exports to that country are now insignificant, largely as a result of German trade restrictions and the diversion of the reduced German purchases to other countries.



Table 42. - Raisins: United States imports for consumption from principal sources, 1929 and 1931-38

Country	1929	1931	1932	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
Quantity in 1,000 pounds									
Spain	701	798	869	687	663	523	217	214	59
Turkey	601	392	417	351	311	262	334	302	219
Syria and Palestine	47	35	22	20	12	8	26	16	25
Greece	52	2/	-	-	5	9	15	-	2/
Australia	-	166	52	-	-	-	-	6	19
All other countries	136	10	1	12	11	1	2	79	-
Total	1,537	1,401	1,361	1,070	1,002	803	594	617	322
Value in dollars									
Spain	122,560	83,897	78,814	96,124	74,020	62,858	21,025	29,980	13,883
Turkey	43,427	37,875	26,755	19,808	20,612	16,337	21,147	26,491	16,137
Syria and Palestine	4,496	2,416	1,495	1,606	642	438	1,340	1,064	1,495
Greece	4,300	5	-	-	326	556	1,080	-	20
Australia	-	16,302	5,296	-	-	-	-	1,418	4,177
All other countries	11,063	1,039	237	2,098	865	131	808	4,454	-
Total	185,846	141,534	112,597	119,636	96,465	80,320	45,400	63,401	35,712
Unit value in cents per pound									
Spain	17.5	10.5	9.1	14.0	11.2	12.0	9.7	14.0	23.6
Turkey	7.2	9.7	6.4	5.6	6.6	6.2	6.3	8.8	7.4
Syria and Palestine	9.6	6.8	6.7	8.1	5.4	5.5	5.2	6.7	6.0
Greece	8.2	8.3	-	-	7.0	6.5	7.3	-	11.9
Australia	-	9.8	10.2	-	-	-	-	24.9	21.6
All other countries	8.1	10.4	23.7	17.5	7.4	6.0	28.7	5.6	-
Average	12.1	10.1	8.3	11.2	9.6	10.0	7.6	10.3	11.1

<sup>1/</sup> Preliminary.

<sup>2/</sup> Not over 500 pounds

Source: Compiled from official statistics of the U. S. Department of Commerce.

Table 43. - Raisins: United States exports by principal markets in selected years, 1925 to 1938

2

Exported to -	1925	1927	1929	1931	1932	1933	1934	1935	1936	1937	1938
	Quantity in 1,000 pounds										
United Kingdom	43,636	67,978	40,538	50,608	51,203	31,110	31,730	47,652	42,984	65,828	57,397
Canada	30,573	36,146	32,318	17,014	11,343	9,737	9,276	8,044	7,788	6,295	5,699
Sweden	1,064	8,822	12,594	10,322	8,331	6,749	8,477	8,625	6,451	10,638	14,990
France	459	3,116	3,506	3,416	4,472	3,026	4,248	6,499	6,436	8,831	10,733
Netherlands	12,206	14,241	9,925	9,941	4,534	3,278	4,096	5,147	4,638	10,288	20,447
Germany	14,672	17,415	14,071	18,729	15,440	12,695	11,638	935	370	2,666	1,360
Belgium	1,901	5,208	4,786	3,595	1,663	1,502	2,297	3,799	2,919	6,557	8,481
Ireland	133	1,338	1,746	2,155	1,929	2,582	2,106	3,799	3,403	4,479	4,805
Norway	1,269	1,187	1,384	801	478	639	797	1,906	1,212	3,361	4,852
All other countries	20,011	21,984	28,819	19,173	16,061	19,896	17,583	23,214	16,751	26,360	25,971
Total	125,924	177,435	149,687	135,754	115,454	91,214	92,248	109,620	92,952	145,303	154,735
	Value in 1,000 dollars										
United Kingdom	3,291	4,744	2,330	3,037	2,496	1,365	1,600	2,310	2,293	3,672	2,738
Canada	2,042	2,314	1,609	956	557	382	449	398	420	368	290
Sweden	93	685	772	658	430	290	425	376	336	594	714
France	30	159	166	177	201	125	200	289	326	492	516
Netherlands	837	985	524	531	211	150	213	249	248	557	1,064
Germany	1,013	1,218	815	1,023	766	551	586	44	20	151	66
Belgium	147	365	239	212	88	68	125	192	146	359	420
Ireland	10	88	112	119	88	113	99	165	158	239	216
Norway	102	83	72	44	22	25	39	85	61	176	213
All other countries	1,726	1,661	1,751	1,168	806	859	911	1,139	887	1,528	1,300
Total	9,291	12,302	8,390	7,925	5,665	3,928	4,647	5,247	4,895	8,136	7,537
	Unit value in cents per pound										
United Kingdom	7.5	7.0	5.7	6.0	4.9	4.4	5.0	4.8	5.3	5.6	4.8
Canada	6.7	6.4	5.0	5.6	4.9	3.9	4.8	4.9	5.4	5.8	5.1
Sweden	8.8	7.8	6.1	6.4	5.2	4.3	5.0	4.4	5.2	5.6	4.8
France	6.6	5.1	4.7	5.2	4.5	4.1	4.7	4.4	5.1	5.6	4.8
Netherlands	6.9	6.9	5.3	5.3	4.7	4.6	5.2	4.8	5.4	5.4	5.2
Germany	6.9	7.0	5.8	5.5	5.0	4.3	5.0	4.7	5.3	5.7	4.8
Belgium	7.7	7.0	5.0	5.9	5.3	4.6	5.5	5.1	5.0	5.5	5.0
Ireland	7.3	6.6	6.4	5.5	4.5	4.4	4.7	4.4	4.6	5.3	4.5
Norway	8.1	7.0	5.2	5.5	4.5	3.9	4.9	4.5	5.0	5.2	4.4
All other countries	8.6	7.6	6.1	6.1	5.0	4.3	5.2	4.9	5.3	5.8	5.0
Average	7.4	6.9	5.6	5.8	4.9	4.3	5.0	4.8	5.3	5.6	4.9

1/ Preliminary.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Trade Agreement with Turkey

Foreign production and trade

Raisins are produced in many countries, and there is a large world export trade in raisins chiefly from Australia, Greece, Turkey, Spain, and Iran, as well as from the United States. Table 44 shows exports of the principal exporting countries. The bulk of the exports shown in the table for Greece consists of currants, but Greece is also a substantial exporter of raisins of the Sultana type. Australia exports chiefly Sultan raisins, with a smaller proportion of Muscats and currants. Turkey and Iran export principally Sultanas, and Spain principally Muscats.

Table 44. - Raisins and currants: Exports of principal exporting countries, 1929-37

Year	: UNITED STATES :	: Turkey :	: Greece <sup>1/</sup> :	: Spain :	: Australia <sup>1/</sup> :	: Iran :
Quantity in 1,000 pounds						
1929	149,687	105,270	184,959	30,870	91,569	36,022
1930	123,105	87,853	190,548	32,800	89,213	34,998
1931	135,754	66,447	175,872	30,684	61,742	58,370
1932	115,454	108,460	193,465	31,063	68,087	12,962
1933	91,214	100,616	191,888	21,142	147,355	5,159
1934	92,248	119,675	216,117	26,036	115,499	32,760
1935	109,620	168,482	222,995	25,353	111,376	2/
1936	92,952	145,616	222,290	2/	108,885	36,266
1937	145,303	63,539	249,781	2/	121,407	2/

<sup>1/</sup> Currants account for the bulk of the exports from Greece and for an important proportion of those from Australia

<sup>2/</sup> Not available.

Sources: Official export statistics for the United States and Turkey. International Yearbook of Agricultural Statistics for other countries.

Exports of raisins and currants from Turkey go chiefly to Germany and other western European countries (see table 45). In recent years the average unit value of exports from Turkey has been higher than the average unit value of the United States exports (compare tables 43 and 45).

## Trade Agreement with Turkey

Table 45. - Raisins: Exports of Turkey to principal markets, 1934-37

Exported to -	1934	1935	1936	1937
Quantity in 1,000 pounds				
UNITED STATES	320	298	538	311
Germany	67,472	95,594	86,156	29,215
Austria	1,433	2,943	1,821	1,638
Belgium	7,061	9,321	5,168	4,733
Netherlands	11,790	17,965	7,659	3,620
France	2,932	2,138	2,324	818
United Kingdom	17,141	27,502	26,292	11,241
Italy	6,204	4,061	1,876	2,145
All other countries	5,322	8,660	13,782	9,818
Total	119,675	168,482	145,616	63,539
Value in 1,000 dollars				
UNITED STATES	17	17	36	29
Germany	3,258	4,912	4,956	2,236
Austria	75	155	104	126
Belgium	349	447	262	318
Netherlands	567	797	369	239
France	125	112	133	55
United Kingdom	845	1,351	1,395	886
Italy	277	192	145	148
All other countries	240	447	796	724
Total	5,753	8,430	8,196	4,761
Unit value in cents per pound				
UNITED STATES	5.19	5.67	6.72	9.28
Germany	4.83	5.14	5.75	7.65
Austria	5.24	5.27	5.74	7.68
Belgium	4.94	4.79	5.07	6.72
Netherlands	4.81	4.44	4.82	6.60
France	4.26	5.22	5.74	6.76
United Kingdom	4.93	4.91	5.31	7.88
Italy	4.47	4.73	7.71	6.91
All other countries	4.51	5.16	5.78	7.37
Average	4.81	5.00	5.63	7.49

Note: Canada not shown separately. Exports to Greece and Spain negligible.

Source: Official foreign trade statistics of Turkey.

Table 46 shows imports of raisins into the United Kingdom, the world's principal import market. The average unit values indicated in the table are c.i.f. English ports. Imports from Australia, Turkey, and Greece consist largely of Sultanas, those from the United States of Thompson Seedless, and those from Spain are Muscats. Imports into the United Kingdom from non-Empire sources are dutiable at 10 shillings 6 pence per British hundredweight (equivalent to 2.3 cents per pound), while imports from Empire sources (Australia and the Union of South Africa) are free.

Table 46. - Raisins: <sup>1/</sup> Imports into the United Kingdom from principal sources, in selected years, 1929 to 1938

Imported from -	1929	1931	1933	1934	1935	1936	1937	1938
	Quantity in 1,000 pounds							
UNITED STATES	43,825	51,056	29,629	31,540	42,194	44,855	55,478	57,096
Australia	80,619	41,990	97,553	54,738	39,795	48,101	47,620	95,967
Union of South Africa	2,477	6,104	9,291	5,650	8,132	8,499	11,907	16,660
Spain	13,765	14,137	7,966	11,769	12,796	7,554	3,024	2,213
Turkey	25,254	11,830	19,675	16,604	25,172	26,199	12,206	4,304
Greece	9,378	7,044	13,521	12,021	17,869	16,527	10,350	8,672
All other countries	4,159	6,899	2,208	1,230	13,869	8,927	13,678	2,370
Total	179,478	139,059	179,843	133,552	159,828	160,661	154,263	187,282
	Average unit value in cents per pound							
UNITED STATES	7.1	6.9	5.8	6.5	5.9	6.2	6.6	5.8
Australia	9.3	8.4	8.1	8.6	8.9	8.8	9.2	8.8
Union of South Africa	9.9	8.9	7.4	7.0	6.8	7.0	7.9	7.4
Spain	11.1	8.9	10.3	9.1	8.0	9.9	15.7	14.7
Turkey	8.3	10.1	5.6	7.2	6.0	6.0	8.4	7.5
Greece	11.7	11.6	7.8	9.6	7.8	8.3	10.3	9.3
All other countries	5.7	6.1	3.8	6.4	4.8	4.7	5.3	4.9
Average	8.8	8.1	7.4	7.8	7.0	7.3	8.0	7.7

<sup>1/</sup> Does not include currants.

Sources: Official foreign trade statistics of the United Kingdom.

Competitive conditions

The United States is on an export basis for raisins. Domestic exports to the United Kingdom, the principal foreign market, consist chiefly of sun-dried Thompson Seedless and to a lesser extent of artificially dried and bleached Thompson Seedless. The average unit value (c.i.f. United Kingdom) of the United Kingdom's imports from the United States has been lower than that of imports from Turkey and Greece. The United Kingdom imports more raisins from the United States than from any other country except Australia, which enjoys a tariff preference equivalent to 2.3 cents per pound in the British market.

The United States imports of raisins are very small relative to exports. Turkish Sultanias sell at wholesale in the United States at prices from 4 to 6 cents per pound more than domestic Thompson Seedless raisins. The duty on this type of raisin has been reduced from 2 to 1½ cents per pound.

Table 47 shows that the average unit value (f.o.b. Turkey) of United States imports from Turkey has been from 1 to 3 cents per pound higher than the packers' wholesale price of domestic sun-dried Thompson Seedless (f.o.b. California). It also shows that the average foreign unit value of the United States imports from Turkey is substantially higher than the average unit value (f.o.b. United States) of the United States exports to the United Kingdom.

Table 47. - Raisins: Comparison of domestic prices with average unit values of United States imports and exports, and average unit values of imports into the United Kingdom, in selected years, 1929 to 1938

Calendar year	Domestic Thompson Seedless		Average unit value (f.o.b. of United States) exports to the United Kingdom	Average unit value of imports into the United Kingdom (c.i.f. United Kingdom) from:				Average unit value (f.o.b. Turkey) of United States imports from Turkey
	Packers' price to grower <sup>1/</sup>	Packers' whole-sale selling price f.o.b. California <sup>2/</sup>		United States	United States	Turkey	Australia	
Cents per pound								
1929	3.4	4.6	5.7	7.1	8.3	9.3	11.7	7.2
1931	3.5	5.5	6.0	6.9	10.1	8.4	11.6	9.7
1933	2.8	4.5	4.4	5.8	5.6	8.1	7.8	5.6
1934	3.1	4.4	5.0	6.5	7.2	8.6	9.6	6.6
1935	2.8	4.3	4.8	5.9	6.0	8.9	7.8	6.2
1936	3.2	5.0	5.3	6.2	6.0	8.8	8.3	6.3
1937	3.0	4.0	5.6	6.6	8.4	9.2	10.3	8.8
1938	2.5	3.9	4.8	5.8	7.5	8.8	9.3	7.4

<sup>1/</sup> Growers' price for crop of specified year irrespective of whether crop was sold within the 12 months' crop year or later.

<sup>2/</sup> Crop year from September 1 of year shown to August 31 of following year (except for the last year shown which is from September 1, 1938 to April 30, 1939).

Source: Packers' prices from Mamini Foundation of Agricultural Economics, University of California. Average unit values of imports and exports calculated by the U.S. Tariff Commission from official foreign trade statistics of the United States and the United Kingdom.

## FILBERTS, SHELLED

United States tariff

Par. 757. Filberts, shelled

	<u>Rate of duty</u>
	<u>Before agreement</u> <u>Under agreement</u>
	10¢ lb.                    8¢ lb.

Tariff history

	<u>Shelled</u>	<u>In the shell</u>
Act of 1930, par. 757	10¢ lb.	5¢ lb.
Act of 1922, par. 755	5¢ lb.	2½¢ lb.
Act of 1913, par. 224	4¢ lb.	2¢ lb.

Ad valorem equivalent

Table 48 shows the ad valorem equivalents of the specific rates on the basis of the average unit values of the United States imports in specified years.

Table 48. - Tariff rates of duty applicable to filberts and equivalent ad valorem rates on the average unit values of United States imports, in selected years, 1929-38

	: Rate : of : duty	: Average unit value : of United States : imports	: Equivalent : ad valorem
		Cents per pound	Percent
<u>Filberts, shelled</u>			
1929	: 5¢ lb. :	: 22.7 :	: 22.0 :
1931	: 10¢ lb. :	: 17.6 :	: 57.4 :
1933	: do. :	: 12.4 :	: 89.2 :
1935	: do. :	: 17.8 :	: 56.3 :
1937	: do. :	: 19.2 :	: 52.0 :
1938	: do. :	: 17.3 :	: 57.8 :
<u>Filberts, in the shell</u>			
1929	: 2½¢ lb. :	: 11.2 :	: 22.4 :
1931	: 5¢ lb. :	: 8.4 :	: 59.7 :
1933	: do. :	: 8.8 :	: 62.4 :
1935	: do. :	: 8.6 :	: 58.1 :
1937	: do. :	: 9.4 :	: 53.0 :
1938	: do. :	: 10.8 :	: 46.3 :

Description and uses

The filbert, or hazelnut, is a small round edible nut. Shelled filberts are used extensively in the commercial baking trade and to a lesser extent in the confectionery and nut-salting trades. For filberts in the shell, the principal outlet is the retail grocery, where most of them are sold in mixtures with other nuts.

Summary of United States production, imports, and exports

The domestic production of filberts, negligible before 1927, increased from 120,000 pounds in 1927 to approximately 4,000,000 pounds in 1937 and 1938. Until 1936 all of the domestic crop was marketed in the shell, but since then a small part has been shelled. Imports formerly supplied all of the domestic requirements of both shelled and not shelled filberts, but during the last fifteen years they have declined sharply (see table 49). In the crop year 1937-38 imports supplied 5 percent of the domestic consumption of filberts in the shell and 91 percent of the consumption of shelled filberts. United States exports of filberts are negligible.



Table 49. - Filberts: United States production, imports, and apparent consumption

Period $\sqrt$	Production		Imports		Apparent consumption		Proportion of consumption supplied by imports	
	In the shell	Shelled	In the shell	Shelled	In the shell	Shelled	In the shell	Shelled
	Quantity in 1,000 pounds		Quantity in 1,000 pounds		Quantity in 1,000 pounds		Percent	
<u>A-year average</u>								
1923-26	-	-	11,913	5,988	11,913	5,988	100	100
1927-30	230	-	9,043	5,516	9,273	5,516	98	100
1931-34	1,005	-	5,098	2,990	6,103	2,990	84	100
1935-38	2,900	84	2,522	2,141	5,422	2,225	47	96
<u>Annual</u>								
1935-36	2,200	-	3,520	2,173	5,720	2,173	62	100
1936-37	3,400	135	3,880	2,229	7,280	2,364	53	94
1937-38	4,000	200	226	2,045	4,226	2,245	5	91

$\sqrt$  Crop year ending September 30.

Note: 100 lbs. of filberts in the shell = 45 lbs. of shelled filberts.

#### United States production

The commercial production of filberts is confined almost entirely to Oregon and Washington, about four-fifths of the crop being produced in Oregon. According to trade information 10,000 acres are planted in filbert trees in Oregon and Washington and slightly over one-half of the trees have reached the bearing age (1938). Table 50 shows the domestic production over a period of years.

Table 50. - Filberts, in the shell: United States production, 1927-38

Crop year	Quantity	Farm value	Unit value
	1,000 lbs.		
1927	120	-	-
1928	400	-	-
1929	400	-	-
1930	600	-	-
1931	750	\$94,000	12.5
1932	850	85,000	10.0
1933	2,000	300,000	15.0
1934	1,992	199,000	10.0
1935	1,742	226,000	13.0
1936	3,700	499,500	13.5
1937	4,460	479,450	10.8
1938 $\sqrt$	4,000	440,000	11.0

$\sqrt$  Preliminary.

Source: Bureau of Agricultural Economics, U.S. Department of Agriculture.

#### United States imports

Imports consist chiefly of shelled filberts, which come principally from Turkey and to a lesser extent from Italy (see table 51). In 1937, the United States imported from France a considerable quantity of shelled filberts which were of Turkish origin.

Imports of filberts in the shell come principally from Italy (see table 52).

Table 51. - Filberts, shelled: Imports<sup>1/</sup> into the United States by principal sources in selected years, 1925-38

Imported from -	1925	1927	1929	1931	1933	1934	1935	1936	1937	1938 2/
Quantity in 1,000 pounds										
Turkey	1,571	3,821	1,072	2,262	1,660	1,677	849	1,183	572	1,395
Italy	146	368	619	487	202	203	487	832	721	303
France	1,421	770	777	193	30	26	38	40	312	135
Spain	739	461	2,956	365	515	320	703	279	398	99
United Kingdom	29	42	42	84	6	6	6	6	-	-
Germany	23	93	77	332	-	-	-	-	-	-
All other countries	268	74	-	43	-	-	22	-	2	8
Total	4,197	5,630	5,544	3,768	2,414	2,231	2,104	2,340	2,005	1,940
Value in dollars										
Turkey	449,770	677,372	230,365	357,945	189,213	279,885	150,662	219,091	96,517	228,013
Italy	34,232	109,456	162,398	137,797	25,604	34,961	94,309	152,001	143,339	66,184
France	423,794	158,260	167,377	37,334	3,207	5,002	7,232	8,192	63,265	18,849
Spain	215,031	94,993	675,680	57,165	80,236	57,595	116,534	53,729	80,489	21,085
United Kingdom	10,068	8,847	8,836	15,072	560	884	1,188	1,024	-	-
Germany	8,687	17,328	14,569	48,902	-	-	-	-	-	-
All other countries	76,782	15,539	-	7,458	-	-	3,797	-	346	1,377
Total	1,217,364	1,081,795	1,258,775	661,563	298,820	378,327	373,722	434,037	383,956	335,504
Unit value in cents per pound										
Turkey	28.6	17.7	21.5	15.8	11.4	16.7	17.7	18.5	16.9	16.3
Italy	23.4	29.8	26.3	28.3	12.7	17.2	19.4	18.3	19.9	21.8
France	29.8	20.6	21.5	19.3	10.6	19.9	18.8	20.4	20.3	13.9
Spain	29.1	20.6	22.9	15.6	15.6	18.0	16.6	19.3	20.2	21.3
United Kingdom	34.8	21.1	19.7	17.8	10.2	16.0	21.5	18.6	-	-
Germany	37.9	18.6	18.9	14.7	-	-	-	-	-	-
All other countries	28.7	20.9	-	17.1	-	-	17.5	-	20.0	19.5
Average	29.0	19.2	22.7	17.6	12.4	17.0	17.8	18.5	19.2	17.3

Trade Agreement with Turkey

<sup>1/</sup> General imports 1925-33; imports for consumption beginning 1934.  
<sup>2/</sup> Preliminary.

Sources: Compiled from official statistics of the U. S. Department of Commerce.

Table 52. - Filberts, in the shell: General imports<sup>1/</sup> into the United States by principal sources, in specified years, 1925-38

Imported from -	1925	1927	1929	1931	1933	1934	1935	1936	1937	1938 2/
Quantity in 1,000 pounds										
Italy -----	8,806:	6,133:	4,841:	6,524:	1,679:	2,384:	2,701:	4,154:	293:	417
Spain -----	573:	1,718:	1,157:	73:	939:	36:	759:	19:	15:	-
Turkey -----	735:	1,211:	9:	-:	140:	32:	32:	-:	-:	-
All other countries -----	263:	543:	439:	154:	91:	-:	41:	-:	22:	-
Total -----	10,378:	9,605:	6,447:	6,951:	2,850:	2,452:	3,533:	4,174:	330:	417
Value in dollars										
Italy -----	1,373,703:	812,463:	561,624:	543,578:	149,120:	170,697:	238,312:	324,047:	27,628:	44,865
Spain -----	81,865:	176,989:	114,320:	4,941:	79,879:	2,555:	60,358:	1,714:	1,322:	-
Turkey -----	95,345:	131,828:	2,724:	-:	11,845:	2,729:	2,400:	-:	-:	-
All other countries -----	37,856:	62,600:	40,956:	16,208:	8,877:	12:	2,974:	33:	1,944:	-
Total -----	1,588,769:	1,883,880:	718,956:	564,727:	249,741:	175,993:	304,044:	325,794:	30,894:	44,865
Unit value in cents per pound										
Italy -----	15.6 :	13.2 :	11.6 :	8.3 :	8.9 :	7.2 :	8.8 :	7.8 :	9.4 :	10.8
Spain -----	14.3 :	10.3 :	9.9 :	6.8 :	8.5 :	7.2 :	8.0 :	9.0 :	8.9 :	-
Turkey -----	13.0 :	10.9 :	30.9 :	- :	8.4 :	8.6 :	7.4 :	- :	- :	-
All other countries -----	14.4 :	15.2 :	9.2 :	10.5 :	9.8 :	40.0 :	7.2 :	7.8 :	9.0 :	-
Average -----	15.3 :	12.3 :	11.2 :	8.4 :	8.8 :	7.2 :	8.6 :	7.8 :	9.4 :	10.8

<sup>1/</sup> Imports for consumption beginning 1934.

<sup>2/</sup> Preliminary.

Sources: Compiled from official statistics of the U. S. Department of Commerce.

Trade Agreement with Turkey

Foreign production and trade

Turkey, Italy, and Spain are the principal foreign producers and exporters of filberts. Table 53 shows the production of those countries over a period of years. The crop yield in all of these countries was small in 1938 because of unfavorable weather.

Table 53. - Filberts, in the shell: Estimated production in specified European countries, 1929-38

Year	Turkey	Italy	Spain
Quantity in 1,000 pounds			
1929	21,200	20,000	78,800
1930	132,000	34,000	21,000
1931	74,000	52,000	48,000
1932	112,000	80,000	70,000
1933	108,000	11,000	28,000
1934	71,000	52,000	76,000
1935	142,000	36,000	48,000
1936	136,000	74,000	52,000
1937	154,000	52,000	64,000
1938 <sup>1/</sup>	52,800	34,000	52,000

<sup>1/</sup> Preliminary estimate.

Sources: U. S. Department of Agriculture, Foreign Crops and Markets, March 25, 1939.

Exports of filberts from Turkey consist chiefly of the shelled nuts whereas those from Italy are largely in the shell. Exports from both countries go chiefly to Germany and other western European markets (see tables 54 and 55).<sup>1/</sup>

<sup>1/</sup> Some Turkish filberts exported to France are reexported to the United States. It is not believed that any large amounts of Turkish filberts exported to countries other than France, are reexported to the United States. Although Turkish export statistics report substantial exports of shelled filberts from Turkey to Italy, when Italian import statistics show only small importations into Italy from Turkey, it appears probable that these Turkish filberts are reexported to other European countries. Italian statistics of exports of shelled filberts from Italy to the United States correspond fairly closely with the United States statistics of imports into the United States from Italy.

Table 34. - Pilberts: Exports of Turkey to principal markets, 1934-37

Exported to -	In the shell				Shelled			
	1934	1935	1936	1937	1934	1935	1936	1937
	Quantity in 1,000 pounds							
UNITED STATES	4	271	355	33	1,003	886	985	761
Germany and Austria	995	8,578	348	3,212	21,733	28,285	36,810	23,790
Czechoslovakia	55	137	68	359	1,625	2,315	3,177	6,898
France	11	60	2	366	1,199	2,004	902	3,435
United Kingdom	-	516	170	783	2,004	1,669	4,936	2,167
Italy	300	121	-	49	7,275	5,128	227	249
Poland	-	282	287	304	7	397	269	595
Switzerland	-	-	-	46	201	677	970	3,278
Egypt	1,182	1,065	529	2,216	641	163	159	273
All other countries	529	937	644	972	1,936	2,475	2,167	4,110
Total	2,676	11,967	2,403	8,340	37,624	43,999	50,602	45,556
	Value in dollars							
UNITED STATES	790	17,669	32,946	2,404	155,723	151,790	177,589	115,387
Germany and Austria	42,686	628,200	32,143	213,947	3,172,156	4,825,145	7,916,772	4,571,416
Czechoslovakia	3,162	11,244	6,429	24,039	230,817	370,238	597,052	1,084,159
France	790	4,016	80	28,046	169,951	306,792	180,000	524,852
United Kingdom	-	35,337	16,071	57,694	289,312	260,211	1,010,891	351,771
Italy	19,762	10,441	-	4,006	1,059,230	796,695	47,411	37,661
Poland	-	24,094	33,750	27,244	790	70,675	59,464	110,579
Switzerland	-	-	-	4,006	29,248	107,618	183,214	493,601
Egypt	86,161	94,768	46,607	145,035	111,456	27,306	45,000	37,661
All other countries	34,781	65,052	61,875	73,720	279,036	396,741	425,892	661,874
Total	188,132	890,821	229,901	580,141	5,497,719	7,313,211	10,643,285	7,988,961
	Unit value in cents per pound							
UNITED STATES	17.9	6.5	9.3	7.3	15.5	17.1	18.0	15.2
Germany and Austria	7.2	7.3	9.2	6.7	14.6	17.1	21.5	19.2
Czechoslovakia	5.7	8.2	9.4	6.7	14.2	16.0	18.8	15.7
France	7.2	6.7	3.6	7.7	14.2	15.3	20.0	15.3
United Kingdom	-	6.8	9.5	7.4	14.4	15.6	20.5	16.2
Italy	6.6	8.6	-	8.3	14.6	15.5	20.9	15.1
Poland	-	8.5	11.8	9.0	11.9	17.8	22.1	18.6
Switzerland	-	-	-	8.7	14.6	15.9	18.9	15.1
Egypt	7.3	8.9	8.8	6.5	17.4	16.7	28.3	13.8
All other countries	6.6	6.9	9.6	7.6	14.4	16.0	19.7	16.1
Average	7.0	7.4	9.6	7.0	14.6	16.6	21.0	17.5

1/ Not over \$500.

Source: Official foreign trade statistics of Turkey.

Trade Agreement with Turkey

## Trade Agreement with Turkey

Table 55. - Filberts: Exports of Italy to principal markets, 1934-38

Exported to -	1934	1935	1936	1937	1938
Quantity in 1,000 pounds					
<u>In the shell</u>					
Germany	18,119	10,805	15,447	12,318	10,046
United Kingdom	2,810	1,120	2,814	2,762	2,928
France	2,571	2,933	2,880	855	839
Netherlands	1,773	270	102	225	1/
Belgium	546	49	310	389	1/
Switzerland	278	150	275	260	153
UNITED STATES	2,057	2,785	4,130	216	456
Canada	950	153	1,221	1,043	896
All other countries	4,444	2,211	7,518	5,322	6,380
Total	33,548	20,476	34,697	23,400	21,698
<u>Shelled</u>					
Germany	877	226	1,278	2,785	2,823
United Kingdom	35	26	260	72	33
France	1,145	619	2,286	474	302
Netherlands	42	61	6	18	1/
Belgium	674	540	427	1,089	371
Switzerland	558	1/	2,493	796	1,591
UNITED STATES	226	399	1,278	315	275
Canada	35	28	118	64	1/
All other countries	1,342	945	4,398	1,352	2,576
Total	4,934	2,844	12,544	6,965	7,971

1/ Not separately reported.

Source: Official foreign trade statistics of Italy.

### Competitive conditions

Domestic filberts are marketed chiefly in the shell and, owing to their larger size and better grading, command a premium of several cents per pound over imported filberts in the shell. At present from 90 to 95 percent of the domestic market for filberts in the shell is supplied from domestic sources.

Until 1936, none of the domestic filberts were shelled, all of the domestic requirements of shelled filberts being supplied by imports. Beginning in 1936, a small proportion of the increasing domestic output was marketed as shelled filberts, and in the crop year 1937-38 domestic shelled filberts supplied 9 percent of the consumption of shelled filberts in this country.

The domestic consumption of filberts is very small and in the last fifteen years has declined relative to that of other domestic nuts (see table 56). At the same time consumption in this country of certain kinds of imported tree nuts, such as cashews, and of domestic peanuts has shown a sharp increase.

Table 56. - Filberts and other nuts: Average annual quantity available for consumption in the United States

(Quantity in 1,000 pounds)				
Period 1/	Filberts	Other domestic tree nuts 2/	Nondomestic tree nuts 3/	Peanuts
In the shell				
1923-26	11,913	97,708	24,082	154,848
1927-30	9,273	95,722	22,287	163,168
1931-34	6,103	78,688	19,479	139,115
1935-38	6,422	82,226	21,902	145,457
Shelled				
1923-26	5,988	56,644	7,714	222,576
1927-30	5,516	61,831	9,710	319,680
1931-34	2,990	46,151	17,883	377,740
1935-38	2,225	46,068	32,480	417,290

1/ Fiscal year ending September 30.

2/ Almonds, pecans, and walnuts.

3/ Brazil nuts, cashews, pistache nuts, and pignolias.

Filberts are a medium-priced nut, being less expensive than walnuts, pecans, pistache nuts, and almonds and more expensive than cashews and peanuts. Table 57 shows the wholesale price quotations for these nuts over a period of years.

Table 57. - Edible nuts, shelled: Wholesale price quotations at New York, 4-year averages, 1926-38

Kind of nut	4-year average		
	1926-27 to 1929-30	1930-31 to 1933-34	1934-35 to 1937-38
Cents per pound			
Pistache nuts, Sicilian No. 1 fancy	107.6	68.2	87.4
Almonds, 5 crown Valencia	51.2	40.7	46.1
Pecans, regular halves	64.2	44.2	42.6
Walnuts, extra large Bordeaux	55.5	46.6	41.2
FILBERTS, Levant	31.9	28.2	31.1
Brazil nuts, medium whole	47.6	24.2	26.8
Cashews, standard whole	53.4	32.7	23.4
Peanuts, Virginia, extra large	12.1	7.5	10.2

Source: Wholesale price lists of Habischt-Braun and Co., New York City.



## PISTACHE NUTS

United States tariff

Par. 761. Edible nuts, not specially provided for:

	<u>Rate of duty</u>
	<u>Before agreement</u> <u>Under agreement</u>
Not shelled -----	2½¢ lb.
Shelled -----	5¢ lb.

Reclassification

Par. 761. Pistache nuts:

Not shelled -----	1½¢ lb.
Shelled -----	2½¢ lb.

Tariff history

	<u>In the shell</u>	<u>Shelled</u>
Act of 1930, par. 761	2½¢ lb.	5¢ lb.
Act of 1922, par. 755	1¢ lb.	1¢ lb.
Act of 1913, par. 226	1¢ lb.	1¢ lb.

Ad valorem equivalent

The specific rate of 2½ cents per pound on pistache nuts in the shell under the act of 1930 has been equivalent to an ad valorem ranging from a low of 10 percent in 1938 to a high of 17 percent in 1933; the 5-cent rate on shelled pistache nuts has been equivalent to a low of 10 percent in 1935 and a high of 14 percent in 1932.

Description and uses

The pistache, or pistachio nut, has a small greenish kernel enclosed in a brittle shell. Shelled and unshelled pistache nuts are roasted and sold in the retail trade for direct consumption. There is also a large consumption of the shelled in confectionery, ice cream, and pastries.

United States production and exports

There is practically no domestic production or exports of pistache nuts. A number of attempts made during the last 50 years to grow them in this country have not been commercially successful. There is no domestic shelling industry, all of the imported nuts in the shell being marketed in that form.

United States imports

Before 1930 United States import statistics did not distinguish between shelled pistache nuts and those in the shell. Combined imports of the two under the act of 1922 averaged 1.3 million pounds annually from 1923 to 1929 inclusive; and under the act of 1930, 2.5 million pounds annually from 1931 to 1938 inclusive.<sup>1/</sup>

Imports consist chiefly of pistache nuts in the shell. United States import statistics show Syria and India as the principal sources of both shelled and in the shell pistache nuts (tables 58 and 59), but practically all of the imports from Syria and a large proportion of these from India are of Turkish origin.

<sup>1/</sup> Simple average of shelled and in the shell combined, not converted to a common basis.



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Table 58. - Pistache nuts, in the shells<sup>1/</sup> United States imports for consumption, by principal sources, 1931-38

Imported from -	1931	1932	1933	1934	1935	1936	1937	1938 <sup>2/</sup>
Quantity in 1,000 pounds								
Syria	470	390	1,684	1,080	1,695	1,129	901	819
Italy	156	421	65	-	43	-	15	276
Iran (Persia)	135	681	179	152	279	179	515	290
France	93	20	33	-	23	-	-	-
British India	55	26	1	5	607	1,316	1,443	713
United Kingdom	-	92	-	.4	-	-	-	-
Turkey	.3	62	76	-	2	-	30	9
Egypt	.8	-	3	5	40	22	-	99
Iraq	1	14	4	-	27	23	139	-
All other countries	7	57	3	11	-	26	26	22
Total	919	1,763	1,989	1,254	2,715	2,696	3,068	2,228
Value in dollars								
Syria	96,760	53,893	244,228	122,500	352,862	229,900	220,841	216,363
Italy	37,295	85,244	10,687	-	9,361	-	3,000	77,534
Iran (Persia)	30,215	118,958	20,361	41,899	59,565	36,318	118,894	77,504
France	19,746	3,285	4,083	-	5,769	-	-	-
British India	13,282	4,550	397	1,158	128,489	253,480	304,748	151,206
United Kingdom	-	13,192	-	111	-	-	-	-
Turkey	73	10,084	10,956	-	575	-	6,727	2,557
Egypt	171	-	300	1,140	9,552	4,640	-	24,549
Iraq	305	1,561	803	-	5,558	6,816	32,915	-
All other countries	2,214	4,410	290	1,347	-	6,630	5,785	4,853
Total	200,061	295,177	292,104	127,155	571,731	537,784	692,910	554,566
Unit value in cents per pound								
Syria	21	14	15	21	21	20	25	26
Italy	24	20	17	-	22	-	20	28
Iran (Persia)	22	18	17	28	21	20	23	27
France	21	17	12	-	25	-	-	-
British India	24	17	35	22	21	19	21	21
United Kingdom	-	14	-	30	-	-	-	-
Turkey	25	16	14	-	26	-	23	28
Egypt	21	-	9	21	24	21	-	25
Iraq	28	11	20	-	21	30	24	-
All other countries	31	8	9	12	-	25	22	22
Average	22	17	15	22	21	20	23	25

<sup>1/</sup> Not separately classified prior to the act of 1930.

<sup>2/</sup> Preliminary.

Sources: Compiled from official statistics of the U.S. Department of Commerce.

## Trade Agreement with Turkey

Table 37. - Pistachio nuts, shelled<sup>1/</sup> United States imports for consumption by principal sources, 1931-38

Imported from -	1931	1932	1933	1934	1935	1936	1937	1938 <sup>2/</sup>
Quantity in 1,000 pounds								
Syria	257	121	156	233	235	185	233	264
Italy	139	173	153	82	26	54	71	69
Iran (Persia)	28	29	36	13	3	37	-	-
United Kingdom	16	25	14	-	-	-	-	-
British India	6	37	-	47	103	143	86	160
Turkey	-	4	6	1	9	3	-	-
All other countries	1	1	7	-	1	1	1	12
Total	469	353	372	376	377	422	384	505
Value in dollars								
Syria	92,622	44,315	56,596	118,721	119,983	83,486	129,560	135,435
Italy	77,743	70,103	70,487	51,234	18,711	33,843	42,401	37,444
Iran (Persia)	9,635	9,123	9,679	5,963	1,214	11,258	-	-
United Kingdom	9,639	9,099	5,984	-	-	-	-	-
British India	1,812	9,700	-	21,267	41,012	53,464	31,021	59,472
Turkey	-	1,011	1,951	951	5,447	1,598	-	-
All other countries	1,761	877	2,234	-	271	292	84	5,744
Total	193,212	144,248	144,911	198,136	186,662	143,893	203,056	238,243
Unit value in cents per pound								
Syria	36	37	36	51	51	45	56	52
Italy	49	41	46	63	71	63	60	54
Iran (Persia)	34	31	27	46	45	31	-	-
United Kingdom	62	36	28	-	-	-	-	-
British India	32	26	-	45	40	38	36	37
Turkey	-	28	35	77	62	59	-	-
All other countries	52	27	30	-	29	43	51	46
Average	41	37	39	53	50	44	52	47

<sup>1/</sup> Not separately classified prior to the act of 1920.<sup>2/</sup> Preliminary.<sup>3/</sup> Less than 1,000 pounds.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Foreign production and trade

Pistache nuts are grown chiefly in countries of the Near East and in Italy and India. Tables 60, 61, and 62 show exports of Turkey, Iran, and Italy, the chief exporting countries, to their principal markets. A large part of the exports from Turkey reported in the Turkish statistics as going to Syria and India are reexported to the United States.

Table 60. - Pistache nuts: Exports of Turkey to principal markets, 1932, and 1934-37

Exported to -	1932 <sup>1/</sup>	1934 <sup>1/</sup>	1935	1936	1937
Quantity in 1,000 pounds					
<u>In the shell</u>					
Syria	2,191	1,410	407	122	501
Egypt	122	103	133	62	76
UNITED STATES	86	6	1,242	781	487
British India	-	-	9	2,037	958
All other countries	67	53	118	55	129
Total	2,466	1,572	1,900	3,057	2,151
<u>Shelled</u>					
Syria	289	330	127	54	77
Egypt	43	36	9	10	6
UNITED STATES	20	13	56	58	12
British India	-	-	-	140	120
All other countries	45	62	3	12	12
Total	397	440	196	274	227

<sup>1/</sup> Includes pignolia nuts.

Source: Official foreign trade statistics of Turkey.

Table 61. - Pistache nuts: Exports of Iran to principal markets (fiscal year from June 22 to June 21), 1932-37

Exported to -	1932-33	1933-34	1934-35	1935-36	1936-37
Quantity in 1,000 pounds					
<u>In the shell</u>					
British India	203	175	393	550	349
Iraq	13	28	65	58	81
Germany	18	7	2	131	2
UNITED STATES	31	49	168	152	461
All other countries	4	6	39	66	127
Total	269	264	668	957	1,020
<u>Shelled</u>					
British India	2.0	2.0	.5	7.5	<sup>1/</sup>
UNITED STATES	-	-	-	52.0	<sup>1/</sup>
All other countries	.2	.4	8.8	27.2	<sup>1/</sup>
Total	2.2	2.4	9.3	86.7	<sup>1/</sup>

<sup>1/</sup> Not separately reported.

Source: Official foreign trade statistics of Iran.

Table 62. - Pistache nuts, shelled,<sup>1/</sup> Exports of Italy to principal markets, 1934-38

Exported to -	1934	1935	1936	1937	1938
	Quantity in 1,000 pounds				
UNITED STATES -----	20	60	48	62	53
Germany -----	74	35	50	63	72
United Kingdom -----	54	68	19	41	56
France -----	108	62	27	51	2/
All other countries -----	66	50	27	98	133
Total -----	322	275	171	315	314

<sup>1/</sup> Italy's total exports of pistache nuts in the shell amounted to 23,000 pounds in 1934, 322,000 pounds in 1938, and were negligible in 1935, 1936, and 1937.

<sup>2/</sup> Not reported.

Source: Official foreign trade statistics of Italy.

#### Competitive conditions

Pistache nuts are much higher in price than most domestic and imported nuts (see table 63). They are used for special purposes and compete only to a limited degree with other nuts.

Table 63. - Edible nuts, shelled: Wholesale price quotations at New York, 1933-38

Kind of nut	1933-34	1934-35	1935-36	1936-37	1937-38
	Cents per pound				
PISTACHE NUTS, Sicilian No. 1, fancy -----	84.3	108.2	77.8	86.0	77.8
Almonds, Valencia 5 crown -----	43.3	41.0	44.0	52.5	47.0
Walnuts, extra large Ber-deaux -----	48.4	42.0	43.3	39.9	39.5
Pecans, regular halves -----	40.5	53.8	35.0	43.8	37.7
Filberts, Levant select -----	29.0	30.8	31.5	32.9	29.2
Brazil nuts, medium whole -----	20.9	23.0	24.3	32.5	27.4
Cashews, standard whole -----	25.8	25.5	25.5	22.0	20.4
Peanuts, extra large Virginia -----	8.3	11.3	9.6	10.8	9.1

Source: Babicht and Braun, published wholesale price list, New York.



## POPPY SEED

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 762. Poppy seed -----	16¢ per 100 lbs.	16¢ per 100 lbs.

Tariff history

Netherlands agreement, effective February 1, 1936	- 16¢ per 100 lbs.
Act of 1930, par. 762	- 32¢ per 100 lbs.
Act of 1922, par. 760	- 32¢ per 100 lbs.
Act of 1913, par. 212	- 15¢ per bu. (47 lbs.)

Ad valorem equivalent

The specific rate of 16 cents per 100 pounds on poppy seed was equivalent to 2 percent ad valorem on the basis of the average unit value of imports in 1938.

Description and uses

The poppy usually grown for seed is the so-called Black Poppy which produces the slate-colored seed of commerce. The type grown for opium, the White Poppy, produces a greyish white seed, not used to any great extent for the commercial production of seed.

Poppy seed with none of the narcotic properties of opium is used principally on bread and rolls and to a small extent for bird feed. The oil of poppy seed resembles olive oil and is used extensively in Europe as a salad dressing oil, but this use is unimportant in the United States. There is a small importation of poppy-seed oil into the United States, for use in the preparation of artists' paints of high quality.

United States production

Poppy seed is not produced commercially in the United States, nor is the imported seed crushed for oil in this country.

United States imports

Imports of poppy seed come principally from the Netherlands and Poland, and in some years there have been appreciable imports from Turkey (see table 64). Imports enter largely through the New York customs district. Imports have increased during the last 5 years because of the increasing popularity of poppy seed for use on bread and rolls.

Table 64. - Poppy seeds: United States imports for consumption by principal sources, 1929 and 1931-38

Country	1929	1931	1932	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
Quantity in short tons									
Netherlands	2,055	3,075	2,599	2,694	1,893	1,750	2,155	2,478	3,360
Poland and Danzig	69	-	-	51	526	1,377	1,193	1,321	1,372
Turkey	231	188	298	81	22	24	33	-	-
All other countries	2/ 985	319	392	3/ 1,277	3/ 765	3/ 1,046	70	6	3/ 93
Total	3,340	3,582	3,289	4,103	3,206	4,197	3,451	3,805	4,825
Value in dollars									
Netherlands	295,742	358,203	326,792	435,840	226,186	182,172	247,535	351,690	519,993
Poland and Danzig	6,679	-	-	6,985	57,066	126,481	119,689	175,496	187,192
Turkey	32,025	18,643	34,417	13,380	2,534	2,226	3,304	-	-
All other countries	2/ 115,494	32,795	51,986	3/ 172,539	3/ 77,223	3/ 86,611	7,402	1,023	3/ 16,306
Total	449,940	409,641	413,195	628,744	363,009	397,490	377,930	528,209	723,491
Unit value in cents per pound									
Netherlands	7.2	5.8	6.3	8.1	6.0	5.2	5.7	7.1	7.7
Poland and Danzig	4.9	-	-	6.9	5.4	4.6	5.0	6.6	6.8
Turkey	6.9	5.0	5.8	8.3	5.8	4.7	5.0	-	-
All other countries	5.9	5.1	6.6	6.8	5.0	4.1	5.3	9.1	8.8
Average	6.7	5.7	6.3	7.7	5.7	4.7	5.5	6.9	7.5

1/ Preliminary.

2/ Principally Soviet Union.

3/ Principally Hungary.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Foreign production and trade

The Soviet Union, Hungary, Turkey, Rumania, Poland, the Netherlands, and Iran are the principal producers and exporters of poppy seed. The Netherlands is an important importer and exporter of poppy seed. Table 65 shows exports of the principal countries over a period of years.

Table 65. - Poppy seeds: Exports of principal exporting countries, average 1927-30, annual 1931-38

Year	Poland	Nether-lands <sup>1/</sup>	Hungary	British: Indies <sup>2/</sup>	Rumania	Iran <sup>3/</sup>	Turkey
Quantity in short tons							
Average -							
1927-30	2,893	4,513	759	989	1,243	5/	5/
1931	3,954	4,891	475	251	1,243	5/	5/
1932	3,707	3,897	312	763	206	938	5/
1933	4,915	4,129	3,958	1,062	311	1,738	5/
1934	4,846	2,378	2,026	84	304	4,429	5/
1935	5,488	2,468	2,271	44	815	5,808	287
1936	4,233	3,169	306	58	528	6,464	2,895
1937	4,152	3,431	1	124	99	5/	337
1938	4,406	5,085	5/	5/	5/	5/	5/

<sup>1/</sup> Netherlands' imports amounted to 1,498 short tons in 1937 and to 2,217 short tons in 1938.

<sup>2/</sup> Fiscal year ending March 31 of following year.

<sup>3/</sup> Fiscal year ending June 30 of following year.

<sup>4/</sup> 1929 and 1930 only.

<sup>5/</sup> Not available.

Source: Official export statistics of specified countries.

Table 66 shows the exports of Poland, the Netherlands, and Turkey to principal markets.

Table 66. - Poppy seed: Exports of Poland, the Netherlands, and Turkey to principal markets, 1935, 1936, and 1937

Exported to -	Exports from -								
	Poland			Netherlands			Turkey		
	1935	1936	1937	1935	1936	1937	1935	1936	1937
Quantity in short tons									
UNITED STATES	1,541	1,157	1,349	1,741	2,197	2,454	8	33	-
Netherlands	1,715	813	1,044	1/	1/4	-	-	-	88
Germany	757	985	643	470	583	609	279	2,551	89
Austria	780	718	801	1/	1/	-	-	-	-
Czechoslovakia	602	385	261	1/	1/	-	-	311	160
All other countries	93	175	54	257	389	368	-	-	-
Total	5,488	4,233	4,152	2,468	3,169	3,431	287	2,895	337

<sup>1/</sup> Not separately reported. Exports, if any, included in "all other countries."

Source: Official export statistics of specified countries.

Competitive conditions

Poppy seed is not produced or crushed for oil in the United States. The imported seed is used mostly in the bakery trade and is not directly competitive with any domestic product.

Poppy seed, although it has a comparatively high oil content, is considerably higher in price than domestic oil seeds, and for this reason it is not crushed for oil in this country. In early 1939, the wholesale price of poppy seed ranged from 9 to 10 cents per pound (oil yield 41 percent) as compared with 3 cents per pound for flax seed (yield 33 percent) and for peanuts in the shell (yield 23 percent), 1.5 cents per pound for soybeans (yield 14 percent), and slightly over 1 cent per pound for cotton seed (yield 15 percent).

The United States imports of poppy-seed oil, which are very small (35,642 pounds valued at \$2,633 in 1938), are used chiefly in the preparation of artists' paints of high quality. The duty on poppy-seed oil is 2 cents per pound, equivalent to 27 percent ad valorem on the basis of the average unit value of imports in 1938.

CANARY SEED

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 764. Canary seed _____	1¢ per lb.	3/4¢ per lb.

Tariff history

Act of 1930, par. 764	- 1¢ per pound
Act of 1922, par. 762	- 1¢ per pound
Act of 1913, par. 212	- 1/2¢ per pound

Ad valorem equivalent

The equivalent ad valorem under the act of 1930 has ranged from a low of 26 percent in 1936 to a high of 74 percent in 1933. In 1938 it was 37 percent.

Description and uses

Canary seed is the product of an annual grass, *Phalaris canariensis*, cultivated in Argentina and in the countries bordering the Mediterranean Sea. It is used for bird feed, either alone or in mixtures with other seeds such as rape, hemp, and millet.

United States production

Canary seed has been produced in various localities in the United States, but the output has always been small relative to imports. In 1931, 370,000 pounds were produced in Montana, but no production has been reported there since then. It is reported that 400,000 pounds were produced in California in 1935, 700,000 pounds in 1936, and approximately 1,000,000 pounds in 1938.

United States imports

Argentina, Turkey, and Morocco are the principal sources of the United States imports (see table 67).



Table 67. - Canary seeds: United States imports for consumption by principal sources in selected years, 1927 to 1938

Imported from -	1927 <sup>1/</sup>	1929	1931	1933	1934	1935	1936	1937	1938 <sup>2/</sup>
Quantity in 1,000 pounds									
Argentina	11,130	5,209	7,898	12,309	11,544	14,094	7,938	9,749	7,333
Turkey	351	1,232	6,063	5,139	4,329	3,158	6,462	5,523	6,210
Morocco	1,944	7,954	4,070	3,460	2,078	1,929	2,166	1,565	1,037
All other countries	921	2,898	1,393	516	758	628	243	1,396	534
Total	14,346	17,293	19,424	21,424	18,709	19,809	16,809	18,233	15,114
Value in dollars									
Argentina	300,008	192,650	189,704	145,182	229,970	332,722	300,651	352,443	190,998
Turkey	9,504	49,105	159,249	71,655	87,707	106,545	244,218	222,154	163,871
Morocco	58,993	327,606	113,897	61,132	61,887	73,358	97,719	57,461	28,843
All other countries	38,156	131,105	51,220	12,983	26,154	17,253	12,017	64,166	17,840
Total	406,661	700,466	514,070	290,952	405,718	529,878	654,605	696,226	401,552
Unit value in cents per pound									
Argentina	2.7	3.7	2.4	1.2	2.0	2.4	3.8	3.6	2.6
Turkey	2.7	4.0	2.6	1.4	2.0	3.4	3.8	4.0	2.6
Morocco	3.0	4.1	2.8	1.8	3.0	3.8	4.5	3.7	2.8
All other countries	4.1	4.5	3.7	2.5	3.5	2.7	4.9	4.6	3.3
Average	2.8	4.1	2.6	1.4	2.2	2.7	3.9	3.8	2.7

<sup>1/</sup> General imports.

<sup>2/</sup> Preliminary.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Foreign production and trade

Argentina, Turkey, and Morocco are the principal producers and exporters of canary seed, and there is also substantial consumption in those countries. Table 68 shows exports of Argentina and Turkey to principal markets. Exports of Morocco (which go chiefly to France, the United States, and the United Kingdom) amounted to 11,411,000 pounds in 1933, 14,466,000 pounds in 1934, 7,265,000 pounds in 1935, and 17,823,000 pounds in 1936.

Table 68. - Canary seed: Exports of Argentina and Turkey to principal markets, 1935, 1936, and 1937

Exported to -	Exports of Argentina			Exports of Turkey		
	1935	1936	1937	1935	1936	1937
	Quantity in 1,000 pounds					
UNITED STATES -----	14,504	7,963	10,441	2,919	7,125	5,862
Germany and Austria -----	16,301	108	22	4,965	4,173	3,503
United Kingdom -----	4,707	2,930	4,733	2,831	5,961	5,681
Belgium -----	7,105	1,984	4,385	269	2,139	4,586
All other countries -----	15,110	3,234	8,301	4,082	3,512	12,123
Total -----	57,727	16,219	27,882	15,066	22,910	31,755
	Value in 1,000 dollars					
UNITED STATES -----	364	319	380	104	288	212
Germany and Austria -----	332	5	1	190	170	133
United Kingdom -----	117	113	168	121	239	184
Belgium -----	162	77	154	9	81	148
All other countries -----	340	127	291	149	133	451
Total -----	1,315	641	994	573	911	1,128
	Unit value in cents per pound					
UNITED STATES -----	2.5	4.0	3.6	3.6	4.0	3.6
Germany and Austria -----	2.0	4.3	3.0	3.8	4.1	3.8
United Kingdom -----	2.5	3.9	3.5	4.3	4.0	3.2
Belgium -----	2.3	3.9	3.5	3.3	3.8	3.2
All other countries -----	2.3	3.9	3.5	3.7	3.8	3.7
Average -----	2.3	4.0	3.6	3.8	4.0	3.6

Source: Official foreign trade statistics of Argentina and Turkey.

Competitive conditions

Imports supply the great bulk of canary seed used in this country. Imported canary seed, owing to its special characteristics, is only indirectly competitive with other kinds of seed used in bird feed mixtures, such as millet, rape, and hemp seed. It is higher in price than millet seed, the chief domestic seed used in bird feed mixtures. In early 1939, canary seed was quoted, wholesale in Baltimore, at \$5.25 per 100 pounds as compared with \$3.50 per 100 pounds for millet seed.

Imports of canary seed are much larger than those of the other kinds of seed used in bird feed mixtures. In 1938, imports of canary seed were valued at \$401,600, of millet seed at \$4,300, of rape seed at \$4,000, and of hemp seed at \$5,900. The domestic production of millet seed is appreciable (estimated at 22,000,000 pounds in 1929) and of hemp seed very small. There is no domestic commercial production of rape seed.



## HAND-MADE ORIENTAL RUGS

United States tariff

Par. 1116(a). Oriental, Axminster, Savonnerie, Aubusson, and other carpets, rugs, and mats, not made on a power-driven loom, plain or figured, whether woven as separate carpets, rugs, or mats, or in rolls of any width

Rate of duty  
Before agreement    Under agreement

50¢ per sq.ft. but not less than 45% ad val.	30¢ per sq.ft. but not less than 45% ad val.
---	---

Tariff history

Act of 1930, par. 1116 (a) - 50¢ per sq. ft. but not less than 45% ad valorem  
 Act of 1922, par. 1116 - 55% ad valorem  
 Act of 1913, par. 300 - 50% ad valorem

Analysis of concession

Under the act of 1922, all oriental rugs were dutiable at 55 percent ad valorem. Under the act of 1930, the tariff rate on hand-made oriental rugs was changed to 50 cents per square foot but not less than 45 percent ad valorem, which meant in effect that hand-made oriental rugs having a foreign value of over \$1.11 per square foot were dutiable at 45 percent ad valorem, whereas those having a foreign value of \$1.11 or less per square foot were dutiable at 50 cents per square foot.

The tariff rates specified in the Turkish agreement mean that hand-made oriental rugs having a foreign value of over \$0.66-2/3 per square foot are dutiable at 45 percent ad valorem whereas those having a foreign value of \$0.66-2/3 or less per square foot are dutiable at 30 cents per square foot. A comparison of the tariff rates specified in the Turkish agreement with the rates under the acts of 1930 and 1922 is shown in table 69.

Table 69. - Comparison of tariff rates applicable to hand-made rugs in the Tariff Acts of 1922 and 1930 and in the Turkish agreement

Assumed foreign value per square foot	Act of 1922 (duty - 55% ad valorem)	Act of 1930 (duty - 50¢ sq. ft. but not less than 45% ad valorem)	Turkish agreement (duty - 30¢ sq. ft. but not less than 45% ad valorem)
Over \$1.11	55% ad val.	45% ad val.	45% ad val.
Over \$0.66-2/3 but not over \$1.11	55% ad val.	50¢ per sq. ft.	45% ad val.
\$0.66-2/3 or under	55% ad val.	50¢ per sq. ft.	30¢ per sq. ft.

The following table shows the actual or computed ad valorem duty applicable to oriental rugs of various foreign values on the basis of the tariff rates provided for in the Tariff Acts of 1922 and 1930 and in the Turkish agreement.

Table 70. - Hand-made oriental rugs: Actual or computed ad valorem duties under acts of 1922, 1930, and Turkish agreement

Assumed foreign value per square foot	Actual or computed ad valorem under:		
	Act of 1922 (duty - 55% ad val.)	Act of 1930 (duty - 50% sq. ft., but not less than 45% ad val.)	Turkish agreement (duty - 30% sq. ft., but not less than 45% ad val.)
	Percent		
Over \$1.11	55	45	45
1.00	55	50	45
.90	55	56	45
.80	55	63	45
.70	55	70	45
.66-2/3	55	75	45
.60	55	83	50
.50	55	100	60
.40	55	125	75
.30 or less	55	167 or over	100 or over

Equivalent ad valorem and specific on basis of United States imports under act of 1930

Table 71 shows the average foreign unit values of the United States imports from all countries of oriental rugs dutiable at the ad valorem rate and of those dutiable at the specific rate under the act of 1930, together with the computed specific or ad valorem equivalents of these rates.

Table 71. - Oriental, Axminster, etc. rugs and carpets, hand-made: Average unit values of United States imports together with tariff rates of duty applicable thereon in selected years, 1931-38

Imports dutiable at -	Average unit value of imports from all countries	United States tariff rate	Equivalent specific or ad valorem (computed on basis of average unit value of United States imports shown in this table)
	Per sq. ft.		Equivalent specific
<u>Ad valorem rate</u>			
1931	\$1.58	45% ad val.	71¢ per sq. ft.
1933	1.66	do.	75¢ do.
1935	1.34	do.	60¢ do.
1937	1.31	do.	59¢ do.
1938	1.33	do.	60¢ do.
			<u>Equivalent ad valorem</u>
<u>Specific rate</u>			
1931	.64	50¢ sq. ft.	78 percent
1933	.55	do.	91 do.
1935	.71	do.	70 do.
1937	.85	do.	59 do.
1938	.85	do.	59 do.

Description and uses

The tariff reduction provided for in the Turkish agreement is limited to hand-made carpets, rugs, and mats, among which are knotted pile oriental rugs of the type produced in the Near and Far East, hand-tufted knotted pile Axminster and Savonnerie from Europe, and flat woven Aubusson floor coverings (somewhat similar to tapestry)

from Europe. Oriental rugs account for the great bulk of the imports. Imports of Axminster, Savonnerie, and Aubusson rugs, carpets, etc. are very small.

Oriental rugs are made in a great variety of sizes, colors, and designs. Rugs of a characteristic design or color are frequently known by the name of the locality of their production, for example, Bokhara, Kerman, and Isparta. The value of the rug depends upon its individuality, construction, design, age, and other factors. Oriental rugs, especially the older ones, are usually made chiefly of wool, although in recent years there has been a substantial production of silk or rayon rugs.

#### Summary of United States production, imports, and exports

There is no commercial production in the United States of hand-made wool rugs. The United States is, however, a large producer of machine-made rugs. Table 72 shows the United States production, imports, and exports of all kinds of wool rugs and carpets. Imports normally supply considerably less than 4 percent of the total domestic consumption. Of the total imports shown in the table, roughly one-half consists of hand-made rugs of the type upon which the duty has been reduced and the remainder of machine-made rugs. Imports of hand-made rugs upon which the duty has been reduced averaged 2 million square yards annually during the 7-year period 1923 to 1929 and 600,000 square yards annually during the 8-year period 1931 to 1938.

Table 72. - Wool carpets and rugs (all kinds): United States production, imports, exports, and apparent consumption in selected years, 1914 to 1937

Year	Domestic	Domestic	Total	Apparent	Proportion of U.S.	
	production	exports	imports <sup>1/</sup>	domestic consumption	consumption supplied by -	
	Quantity in 1,000 square yards				Production	Imports
					Percent	Percent
1914	66,340	2/	1,189	67,529	98.2	1.8
1919	52,173	2/	474	52,647	99.1	.9
1921	52,906	2/	1,600	54,505	97.1	2.9
1923	83,242	92	2,615	85,765	97.0	3.0
1925	72,101	59	2,901	74,942	96.1	3.9
1927	67,233	61	3,310	70,462	95.3	4.7
1929	73,411	184	3,137	76,364	95.9	4.1
1931	44,181	37	1,681	45,826	96.3	3.7
1933	41,876	33	1,460	43,243	96.6	3.4
1935	58,684	85	1,515	60,113	97.5	2.5
1937	65,346	119	1,708	66,935	97.4	2.6

<sup>1/</sup> Includes hand-made and machine-made.

<sup>2/</sup> Not separately recorded.

Source: Production statistics from U. S. Bureau of Census; import and export statistics from U. S. Department of Commerce.

#### United States production

The United States is the world's largest producer of machine-made wool rugs, most of which sell at considerably lower prices than the bulk of imported hand-made rugs. In 1937, there were 55 domestic concerns producing wool rugs and carpets. These were located chiefly in New York, Pennsylvania, Massachusetts, and Connecticut, New Jersey, Minnesota, Wisconsin, North Carolina, and Ohio. Practically all of the wool used in domestic rugs is imported (free of duty).

In 1929, the domestic industry began to produce a machine-made rug known as shen or American oriental, which was dyed and washed with chemicals to give it the appearance of hand-made orientals. Such rugs, although considerably higher in price than most domestic rugs, sell at lower prices in the United States than the

bulk of the imported hand-made orientals. The domestic production of sheen rugs, shown in table 73, accounts for less than 5 percent of the total quantity of the domestic output.

Table 73. - Wool rugs of the "sheen" type: United States production in selected years, 1929 to 1937

Year	Quantity	Value	Unit value
	Sq. yds.		Sq. yds.
1929	1,822,196	\$14,557,702	\$7.99
1931	1,454,786	12,707,159	8.73
1933	1,654,863	6,900,511	4.17
1935	2,107,575	8,132,813	3.86
1937	1,412,460	6,311,327	4.47

Source: U. S. Bureau of the Census.

#### United States imports

Imports of oriental rugs averaged over 2,000,000 square yards annually under the act of 1922 but declined to 600,000 square yards annually under the act of 1930 (see table 74). The decrease was due in part to low purchasing power after 1930 which restricted the demand for both domestic and imported rugs and at the same time shifted demand from wool rugs to less expensive floor coverings such as those with felt base. Changes in interior decorating styles and the tariff increase under the act of 1930 were additional factors restricting imports, particularly of lower priced oriental rugs which formerly accounted for a substantial proportion of the imports from Turkey.

Table 74. - Oriental, Axminster, Savonnerie, Aubusson, and other carpets and rugs, not made on a power-driven loom: United States imports for consumption, 1923-38

Year	Quantity	Value	Unit value
	1,000 sq. yds.	1,000 dollars	Per sq. yd.
1923	1,822	10,459	\$5.74
1924	1,806	12,067	6.68
1925	1,886	14,712	7.80
1926	2,176	16,798	7.72
1927	2,217	18,175	8.20
1928	2,062	17,428	8.45
1929	1,976	16,150	8.19
1930	1,346	10,619	7.87
1931	1,070	7,707	7.20
1932	736	4,296	5.84
1933	778	4,117	5.29
1934	483	3,298	6.83
1935	591	4,038	6.83
1936	602	4,187	6.96
1937	464	4,022	8.64
1938 1/	294	2,649	9.00

1/ Preliminary.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Iran is the principal source of the United States imports, and China the second source. Turkey was formerly an important source, but imports from Turkey have declined sharply in recent years partly as a result of the relatively high price level in Turkey and partly as a result of the establishment of a specific duty

on rugs in 1930 which restricted imports of certain classes of Turkish rugs. The devaluation of both the American and Iranian currency without any corresponding devaluation of the Turkish currency placed Turkey in an unfavorable position in the American market as compared with Iran.

Table 75 shows the United States total imports from principal sources of oriental, Axminster, and other hand-made rugs. Tables 75a and 75b show imports of such rugs dutiable at the specific and at the ad valorem rate under the act of 1930. Practically all of the imports in these classes are oriental rugs.

Table 75. - Oriental, Axminster, Savonnerie, Aubusson, and other carpets and rugs not made on a power-driven loom<sup>1/</sup> United States imports for consumption by principal sources in selected years, 1931 to 1938

Imported from -	1929	1931	1933	1934	1935	1936	1937	1938 2/
Quantity in 1,000 square feet								
Iran (Persia) -----	7,005	4,887	4,803	2,963	3,963	4,133	2,692	1,864
China -----	3,437	2,780	1,233	844	719	722	923	577
Turkey -----	2,580	391	228	115	72	86	55	6
British India -----	957	341	109	40	60	64	60	48
Greece -----	879	127	35	7	8	9	18	4
U.S.S.R. -----	128	180	298	192	173	26	13	12
United Kingdom -----	1,163	361	111	42	113	146	132	29
France -----	252	90	49	27	55	57	53	32
All other countries:	1,345	474	138	115	158	172	233	73
Total -----	17,746	9,631	7,004	4,345	5,321	5,415	4,179	2,645
Value in 1,000 dollars								
Iran (Persia) -----	6,591	4,116	2,813	2,304	3,014	3,226	2,679	1,946
China -----	2,605	1,993	611	559	546	463	765	455
Turkey -----	1,908	327	137	89	38	68	44	12
British India -----	1,260	478	109	49	64	75	73	61
Greece -----	922	130	19	8	6	7	13	3
U.S.S.R. -----	92	147	153	109	109	17	15	11
United Kingdom -----	1,200	414	92	51	81	134	140	44
France -----	366	174	82	36	55	55	59	36
All other countries:	1,206	528	101	93	125	143	234	81
Total -----	16,150	7,707	4,117	3,298	4,038	4,188	4,022	2,649
Unit value per square foot								
Iran (Persia) -----	\$0.94	\$0.84	\$0.59	\$0.78	\$0.76	\$0.78	\$1.00	\$1.04
China -----	.76	.50	.50	.66	.76	.64	.83	.79
Turkey -----	.74	.84	.60	.77	.53	.79	.79	1.90
British India -----	1.32	1.40	.99	1.21	1.06	1.17	1.22	1.26
Greece -----	1.05	1.02	.55	1.06	.73	.77	.73	.86
U.S.S.R. -----	.72	.82	.51	.57	.63	.64	1.11	.94
United Kingdom -----	1.03	1.15	.83	1.19	.73	.92	1.06	1.51
France -----	1.45	1.93	1.66	1.31	1.02	.96	1.12	1.14
All other countries:	.97	1.11	.79	.61	.78	.84	1.01	1.07
Average -----	.91	.80	.59	.76	.76	.77	.96	1.00

1/ Tables 75a and 75b combined.

2/ Preliminary.

Source: Compiled from official statistics of the U. S. Department of Commerce.

## Trade Agreement with Turkey

Table 75a. - Oriental, Axminster, Savonnerie, Aubusson, and other carpets and rugs not made on a power-driven loom - dutiable at 50 cents per square foot: United States imports for consumption by principal sources, 1931 and 1933-38

Imported from -	1931	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
Quantity in 1,000 square feet							
Iran (Persia) -----	3,918	4,662	2,701	3,632	3,856	1,842	1,159
China -----	2,773	2,233	843	712	720	903	559
Turkey -----	376	220	108	71	79	40	2
British India -----	87	69	17	33	24	21	11
U.S.S.R. -----	169	298	152	173	25	7	6
United Kingdom -----	256	91	26	99	122	98	7
France -----	27	35	18	44	43	34	17
Greece -----	115	35	6	8	9	18	3
All other countries -----	311	119	139	140	149	166	44
Total -----	8,032	6,762	4,010	4,912	5,027	3,129	1,808
Value in 1,000 dollars							
Iran (Persia) -----	2,753	2,613	1,964	2,594	2,884	1,609	1,035
China -----	1,383	610	559	538	460	740	434
Turkey -----	281	125	75	34	52	23	1
British India -----	73	47	15	24	21	20	9
U.S.S.R. -----	130	152	108	109	15	7	3
United Kingdom -----	183	55	18	57	91	80	6
France -----	24	23	13	33	33	24	12
Greece -----	111	18	6	6	6	13	3
All other countries -----	236	72	69	94	107	130	33
Total -----	5,174	3,715	2,827	3,489	3,669	2,646	1,536
Unit value per square foot							
Iran (Persia) -----	\$0.70	\$0.56	\$0.73	\$0.71	\$0.75	\$0.87	\$0.89
China -----	.50	.49	.66	.76	.64	.82	.78
Turkey -----	.75	.57	.70	.49	.67	.57	.51
British India -----	.83	.69	.89	.72	.85	.94	.82
U.S.S.R. -----	.77	.51	.71	.63	.61	.94	.51
United Kingdom -----	.71	.61	.67	.58	.74	.82	.88
France -----	.89	.65	.71	.76	.75	.71	.73
Greece -----	.96	.53	1.01	.72	.68	.73	.79
All other countries -----	.76	.59	.50	.67	.72	.79	.75
Average -----	.64	.55	.71	.71	.73	.85	.85

<sup>1/</sup> Preliminary.

Source: Compiled from official statistics of the U. S. Department of Commerce.



Table 75b. - Oriental, Axminster, Savonnerie, Aubusson, and other carpets and rugs not made on a power-driven loom, dutiable at 45 percent ad valorem: United States imports for consumption by principal sources, 1931, 1933-38

Imported from	1931	1933	1934	1935	1936	1937	1938	1/
Quantity in 1000 square feet								
Iran (Persia)	970	141	262	331	277	651	705	
British India	254	41	24	27	40	39	36	
United Kingdom	105	20	16	14	23	34	22	
France	63	14	9	11	14	19	15	
Turkey	16	7	7	1	7	15	4	
China	7	2/	1	6	2	20	18	
U.S.S.R.	11	2/	2/	-	1	6	7	
Greece	12	1	1	2/	1	2/	2/	
All other countries	161	19	14	19	23	66	30	
Total	1,599	243	334	409	388	1,050	837	
Value in 1,000 dollars								
Iran (Persia)	1,364	201	340	421	342	1,070	912	
British India	405	61	34	40	54	54	51	
United Kingdom	231	37	33	24	43	60	38	
France	150	59	23	22	22	35	24	
Turkey	46	12	14	4	15	21	11	
China	9	1	1	8	3	25	21	
U.S.S.R.	16	2/	1	-	2	8	9	
Greece	19	1	2	2/	1	2/	1	
All other countries	292	30	23	30	36	103	46	
Total	2,532	402	471	549	518	1,376	1,113	
Unit value - per square foot								
Iran (Persia)	\$1.41	\$1.42	\$1.30	\$1.27	\$1.23	\$1.26	\$1.29	
British India	1.60	1.52	1.43	1.48	1.36	1.37	1.40	
United Kingdom	2.20	1.86	2.07	1.77	1.84	1.76	1.69	
France	2.38	4.19	2.40	2.08	1.59	1.86	1.58	
Turkey	2.93	1.64	1.94	3.44	2.13	1.39	2.60	
China	1.29	1.77	1.20	1.27	1.48	1.23	1.20	
U.S.S.R.	1.55	1.23	6.70	-	1.20	1.33	1.29	
Greece	1.64	1.65	1.34	1.31	1.60	1.28	1.45	
All other countries	1.79	1.61	1.72	1.59	1.57	1.57	1.53	
Average	1.58	1.66	1.41	1.34	1.34	1.31	1.33	

1/ Preliminary.

2/ Not over 500.

Source: Compiled from official statistics of the U. S. Department of Commerce.

#### United States exports

United States exports of wool carpets and rugs are small, accounting in quantity for less than 1 percent of the domestic output.

#### Foreign production and trade

Iran, India, China, Turkey, and Greece are large producers and exporters of wool rugs (chiefly hand-made). Table 76 shows exports of these countries over a period of years. The principal import markets are the Western European countries and the United States (see table 77). In early 1939 the wholesale prices in Turkey of Ispartas and Bergamas, the principal types of Turkish rugs produced for export, ranged between \$0.60 and \$1.00 per square foot.

## Trade Agreement with Turkey

Table 76. - Wool rugs and carpets: Exports of specified countries, 1929-37

Year	Total, to all countries					To United States				
	Iran 1/	India 2/	China	Turkey	Greece	Iran 1/	India 2/	China	Turkey	Greece
Quantity in 1,000 pounds										
1929	11,529	4,636	3/	2,873	88	5,587	1,127	2/	1,080	51
1930	9,498	4,232	3/	2,059	395	3,665	840	3/	463	174
1931	10,411	4,767	3/	1,720	65	3,170	554	3/	71	15
1932	10,028	5,963	4,927	888	101	3,849	928	2,959	49	19
1933	8,760	8,452	2,938	754	3/	3,261	775	1,222	13	3/
1934	8,753	10,093	3,073	655	154	3,086	858	942	3	6
1935	8,680	9,347	2,475	456	119	3,257	1,621	791	3	9
1936	10,085	9,898	3,185	499	190	3,330	1,574	1,083	2	6
1937	3/	11,061	3,673	238	330	3/	1,785	1,383	3	18
Value in 1,000 dollars 4/										
1929	12,286	3,074	3/	2,567	103	6,598	1,303	3/	1,066	55
1930	9,478	2,414	3/	1,841	638	4,561	753	3/	515	279
1931	8,965	1,774	3/	1,134	92	3,287	340	3/	80	17
1932	6,513	1,661	690	538	108	2,618	332	399	48	31
1933	8,612	2,527	1,431	462	3/	3,640	295	697	15	3/
1934	7,559	3,368	1,652	395	153	2,891	293	622	2	5
1935	6,751	3,002	1,483	346	130	2,697	488	552	5	8
1936	8,989	3,201	1,513	612	202	3,630	447	598	5	7
1937	3/	3,845	2,401	309	444	3/	519	1,046	5	18

1/ Fiscal years: ending Mar. 21 through 1930-31; ending June 21, beginning 1931-32.

2/ Fiscal years, the first year shown here being from April 1, 1929 to March 31, 1930.

3/ Not available.

4/ Exchange rates from Federal Reserve Bulletin except for Iran, the rates for which were obtained from Iranian statistics.

Source: Official export statistics of each country.

Table 77. - Wool carpets and rugs: Exports of principal producing countries to principal markets, 1937

Exported to -	Iran <sup>1/</sup>	Turkey	Greece	China	India <sup>2/</sup>
Quantity in 1,000 pounds					
UNITED STATES	3,331	:	18	1,383	1,785
United Kingdom	2,820	42	55	1,220	8,374
Germany	948	119	165	4	3/
Switzerland	37	31	48	5	3/
France	29	3/	14	17	3/
Canada	145	3/	3/	113	407
Turkey	928	-	3/	3/	3/
Syria	258	3/	3/	3/	3/
Iraq	472	3/	3/	3/	3/
All other countries	1,117	43	30	4/ 921	695
Total	10,085	238	330	3,673	11,061
Value in 1,000 dollars					
UNITED STATES	3,630	5	18	1,046	519
United Kingdom	2,052	29	61	732	2,859
Germany	907	198	262	2	3/
Switzerland	28	22	53	2	3/
France	18	3/	17	11	3/
Canada	116	3/	3/	93	274
Turkey	602	-	3/	3/	3/
Syria	171	-	3/	3/	3/
Iraq	336	-	3/	3/	3/
All other countries	1,129	55	33	4/ 515	193
Total	8,989	309	444	2,401	3,845
Unit value - per pound					
UNITED STATES	\$1.09	\$1.73	\$0.99	\$0.76	\$0.29
United Kingdom	.73	.69	1.07	.60	.34
Germany	.96	1.66	1.53	.47	3/
Switzerland	.75	.70	1.05	.47	3/
France	.63	3/	1.12	.63	3/
Canada	.80	3/	3/	.82	.67
Turkey	.65	-	3/	3/	3/
Syria	.66	3/	3/	3/	3/
Iraq	.71	3/	3/	3/	3/
All other countries	1.01	1.28	1.10	4/ .55	.39
Average	.89	1.30	1.30	.65	.35

<sup>1/</sup> Fiscal year June 22, 1936 to June 21, 1937.

<sup>2/</sup> Fiscal year April 1, 1937 to March 31, 1938.

<sup>3/</sup> Not reported or negligible.

<sup>4/</sup> Chiefly Union of South Africa and Japan.

Sources: Official foreign trade statistics of exporting country. Foreign currencies converted to dollars at exchange rates shown in Federal Reserve Bulletin except for Iran for which exchange rates were obtained from Iranian statistics.

#### Competitive conditions

Hand-made rugs are not produced on a commercial scale in the United States. Imports of hand-made oriental rugs declined from 2,000,000 square yards annually under the act of 1922 to 600,000 square yards annually under the act of 1930 (294,000 square yards, in 1938) and were equivalent on a quantity basis to approximately 1 percent of the total domestic production of all kinds of wool rugs and carpets under the act of 1930.

Under the act of 1922, when imports of hand-made oriental rugs were relatively large, imports consisted in part of high-priced rugs, and in part of medium-priced rugs which sold within the price range of the most expensive domestic types but at much higher prices than the bulk of the domestic production.

## Trade Agreement with Turkey

After the tariff rate was increased under the act of 1930, imports of medium-priced orientals declined very sharply, and the greatly restricted imports since then have consisted largely of types which sell in the United States at considerably higher prices than the most expensive domestic rugs, such as American orientals.

With the tariff reduction provided for in the Turkish agreement, imported oriental rugs may be sold in the United States at prices more competitive than formerly with high-priced domestic rugs but at prices which will still be considerably higher than the price of the great bulk of domestic rugs.

CYMBALSUnited States tariff

Par. 1541(a) Musical instruments and parts thereof, not specially provided for -

<u>Rate of duty</u>	
<u>Before agreement</u>	<u>Under agreement</u>
40% ad val.	

Reclassification

Par. 1541(a) Cymbals and parts thereof, not specially provided for -

20% ad val.

Tariff history

Act of 1930, par. 1541(a) - 40% ad val.  
 Act of 1922, par. 1443 - 40% ad val.  
 Act of 1913, par. 373 - 35% ad val.

Description and uses

Cymbals are specially made discs, usually of brass, which when struck produce a musical tone. They are sold singly or in pairs for use in orchestras and bands.

United States production and exports

Substantial quantities of cymbals are produced in the United States, chiefly as a side line by concerns whose main business is the manufacture of other musical instruments. One domestic concern makes cymbals of the type imported from Turkey. Statistics of domestic production are not available but it is known that the domestic output is large relative to imports. Exports of cymbals are negligible.

United States imports

Cymbals are reported in United States import statistics under a general classification which includes all kinds of percussion instruments (see table 78). It is known that most of the imports of "percussion instruments" from Turkey and Italy are cymbals. Imports from China consist largely of tom-toms; imports from other countries include cymbals, tom-toms, temple blocks, and drums.

Table 78. - Percussion instruments: United States imports for consumption by principal countries, 1931-38

Imported from -	1931	1932	1933	1934	1935	1936	1937	1938 1/
Quantity (number)								
Turkey	134	282	963	405	599	394	1,640	1,775
Italy	4,179	2,504	789	1,317	1,456	2,074	3,620	5,083
China	448	353	599	872	2,933	3,351	2,074	3,151
Japan	44	10	17	402	365	663	4,700	2,301
All other countries	854	45	50	275	324	73	532	337
Total	5,659	3,194	2,418	3,271	5,677	6,555	12,566	12,617
Value								
Turkey	\$658	\$1,318	\$3,248	\$1,583	\$2,820	\$1,576	\$8,234	\$5,514
Italy	7,114	4,786	2,037	3,910	2,383	3,585	7,385	9,098
China	533	346	432	703	2,112	1,448	1,759	1,447
Japan	129	24	25	235	221	668	4,357	2,156
All other countries	5,326	256	124	844	972	129	1,826	1,637
Total	13,760	6,730	5,866	7,275	8,508	7,406	23,561	19,852
Unit value (each)								
Turkey	\$4.24	\$4.67	\$3.37	\$3.91	\$4.71	\$4.00	\$5.02	\$3.11
Italy	1.70	1.91	2.58	2.97	1.64	1.73	2.04	1.79
China	1.19	.98	.72	.81	.72	.43	.85	.46
Japan	2.93	2.40	1.47	.58	.61	1.01	.93	.94
All other countries	6.24	5.69	2.48	3.07	3.00	1.77	3.43	5.33
Average	2.43	2.11	2.43	2.22	1.50	1.13	1.87	1.57

1/ Preliminary.

Sources: Official statistics of the U. S. Department of Commerce. Imports not separately reported before the act of 1930.

#### Competitive conditions

The domestic market for cymbals is comparatively limited, and the market is supplied largely by moderate-priced cymbals produced in this country. The Turkish cymbals and those produced by one domestic concern sell at a higher price than most domestic cymbals. Italian cymbals are lower in price than Turkish cymbals and sell at prices more nearly comparable with the prices of the domestic product. Imported cymbals are frequently sold by domestic wholesalers in conjunction with domestic cymbals in order to offer a complete line of these instruments.



## CRUDE MEERSCHAUM

United States tariff

Par. 1552. Meerschaum,  
crude or unmanufactured

Rate of duty  
Before agreement Under agreement

20% ad val. 10% ad val.

Tariff history

Act of 1930, par. 1552 - 20 percent ad valorem  
Act of 1922, par. 1454 - 20 percent ad valorem  
Act of 1913, par. 381 - 20 percent ad valorem

Description and uses

Meerschaum is a mineral hydrated magnesium silicate somewhat similar in physical appearance to white clay. It is mined in the form of small blocks which harden upon exposure to air. The blocks of crude meerschaum are waxed and carved into pipes and articles of art. Lower grade pieces of crude meerschaum are sometimes pulverized and molded into pipe bowls which sell at a lower price than natural meerschaum pipe bowls.

United States production

There is no commercial production of crude meerschaum in the United States. Small deposits occur in Pennsylvania, South Carolina, and Utah, but these have not been exploited commercially.

United States imports

United States imports of crude meerschaum have been supplied almost entirely by Austria and Turkey (see table 79). Imports from Austria have been of Turkish origin, a large proportion of the Turkish meerschaum having been exported to Austria where it was waxed and reexported, either in the crude form or as manufactured articles.

Table 70. - Meerschaum, crude or unmanufactured: United States imports for consumption by countries, 1929, and 1931-38

Imported from -	1929	1931	1932	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
Quantity in pounds									
Austria	1,035	1,206	1,077	740	420	936	1,721	2,117	2/ 709
Germany	133	647	-	-	-	-	-	-	-
Turkey	2,180	502	-	48	88	-	-	1,570	2,850
Total	3,348	2,355	1,077	788	508	936	1,721	3,687	3,559
Value in dollars									
Austria	4,827	3,804	2,888	2,381	1,757	3,216	4,384	7,545	2/ 1,515
Germany	260	1,438	-	-	-	-	-	-	-
Turkey	3,239	724	-	155	320	-	-	5,136	7,706
Total	8,326	5,966	2,888	2,536	2,077	3,216	4,384	12,681	9,221

<sup>1/</sup> Preliminary.

<sup>2/</sup> Combined imports for Germany and Austria.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Foreign production and trade

Turkey is the only important commercial source of meerschaum. Most of the Turkish production has been exported in the crude form, chiefly to Austria and Germany where it has been cleaned, graded, and waxed. Turkey's total exports of crude meerschaum to all countries amounted to 34,500 pounds in 1935, to 276,900 pounds in 1936, and to 29,600 pounds in 1937. A small part of the Turkish output is made in that country into pipes and articles of art, chiefly for the tourist trade.

Competitive conditions

Imported crude meerschaum is used almost exclusively in the manufacture of bowls for high-priced tobacco pipes which retail in the United States at from \$4 to \$15 each. Such pipes, owing to their high price, are not directly competitive with pipes made in this country from domestic materials. Meerschaum pipes account for only a very small proportion of all tobacco pipes produced in this country.



## BORAX AND OTHER BORATES, CRUDE

United States tariff

	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>

Par. 1633. Borax, crude or unmanufactured, and borate of lime, borate of soda, and other borate material, crude and unmanufactured, not specially provided for \_\_\_\_\_

Free

Bound free

Tariff history

Act of 1930, par. 1633 - Free  
 Act of 1922, par. 1532 - Free  
 Act of 1913, par. 429 - Free

Description and uses

Crude borate of soda is refined to produce borax used in making vitreous enamels for coating metal ware and in glazing tiles and chinaware. Other important uses of borax are as washes for citrus fruits to prevent decay, as a neutralizing solution for leather tanning, and as a water softener for household use.

Summary of United States production, imports and exports

The United States produces over 90 percent of the world output of crude borates and probably over 50 percent of the world output of refined borax. Imports of both are insignificant relative to exports.

Strictly comparable statistics are not available for United States production, imports, and exports of borates. The production statistics in table 80, as reported by the Bureau of Mines, combine (without conversion to a common basis) the domestic production for sale of crude borates by mining concerns and the production for sale of refined borates by concerns recovering their output from lake brines. The sta-

tistics of production of refined borates include the output of boric acid by the major brine producer expressed in terms of equivalent borax.

The import and export statistics in table 80 also include both crude and refined borates (the refined not being converted to a crude basis). Exports go chiefly to western European countries.

Table 80. - Borate materials (crude and refined): United States production, imports, and exports, in selected years 1925-37

Year	Production <sup>1/</sup>	Imports <sup>2/</sup>	Exports <sup>3/</sup>
Quantity in 1,000 pounds			
1925	227,400	11,494	34,666
1927	218,200	14,148	73,900
1929	339,700	9,105	165,004
1931	357,100	1,247	178,121
1933	376,000	2,146	180,810
1935	545,900	30	237,661
1937	717,800	8	323,948

<sup>1/</sup> Bureau of Mines text for explanation of crude and refined production included.

<sup>2/</sup> Imports of crude (free of duty), refined (dutiable at 1/8¢ per lb.), and boric acid (dutiable at 1¢ per lb.) combined.

<sup>3/</sup> Combined exports of crude and refined sodium borate (crude and refined not separately distinguished in export statistics) and of boric acid.

<sup>4/</sup> Does not include boric acid for which export statistics are not available in 1927.

#### United States production

In 1937, there were three plants in California producing crude borates and five producing refined borates. California accounted for all of the domestic production in that year. One of the largest concerns, a subsidiary of an English concern, ships a large part of its California output of crude borate to Great Britain, France, and other countries for refining in plants operated by the parent concern. This company supplies the American market with crude borate refined in its California plant. Another very large concern produces primarily for the domestic market. One of these concerns produces other chemicals in addition to borates.

#### United States imports

Table 81 shows imports into the United States of crude borates. Relative to crude borates, imports of refined borates are very small. Prior to 1925 imports of the crude came chiefly from Chile, from 1925 to 1933 principally from Turkey; since 1933 there have been no imports. The decline in imports in recent years may be attributed to the increased domestic production and the relatively low price of the domestic product.



Table 81. - Borate of soda, or borax, and borate of lime and other borate materials, crude and unmanufactured, n.s.p.f.:  
United States imports for consumption, 1923-38 <sup>1/</sup>

Year	Quantity	Value	Unit value
	1,000 pounds		Cents per pound
1923	18,918	\$373,403	2.0
1924	8,720	114,685	1.3
1925	11,200	170,732	1.5
1926	9,192	130,012	1.4
1927	14,000	230,251	1.6
1928	9,000	145,353	1.6
1929	9,090	157,793	1.7
1930	-	-	-
1931	1,141	16,507	1.4
1932	-	-	-
1933	2,138	30,742	1.4
1934	-	-	-
1935	-	-	-
1936	-	-	-
1937	-	-	-
1938	-	-	-

<sup>1/</sup> Free of duty.

Source: Compiled from official statistics of the U.S. Department of Commerce.



#### CHROME ORE

##### United States tariff

Par. 1647. Chromite or chrome ore

##### Rate of duty

Before agreement    Under agreement

Free                      Bound free

##### Tariff history

United Kingdom agreement, eff. Jan. 1, 1939 - Bound free  
Act of 1930, par. 1647 - Free  
Act of 1922, par. 1547 - Free  
Act of 1913, par. 448 - Free

##### Description and uses

Chrome ore, or chromite, is a brownish black mineral composed of chromic and iron oxides. Chrome ore containing over 45 percent of chromic oxide and having a low iron content, known as metallurgical grade, is used to make ferrochrome and chromium metal, which in turn are used to produce various grades of chrome steel which are hard, tough, and resistant to acids, stains, and electricity. Chrome ore containing over 45 percent of chromic oxide and having a medium iron content, known as chemical grade, is utilized in the manufacture of tanning and pigment chromates, chromic acid, chromic salts for photography, electric batteries, and chromium

plating. Low grade chrome ore, containing from 33 to 45 percent of chromic oxide is known as refractory ore and is used in the manufacture of refractory bricks and cement for high temperature furnace linings. It is estimated that about 50 percent of the present total domestic consumption of chromium ore is for metallurgical, 40 percent for refractory, and 10 percent for chemical purposes.

#### Summary of United States production, imports, and exports

The United States produces less than 1 percent of the chrome ore used in this country. The principal domestic deposits worked at the present time are in California; there is also a small production in Oregon. The chrome ore deposits of Montana and Pennsylvania are not operated at present. The small domestic production consists in part of high-grade ore, containing over 45 percent of chromic oxide, and in part of low-grade ore, containing less than 45 percent of chromic oxide.

Table 82 shows the United States production, imports, and consumption of chrome ore over a period of years. Consumption has increased rapidly during the last 15 years, and the United States is now the world's largest consumer of chrome ore. United States exports of chrome ore are negligible.

Table 82. - Chrome ore: United States production, imports, and apparent consumption in selected years 1923-38

Year	Quantity in long tons			Proportion of apparent consumption supplied by imports	Value	
	United States production mined and shipped	United States imports	Apparent consumption		United States production shipped	United States imports for consumption
1923	227	128,763	128,990	99.8	1/	\$1,123,120
1925	108	149,739	149,847	99.9	1/	1,207,420
1927	201	222,360	222,561	99.9	\$5,063	1,748,598
1929	269	317,630	317,899	99.9	3,976	2,666,488
1931	268	212,528	212,796	99.9	3,509	3,314,776
1932	155	89,143	89,298	99.8	2,160	1,625,733
1933	843	116,511	117,354	99.3	11,585	1,426,450
1934	369	192,297	192,666	99.8	4,653	2,277,787
1935	515	259,063	259,578	99.8	6,162	3,604,491
1936	269	324,258	324,527	99.9	2,978	4,431,898
1937	2,321	553,916	556,237	99.6	14,888	7,324,488
1938	1/	352,085	1/	1/	1/	4,854,892

1/ Not available.

Sources: Production statistics from U.S. Department of Interior, Minerals Yearbook; import statistics from U.S. Department of Commerce.

#### United States imports

The United States imports chrome ore from a number of countries, among which are the Union of South Africa and other British South Africa (Northern and Southern Rhodesia), French Oceania (New Caledonia), Turkey, Greece, and Cuba. A portion of the United States imports reported as coming from the Union of South Africa originates in Rhodesia, and practically all of the imports from Mozambique are transshipments from Rhodesia. Table 83 shows the United States imports from principal sources.

Table 83. - Chrome ores: United States imports for consumption by principal sources, in selected years 1929-38

Imported from -	1929	1931	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
Quantity in long tons								
Mozambique <sup>2/</sup>	167,381	68,291	12,200	33,875	60,978	4,093	-	-
United Kingdom	-	24,258	-	-	4,185	-	-	-
Greece	26,647	28,893	11,499	23,301	20,692	26,688	24,583	10,000
Yugoslavia	-	-	5,527	-	-	524	-	3,000
French Oceania	26,846	39,579	15,150	19,530	55,686	65,450	51,831	28,520
Cuba	52,949	14,957	23,772	49,370	47,743	69,963	93,098	39,529
Union of South Africa <sup>3/</sup>	17,545	5,379	986	1,473	19,204	42,197	70,222	63,930
Other British South Africa <sup>4/</sup>	-	-	-	13,500	12,500	73,721	206,711	103,768
U.S.S.R. (in Europe)	-	17,736	13,261	19,937	3,412	2,310	-	-
British India	21,033	8,664	4,152	400	14,926	14,795	23,939	4,051
Turkey (in Europe and Asia)	1,700	2,198	27,854	28,730	16,060	19,490	39,391	20,392
All other countries	3,529	2,373	2,110	2,381	3,677	5,027	44,144 <sup>15/</sup>	78,894
Total	317,630	212,528	116,511	192,877	259,063	324,258	551,916	352,083
Value in dollars								
Mozambique <sup>2/</sup>	1,087,822	1,077,769	117,583	480,661	1,056,128	57,153	-	-
United Kingdom	-	451,575	-	-	54,804	-	-	-
Greece	320,805	528,807	166,321	283,989	197,430	254,627	274,951	155,736
Yugoslavia	-	-	102,302	-	-	7,036	-	51,953
French Oceania	270,039	602,209	121,200	252,522	1,041,957	1,163,192	927,063	388,534
Cuba	504,082	136,040	186,419	260,319	253,847	338,241	463,243	198,173
Union of South Africa <sup>3/</sup>	128,599	31,384	6,373	11,122	234,096	577,586	820,446	831,938
Other British South Africa <sup>4/</sup>	-	-	-	215,711	211,330	1,372,644	3,290,767	1,778,651
U.S.S.R. (in Europe)	-	292,094	152,688	255,907	53,721	37,310	-	-
British India	278,870	101,767	40,741	4,554	155,870	157,526	297,997	53,132
Turkey (in Europe and Asia)	17,819	44,609	495,150	482,337	267,294	364,668	750,509	469,145
All other countries	58,452	48,522	37,673	30,665	78,014	81,915	499,512 <sup>15/</sup>	927,630
Total	2,666,488	3,314,776	1,426,450	2,277,787	3,604,691	4,431,898	7,324,488	4,856,892
Unit value - per long ton								
Mozambique <sup>2/</sup>	\$6.46	\$15.78	\$9.64	\$14.19	\$17.32	\$13.96	-	-
United Kingdom	-	18.62	-	-	13.10	-	-	-
Greece	12.04	18.30	14.46	12.19	9.54	9.54	\$11.18	\$15.57
Yugoslavia	-	-	18.15	-	-	13.43	-	17.32
French Oceania	10.06	15.22	8.00	12.93	18.71	17.77	17.69	13.62
Cuba	9.52	9.10	7.84	5.27	5.32	5.12	4.98	5.01
Union of South Africa <sup>3/</sup>	7.33	5.83	6.46	7.55	12.19	13.69	11.68	13.01
Other British South Africa <sup>4/</sup>	-	-	-	15.98	16.91	18.62	15.92	17.14
U.S.S.R. (in Europe)	-	16.47	11.51	12.84	15.74	16.15	-	-
British India	13.26	11.75	9.81	11.39	10.44	10.65	12.45	13.12
Turkey (in Europe and Asia)	10.48	20.30	17.78	16.79	16.64	18.71	19.05	23.01
All other countries	16.56	18.86	17.85	14.06	21.22	16.30	11.32	11.76
Average	8.39	15.60	12.24	11.85	13.91	13.67	13.22	13.79

<sup>1/</sup> Preliminary.

<sup>2/</sup> Imports from Mozambique are transshipments from Rhodesia (reported in import statistics as "Other British South Africa").

<sup>3/</sup> Imports from the Union of South Africa originate in the Union of South Africa and in Rhodesia.

<sup>4/</sup> Includes Northern and Southern Rhodesia.

<sup>5/</sup> Principally Philippine Islands.

Sources: Compiled from official statistics of U. S. Department of Commerce.

Trade Agreement with Turkey

Foreign production and trade

Chrome ore is produced in a number of countries, as noted in table 84. Exports of these countries go chiefly to the United States, the United Kingdom, Germany, and other western European countries.

Table 84. - Chrome ore: Production of specified countries, 1933-37

Produced in -	1933	1934	1935	1936	1937
	Quantity in metric tons				
Cuba	24,154	50,162	48,509	71,086	94,592
Greece	14,784	30,694	27,779	47,347	54,000
British India	15,775	21,922	39,755	50,280	60,370
Japan	19,897	27,222	36,309	39,000	1/
New Caledonia	50,072	55,182	55,311	47,839	48,022
Philippine Islands	-	-	1,292	11,890	69,856
Southern Rhodesia	35,046	72,099	105,913	183,395	275,617
Turkey	75,379	119,844	150,472	163,831	2/ 192,508
Union of South Africa	34,078	61,357	90,430	175,669	168,620
U.S.S.R.	109,400	127,400	184,000	219,000	1/
Yugoslavia	26,248	47,352	52,367	54,044	59,932

1/ Not available.

2/ From U.S. Department of Commerce, Special Report No. 11 (24586), July 25, 1938.

Source: U.S. Department of Interior, Minerals Yearbook, 1938.

The Turkish production of chrome ore has increased very substantially in recent years. The principal deposits in Turkey are near Mugla on the southwest Aegean coast, near Brusa south of the Sea of Marmora, near Eskisehir in central Anatolia, and near Ergani in eastern Turkey (railway transport from Ergani and Eskisehir to the coast). The Ergani deposit which was opened by a subsidiary of the government controlled Eti Bank in 1937 is said to be capable of producing 100,000 tons of chrome ore annually. It is reported that much of the Turkish ore contains from 48 to 57 percent of chromic oxides. Practically all of the Turkish output is exported, chiefly to Germany, Sweden, and the United States (see table 85).

Table 85. - Chrome ore: Exports of Turkey to principal markets, 1934-37

Exported to -	1934 1/	1935	1936	1937
	Quantity in long tons			
UNITED STATES	34,533	20,712	13,699	44,911
Germany and Austria	29,870	39,787	63,455	62,409
France	14,742	16,186	16,669	19,585
Sweden	21,598	30,818	34,041	45,164
Italy	5,320	9,207	1,000	4,697
Norway	4,901	7,403	4,798	7,934
Canada	-	-	-	5,025
United Kingdom	5,100	5,769	1,001	1,000
Netherlands	266	4,538	9,827	1,250
All other countries	3,859	9,001	2,788	3,348
Total	120,189	143,421	147,278	195,323
	Value in 1,000 dollars			
UNITED STATES	561	267	183	659
Germany and Austria	582	735	1,072	1,075
France	341	240	240	311
Sweden	402	512	573	751
Italy	99	133	12	84
Norway	98	120	68	129
Canada	-	-	-	102
United Kingdom	132	94	6	13
Netherlands	5	75	153	17
All other countries	72	129	45	60
Total	2,292	2,305	2,352	3,201

1/ Exports in 1934 were reported under the classification "minerals" which included chrome ore and certain other minerals but chrome ore accounted for the great bulk of the exports.

Source: Official foreign trade statistics of Turkey.

#### Competitive conditions

Operation of the domestic chrome ore deposits is expensive, largely because of the grade and location of the ore and for this reason the United States normally obtains nearly all of its requirements from abroad. Except during the World War period, when foreign supplies were partially shut off, imports have usually supplied over 99 percent of the total United States consumption of chrome ore.



## EMERY ORE

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 1672. Emery ore -----	Free	Bound free

Tariff history

Act of 1930, par. 1672 - Free  
 Act of 1922, par. 1570 - Free  
 Act of 1913, par. 479 - Free

Description and uses

Emery is the commercial designation of the impure form of corundum (aluminum oxide  $Al_2O_3$ ) which occurs mixed with oxides of iron. Because of its hardness it is used as an abrasive material for cutting, finishing, and polishing wood, stone, and metals. The principal emery products are grinding wheels, hones, and emery paper and cloth. In recent years natural abrasives, such as emery and corundum have been partially displaced by artificial abrasives because of their superior hardness and uniform texture, and at present the domestic use of both emery and corundum is very small.

United States production and exports

The United States production of emery ore supplies less than 15 percent of the domestic requirements (average over last 10 years). With the increasing use of artificial abrasives, both domestic production and imports of emery ore have declined. At present, the domestic production is confined to one mine in New York. Domestic exports of emery ore are negligible.

Table 86 shows the domestic production over a period of years.

Table 86. - Emery ore: United States production, 1924-37

Year	Quantity	Value	Unit value
	Short tons		Per short ton
1924	2,195	\$19,756	\$9
1925	769	5,907	8
1926	386	3,641	9
1927	506	5,855	12
1928	1,341	16,787	13
1929	924	10,722	12
1930	555	5,996	11
1931	512	5,557	11
1932	250	2,781	11
1933	1,056	12,283	12
1934	189	1,800	9
1935	176	1,606	9
1936	325	2,900	9
1937	320	2,780	9

Source: U.S. Bureau of Mines, Minerals Yearbook.

United States imports

Imports of emery ore into the United States averaged 5,900 short tons annually from 1923 to 1930 and 3,000 short tons annually from 1931 to 1938. Imports come principally from Turkey and Greece (see table 87).

Table 87. - Emery ore: United States imports for consumption by principal sources, 1929 and 1931-38

Imported from -	1929	1931	1932	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
Quantity in short tons									
Turkey	3,827	935	672	293	2,597	3,175	5,478	3,565	477
Greece	2,576	1,273	2	-	831	1,630	728	1,792	-
All other countries	-	147	-	-	-	-	11	-	-
Total	6,403	2,355	674	293	3,428	4,805	6,217	5,357	477
Value in dollars									
Turkey	53,997	12,515	5,704	6,398	21,966	28,618	61,132	47,932	7,796
Greece	46,847	19,077	20	-	19,571	36,291	16,188	39,625	-
All other countries	-	2,595	-	-	-	-	288	-	-
Total	100,844	34,187	5,724	6,398	41,537	64,909	77,548	87,557	7,796
Value per short ton									
Turkey	\$14.11	\$13.39	\$8.49	\$21.84	\$8.46	\$9.01	\$11.16	\$13.45	\$16.34
Greece	18.19	14.99	10.00	-	23.55	22.26	22.24	22.11	-
All other countries	-	17.65	-	-	-	-	20.73	-	-
Average	15.75	14.52	8.49	21.84	12.12	13.51	12.47	16.34	16.34

<sup>1/</sup> Preliminary.

Sources: Compiled from official statistics of the U.S. Department of Commerce.

Foreign production and trade

Turkey and Greece are the principal foreign producers and exporters of emery ore. Tables 88 and 89 show the Turkish and Greek exports to principal markets.

Table 88. - Emery, carborundum, and similar ores, in lingots or powder: Exports of Turkey to principal markets, 1934-37

Exported to -	1934	1935	1936	1937
Quantity in short tons				
UNITED STATES	7,216	3,148	5,132	3,459
Germany	56	584	1,147	1,035
United Kingdom	6,113	7,234	7,191	6,889
All other countries	1,478	<sup>1/</sup> 1,845	1,264	1,855
Total	14,863	12,811	14,734	13,238
Value in 1,000 dollars				
UNITED STATES	605	28	48	32
Germany	2	8	15	11
United Kingdom	97	64	76	64
All other countries	26	22	11	18
Total	730	122	150	125

<sup>1/</sup> Includes 55 short tons to Austria. None to Austria in other years shown in table 88.

Sources: Official foreign trade statistics of Turkey.

Table 89. - Emery ore: Exports of Greece to principal markets, 1934-37

Exported to -	1934	1935	1936	1937
Quantity in short tons				
UNITED STATES -----	827	1,488	1,102	1,764
Netherlands -----	4,613	5,786	4,437	3,037
Germany -----	876	611	1,463	2,874
United Kingdom -----	891	1,107	1,330	1,567
France -----	1,375	2,253	1,220	1,668
Italy -----	713	2,024	130	2,043
Japan -----	831	627	1,034	1,396
All other countries ---	893	1,483	1,280	1,321
Total -----	11,019	15,379	11,996	15,670
Value in 1,000 dollars				
UNITED STATES -----	16	22	19	33
Netherlands -----	79	97	74	54
Germany -----	21	14	32	53
United Kingdom -----	19	21	24	30
France -----	29	44	24	32
Italy -----	20	37	2	45
Japan -----	61	46	65	76
All other countries ---	29	48	44	66
Total -----	274	329	284	389

Source: Official foreign trade statistics of Greece.

#### Competitive conditions

Emery ore, although considerably lower in price than artificial abrasives, has been partially displaced by artificial abrasives because of their greater hardness and greater uniformity of texture. Imports of artificial abrasives (also free of duty) are far larger than those of emery ore.





## HARE AND MARTEN SKINS, UNDRESSED

<u>United States tariff</u>	<u>Rate of duty</u>	
	<u>Before agreement</u>	<u>Under agreement</u>
Par. 1681. Furs and fur skins, not specially provided for, undressed -----		Free

Reclassification

Par. 1681. Hare and marten skins, not specially provided for, undressed ----- Bound free

Tariff history

United Kingdom agreement, effective Jan. 1, 1939 -			
	Marten skins	- Bound free	
Act of 1930, par. 1681 -	Hare and marten skins	- Free	
Act of 1922, par. 1579 -	do.	- Free	
Act of 1913, par. 491 -	do.	- Free	

Description and uses

Hare skins resemble rabbit and coney skins but are larger and the texture of the fur is more like wool than is rabbit hair. The hair is removed from the skins and used in varying proportions with coney, rabbit, and muskrat fur for making fur felt hats. Only a relatively small number of hare skins are used as furs.

Marten skins are used chiefly in the manufacture of fur coats and are in the class of fairly high-priced furs such as mink and Persian lamb.

United States production and exports

The domestic production of hares is negligible. In many respects the American cottontail is similar to hare but it lacks certain qualities of the hare, and consequently its use is very limited.

There is a considerable domestic production of marten skins by trappers but relatively little by fur farmers (production statistics not available).

Exports of hare and marten skins, not separately reported in export statistics, are known to be negligible.

United States imports

Argentina and the Soviet Union were the principal sources of the United States imports of hare skins in 1938, but in some years Turkey, Germany, and the United Kingdom have been the principal sources. Table 90 shows the United States imports of hare skins from the principal countries.

Marten skins are imported from a great number of countries, especially the United Kingdom, Canada, the Soviet Union, Germany, Turkey, and Poland. Table 91 shows the United States imports from the principal sources.

Table 90. - Hare skins, undressed: United States imports for consumption by principal sources, 1929 and 1931-38

Imported from -	1929	1931	1932	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
	Quantity in 1,000 pounds <sup>2/</sup>								
Turkey	181	102	212	163	187	161	165	182	118
Germany	506	262	88	161	126	467	36	3/	12
France	50	66	5	48	29	44	79	10	-
U.S.S.R.	3	-	-	4	7	340	523	570	279
Argentina	306	46	113	106	194	274	405	171	495
China	271	12	-	20	59	9	367	693	11
United Kingdom	24	24	28	148	148	699	256	48	29
Belgium	423	157	8	34	41	19	49	14	68
Poland and Dansig	78	113	36	49	84	76	63	159	74
All other countries	416	187	132	259	336	432	538	439	344
Total	2,257	969	621	992	1,210	2,520	2,482	2,286	1,430
	Value in dollars								
Turkey	308,021	53,615	72,262	48,079	128,739	59,921	101,912	137,052	57,330
Germany	860,756	125,460	21,768	53,064	57,244	135,363	30,685	20	5,088
France	104,766	62,403	1,206	29,937	20,417	4,742	44,247	7,445	-
U.S.S.R.	2,500	-	-	3,770	5,408	113,175	289,202	399,216	214,029
Argentina	401,757	21,860	15,201	29,860	80,157	107,344	270,405	125,953	217,936
China	205,194	2,771	-	3,321	12,891	1,816	81,185	184,309	1,946
United Kingdom	36,642	13,385	15,879	50,364	66,215	189,544	141,754	38,982	17,105
Belgium	802,271	128,720	3,767	13,834	32,252	8,653	23,821	16,187	76,266
Poland and Dansig	144,541	56,054	10,442	14,224	35,433	25,972	48,157	149,270	46,889
All other countries	544,169	83,357	37,152	68,732	122,659	129,206	298,591	312,910	152,309
Total	3,410,617	547,625	177,677	315,185	561,415	775,736	1,329,959	1,371,344	788,898

<sup>1/</sup> Preliminary.<sup>2/</sup> Quantity reported in number, beginning 1936 - converted to pounds, <sup>3/</sup> skins equivalent to 1 pound.<sup>3/</sup> Less than 1,000 pounds.<sup>4/</sup> Combined imports from Germany and Austria.<sup>5/</sup> Includes 85,488 pounds valued at

\$62,142 imported from Rumania.

<sup>6/</sup> Includes 74,385 pounds valued at \$34,043 imported from Rumania.

Sources: Compiled from official statistics of the U. S. Department of Commerce.

Table 91. - Marten skins, undressed: United States imports for consumption by principal sources, 1929 and 1931-38

Imported from -	1929	1931	1932	1933	1934	1935	1936	1937	1938 <sup>1/</sup>
Quantity in 1,000 pieces									
Canada	21	10	11	8	11	12	14	12	21
U.S.S.R.	3	-	1	2	-	2	4	19	22
United Kingdom	30	21	33	14	17	27	42	29	12
Germany	50	17	16	11	5	7	5	2	7
Austria	9	1	1	2/	1	2/	1	3	7
Turkey	9	4	5	4	5	2	4	9	14
Poland	6	2	1	2/	2/	1	2	2	5
Czechoslovakia	2/	2/	-	-	-	2/	1	2	4
Iran	-	-	-	-	-	-	2/	1	7
Switzerland	-	-	-	-	2/	-	-	1	3
Rumania	2/	-	2/	2/	-	2/	2/	2/	3
Yugoslavia <sup>3/</sup>	2/	2/	2/	2/	2/	-	2	3	4
France	35	11	4	2/	5	6	5	6	3
All other countries	51	19	35	9	8	9	22	16	16
<b>Total</b>	<b>214</b>	<b>85</b>	<b>107</b>	<b>48</b>	<b>52</b>	<b>66</b>	<b>102</b>	<b>105</b>	<b>121</b>
Value in dollars									
Canada	547,639	156,423	149,401	95,024	146,162	176,471	282,467	356,346	439,798
U.S.S.R.	84,181	-	10,237	25,229	-	18,975	61,754	268,589	433,360
United Kingdom	615,578	269,073	310,191	136,225	204,450	273,885	704,921	719,459	195,674
Germany	1,204,826	211,410	142,826	94,930	68,197	92,965	96,655	73,794	118,963
Austria	140,792	11,113	8,082	3,580	9,558	3,789	19,393	75,229	7
Turkey	155,519	50,206	43,228	29,281	29,281	20,927	46,251	132,537	105,954
Poland	113,205	26,145	11,479	4,398	3,009	15,024	34,472	57,606	105,873
Czechoslovakia	1,060	301	-	-	-	140	9,341	30,434	68,412
Iran	-	-	-	-	-	-	3,784	16,945	65,950
Switzerland	-	-	-	-	3,972	-	-	11,865	54,698
Rumania	4,318	-	35	36	-	2,673	7,578	1,924	53,994
Yugoslavia <sup>3/</sup>	3,476	5,057	275	395	4,122	-	26,688	57,044	53,254
France	684,477	96,422	40,639	2,796	57,256	72,243	73,358	154,963	40,145
All other countries	461,957	131,555	130,600	48,431	55,961	49,059	110,606	220,700	150,511
<b>Total</b>	<b>4,017,028</b>	<b>957,705</b>	<b>846,993</b>	<b>440,325</b>	<b>581,968</b>	<b>726,151</b>	<b>1,477,268</b>	<b>2,177,435</b>	<b>1,886,586</b>

Trade Agreement with Turkey

<sup>1/</sup> Preliminary.

<sup>2/</sup> Not over 500.

<sup>3/</sup> Includes Albania prior to 1932.

Sources: Compiled from official statistics, U. S. Department of Commerce.

Competitive conditions

Imported hare skins are used almost exclusively in making hatters' fur, the principal raw material in fur felt hats. Hair similar to that obtained from imported hare skins is not produced in the United States on a significant scale.

Imported marten furs are used in making fur coats, as neck pieces, and in trimming coats and dresses. Imports of marten supplement the domestic supply which is inadequate both in quantity and quality to meet the requirements of the United States. There is only a relatively small domestic production of marten by fur farmers.

SHEEP, LAMB, AND GOAT CASINGSUnited States tariff

	<u>Rate of duty</u>
	<u>Before agreement</u> <u>Under agreement</u>

Par. 1755. Sausage casings, weasands, intestines, bladders, tendons, and integuments, not specially provided for	-----	Free
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Reclassification

Par. 1755. Sausage casings, weasands, intestines, bladders, tendons, and integuments, not specially provided for; all the foregoing produced from sheep, lamb, and goats	-----	Bound free
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Tariff history

Act of 1930, par. 1755 - free  
 Act of 1922, par. 1655 - free  
 Act of 1913, par. 419 - free

Description and uses

Sheep, lamb and goat intestines, etc., are used as food containers for fresh pork sausages and frankfurters, and also as raw material in the manufacture of catgut for tennis racket strings, musical instrument strings, and surgical ligatures. Catgut is made almost entirely from sheep and lamb casings. Intestines unsuitable for casings or catgut are used for tankage.

Summary of United States production, imports, and exports

The United States is a large producer of casings, especially of hog casings which account for approximately one-half of the total domestic output. The United States is also a large exporter and importer of casings, with exports usually considerably larger than imports. Exports consist chiefly of types and sizes of which there is a surplus domestic output, such as medium- and large-sized hog and beef casings, whereas imports consist largely of types and sizes of which there is a deficient domestic production, such as sheep and lamb casings and small-sized hog casings. Sheep and lamb casings account for from one-third to one-half of the quantity and three-fourths of the value of the total domestic imports of all kinds of casings. Table 92 shows the available statistics of domestic production, imports, and exports of all kinds of casings.

Table 92. - Sausage casings (all kinds): United States production, imports, and exports, in selected years, 1927-38

Year	Production <sup>1/</sup>	Imports	Exports
Quantity in 1,000 pounds			
1927	114,949	20,755	33,156
1929	176,198	23,124	32,637
1931	100,418	12,992	25,666
1932	<sup>2/</sup>	12,649	24,911
1933	<sup>3/</sup> 90,860	14,130	31,190
1934	<sup>2/</sup>	14,674	37,301
1935	120,175	16,144	28,627
1936	<sup>2/</sup>	14,415	25,523
1937	<sup>2/</sup>	19,686	23,846
1938 <sup>4/</sup>	<sup>2/</sup>	11,785	20,542

<sup>1/</sup> Includes all reported production of natural casings used as food containers and as catgut but not intestines used as tannage. It is probable that a portion of the farm production of casings used on farms is not included here.

<sup>2/</sup> Not available.

<sup>3/</sup> Production in the meat packing industry only. Other industries would contribute about 35 million pounds more to production.

<sup>4/</sup> Preliminary.

Sources: Foreign Commerce and Navigation of the United States, Census of Manufactures, and unpublished import data furnished by the U. S. Department of Commerce.

For sheep and lamb casings, the United States is on an import basis as noted in table 93. Most of the imported sheep and lamb casings are used as containers for frankfurters. Very little of the imported sheep and lamb casings is used in the manufacture of catgut.

Table 93. - Sheep and lamb casings: United States production, imports and exports in selected years, 1927-38

Year	Production	Imports	Exports
Quantity in 1,000 pounds			
1927	<sup>1/</sup>	6,898	2,154
1929	49,893	6,584	2,291
1931	21,165	5,336	1,961
1932	<sup>1/</sup>	4,932	1,589
1933	<sup>2/</sup> 9,165	6,100	1,006
1934	<sup>1/</sup>	6,915	1,248
1935	<sup>3/</sup> 21,209	7,360	1,123
1936	<sup>1/</sup>	5,507	1,210
1937	<sup>1/</sup>	8,312	1,379
1938 <sup>4/</sup>	<sup>1/</sup>	6,028	1,342

<sup>1/</sup> Not available.

<sup>2/</sup> Production in the meat-packing industry only.

<sup>3/</sup> Data incomplete as a portion of the output of casings was not reported according to kind.

<sup>4/</sup> Preliminary.

Sources: Foreign Commerce and Navigation of the United States, Census of Manufactures, and unpublished import data furnished by the U. S. Department of Commerce.

United States imports

Imports are reported under a statistical classification which includes sheep, lamb, and goat casings, but sheep and lamb casings account for practically all of the imports. Australia and New Zealand are the principal suppliers, although Argentina, Chile, China, and Turkey are also important sources. The wide variation in the unit values of imports is attributable to differences in sizes and grades.

Table 94 shows the United States imports of sheep, lamb, and goat casings from principal sources.

Table 94. - Sheep, lamb, and goat casings: United States imports for consumption by principal sources in selected years, 1927-38

Source	1927 <sup>1/</sup>	1929 <sup>2/</sup>	1931	1933	1935	1936	1937	1938 <sup>3/</sup>
Quantity in 1,000 pounds								
Germany	489	154	237	55	19	68	51 <sup>4/</sup>	3
U.S.S.R.	498	801	277	490	623	570	200	199
United Kingdom	330	35	152	147	35	341	320	83
Canada	1,085	694	405	402	127	214	321	251
Argentina	818	486	586	679	758	541	660	549
Chile	291	123	202	261	576	404	523	444
China	543	688	426	291	598	382	530	338
Turkey	230	231	264	372	76	36	253	186
Australia	1,195	1,416	1,132	1,235	1,887	1,007	1,860	1,653
New Zealand	537	939	945	1,589	1,441	1,170	1,724	1,047
All other countries	883	1,018	709	680	1,221	775	1,850	1,275
Total	6,898	6,584	5,336	6,100	7,360	5,507	8,312	6,028
Value in 1,000 dollars								
Germany	636	209	290	54	55	154	94 <sup>4/</sup>	4
U.S.S.R.	1,568	2,737	552	940	1,389	925	550	397
United Kingdom	589	51	191	120	47	291	420	85
Canada	1,436	768	432	250	142	166	304	253
Argentina	688	679	590	339	636	444	666	483
Chile	132	115	98	39	235	124	299	213
China	748	1,281	532	367	1,036	471	893	538
Turkey	419	553	397	616	160	88	560	367
Australia	1,050	1,217	731	597	1,608	636	1,470	1,241
New Zealand	734	1,171	672	698	1,418	665	1,478	924
All other countries	1,557	1,942	841	769	2,074	1,124	2,850	2,019
Total	9,597	10,724	5,326	4,788	8,801	5,086	9,584	6,525
Unit value - per pound								
Germany	\$1.30	\$1.36	\$1.22	\$0.99	\$2.83	\$2.26	\$1.83	\$1.15
U.S.S.R.	3.15	3.42	1.99	1.92	2.23	1.62	2.75	1.99
United Kingdom	1.78	1.43	1.25	.81	1.35	.85	1.31	1.02
Canada	1.32	1.11	1.07	.62	1.12	.78	.95	1.01
Argentina	.84	1.40	1.01	.50	.84	.82	1.01	.88
Chile	.46	.94	.49	.15	.41	.31	.57	.48
China	1.38	1.86	1.25	1.26	1.73	1.23	1.62	1.59
Turkey	1.82	2.39	1.50	1.66	2.11	2.47	2.21	1.97
Australia	.88	.86	.65	.48	.85	.63	.79	.75
New Zealand	1.37	1.25	.71	.44	.99	.57	.86	.88
All other countries	1.76	1.91	1.19	1.13	1.70	1.45	1.54	1.58
Average	1.39	1.63	1.00	.77	1.20	.92	1.15	1.08

1/ General imports.

2/ Data revised since publication in Foreign Commerce and Navigation of the United States.

3/ Preliminary.

4/ Combined imports from Germany and Austria.

Source: Compiled from official statistics of the U. S. Department of Commerce.

United States exports

The United States exports some sheep and lamb casings, chiefly of sizes and grades not suitable for domestic use or of which there is an excess of production over domestic demand. Table 95 shows United States exports to principal markets.

## Trade Agreement with Turkey

Table 95. - Sausage casings, other than hog or beef<sup>1/</sup>; United States exports to principal markets in selected years, 1927-38

Market	1927	1929	1931	1933	1935	1936	1937	1938 <sup>2/</sup>
Quantity in 1,000 pounds								
Germany	896:	826:	594:	357:	169:	191:	191:	115
Netherlands	132:	353:	422:	178:	110:	19:	31:	74
Norway	117:	130:	128:	57:	45:	7:	1:	8
Sweden	31:	232:	128:	5:	20:	28:	68:	105
United Kingdom	81:	126:	269:	136:	344:	273:	426:	299
Canada	738:	927:	271:	216:	205:	338:	286:	297
All other countries	158:	317:	149:	58:	230:	353:	377:	444
Total	2,154:	2,911:	1,961:	1,006:	1,123:	1,210:	1,380:	1,342
Value in 1,000 dollars								
Germany	120:	113:	57:	73:	45:	56:	82:	50
Netherlands	18:	25:	20:	67:	25:	4:	9:	9
Norway	8:	9:	4:	3:	8:	7:	3/	14
Sweden	2:	19:	9:	1:	30:	30:	6:	9
United Kingdom	47:	58:	100:	64:	345:	228:	280:	222
Canada	139:	151:	94:	70:	96:	103:	141:	200
All other countries	61:	67:	39:	31:	109:	195:	223:	205
Total	395:	441:	323:	309:	659:	625:	741:	709
Unit value - per pound								
Germany	\$0.134:	\$0.137:	\$0.096:	\$0.204:	\$0.267:	\$0.295:	\$0.427:	\$0.439
Netherlands	.134:	.070:	.048:	.378:	.228:	.222:	.275:	.124
Norway	.066:	.067:	.034:	.060:	.187:	.886:	.092:	1.691
Sweden	.077:	.082:	.069:	.107:	1.483:	1.065:	.095:	.085
United Kingdom	.574:	.459:	.371:	.473:	1.005:	.838:	.657:	.742
Canada	.189:	.163:	.347:	.324:	.468:	.305:	.495:	.675
All other countries	.384:	.213:	.258:	.535:	.473:	.554:	.591:	.461
Average	.183:	.152:	.165:	.307:	.586:	.516:	.537:	.528

1/ Chiefly sheep and lamb.

2/ Preliminary.

3/ Less than \$500.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Foreign production and trade

All the sheep producing countries such as Australia, New Zealand, Argentina, Chile, China, the Soviet Union, Turkey, Iran, and Arabia are large producers and exporters of sheep casings, but many of these countries do not report separate statistics for sheep and lamb casings. New Zealand's exports, consisting almost entirely of sheep and lamb casings, average from 3 to 4.5 million pounds annually. Australia's exports, largely sheep and lamb casings, average from 2 to 3 million pounds per year. Table 96 shows exports from Turkey of all kinds of casings (chiefly sheep and goat). The Turkish casings come from native or unimproved sheep, almost entirely from animals that have reached maturity. Their casings are larger and sounder than those from most improved sheep, particularly as compared with lamb casings from English or merino breeds. This accounts for the high unit value of casings imported from countries like Turkey, U.S.S.R., and China (see table 94).



Table 96. - Membranes, bladders, intestines and manufactures thereof:  
Exports of Turkey to principal markets, 1934-37

Exported to:	1934	1935	1936	1937
Quantity in 1,000 pounds				
UNITED STATES	183	31	31	113
Germany and Austria	218	451	488	474
Czechoslovakia	16	9	24	119
All other countries	35	18	4	22
Total	452	509	547	728
Value in 1,000 dollars				
UNITED STATES	302	77	61	247
Germany and Austria	447	1,173	1,069	493
Czechoslovakia	35	15	49	263
All other countries	31	15	14	9
Total	815	1,280	1,193	1,012

Source: Official foreign trade statistics of Turkey.

The United Kingdom, Germany, and the United States are the principal import markets for sheep and lamb casings. Some countries, such as Germany, import casings, a part of which after being graded and treated are reexported to other markets.

#### Competitive conditions

Casings are a relatively unimportant byproduct and the output depends upon the slaughter of sheep and lambs. The domestic slaughter of sheep and lambs is not sufficiently large to supply all the domestic requirements for the various grades and sizes of casings, consequently the United States imports considerable quantities of certain sizes and grades of sheep and lamb casings.



**APPENDIX**

**TEXT OF TRADE AGREEMENT**

**BETWEEN**

**THE UNITED STATES OF AMERICA**

**AND**

**THE REPUBLIC OF TURKEY**

**SIGNED AT ANKARA, APRIL 1, 1939**

**Direction from the President Regarding  
Application of Trade Agreement Rates**

## APPENDIX

TEXT OF TRADE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE  
REPUBLIC OF TURKEY SIGNED AT ANKARA, APRIL 1, 1939

The President of the United States of America and the President of the Turkish Republic, being desirous of strengthening the traditional bonds of friendship and of extending commercial relations between the two countries by granting mutual and reciprocal concessions and advantages for the promotion of trade, have decided to conclude a Trade Agreement and for that purpose have appointed their Plenipotentiaries as follows:

The President of the United States of America: Mr. John V. A. Macphurray, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Turkish Republic, and Mr. Robert F. Kelley, First Secretary of Embassy of the United States of America; and

The President of the Turkish Republic: Mr. Sükrü Saracoğlu, Minister of Foreign Affairs of the Turkish Republic, and Mr. Numan Menemencioğlu, Ambassador, Secretary General of the Ministry of Foreign Affairs;

Who, after communicating to each other their respective full powers, found to be in good and due form, have agreed upon the following Articles:

ARTICLE 1

Natural or manufactured products originating in the United States of America, enumerated and described in Schedule I annexed to this Agreement, shall, on their importation into the territory of the Turkish Republic, be accorded the tariff reductions provided for in the said Schedule.

In the event that the Government of the Turkish Republic should increase the duties provided for in the said Schedule, such increased duties shall not be applied to the said products until two months after the date of their promulgation.

If before the expiration of the aforesaid period of two months an agreement between the two Governments has not been reached with respect to such compensatory modifications of this Agreement as may be deemed appropriate, the Government of the United States of America shall be free within fifteen days after the date of the application of such increased duties to terminate this Agreement in its entirety on thirty days' written notice.

ARTICLE 2

Natural or manufactured products originating in the Turkish Republic, enumerated and described in Schedule II annexed to this Agreement, shall, on their importation into the United States of America, be exempt from ordinary customs duties in excess of those set forth and provided for in the said Schedule, subject to the conditions therein set out. The said products shall also be exempt from all other duties, taxes, fees, charges or exactions, imposed on or in connection with importation, in excess of those imposed on the day of the signature of this Agreement or required to be imposed thereafter under laws of the United States of America in force on the day of the signature of this Agreement.

ARTICLE 3

The provisions of Articles 1 and 2 of this Agreement shall not prevent the Government of either country from imposing at any time on the importation of any product a charge equivalent to an internal tax imposed in respect of a like domestic product or in respect of a product from which the imported product has been manufactured or produced in whole or in part.

ARTICLE 4

Natural or manufactured products originating in the United States of America or the Turkish Republic shall, after importation into the other country, be exempt from all internal taxes, fees, charges or exactions other or higher than those payable on like products of national or foreign origin.

ARTICLE 5

Natural or manufactured products originating in the United States of America, enumerated and described in Schedule I, and natural or manufactured products originating in the Turkish Republic, enumerated and described in Schedule II, shall be permitted to be imported into the other country without any prohibition or restriction whatsoever.

Nevertheless, the two Governments reserve the right to impose quantitative restrictions on the importation of products enumerated and described in the said schedules in conjunction with governmental measures

- (a) operating to regulate the production or market supply or to control the prices of like domestic products or
- (b) tending to increase the labor costs of production of such products;

Provided, however, that the Government proposing to impose any such quantitative restriction is satisfied, in the case of measures described in subparagraph (a) of this paragraph, that such quantitative restriction is necessary to assure the effective operation of such measures, and, in the case of measures described in subparagraph (b), that such measures are causing the domestic production of the product concerned to be injuriously affected by imports which constitute an abnormal proportion of the total consumption of such product in relation to the proportion supplied in the past by foreign countries.

If the Government of either of the two countries proposes to establish or change such import restrictions, it shall give written notice thereof to the other Government at least two months before they are put into force. If an agreement between the two Governments concerning the proposed measures is not reached before the expiration of the said period of two months, the other Government shall be free, within fifteen days after the application of any such restriction or change therein, to terminate the present agreement in its entirety on thirty days' written notice.

ARTICLE 6

Unconditional most-favored-nation treatment shall be accorded by the Government of each country to the commerce of the other country with respect to customs duties or charges imposed on or in connection with imports or exports and the method of levying such duties or charges, with respect to all regulations and formalities in connection with importation or exportation, the sale or use of imported products within the country, transit, warehousing, the transshipment of goods, the re-exportation of goods, and with respect to official charges applicable to these various operations.

Unconditional most-favored-nation treatment shall likewise be accorded by the Government of each country to the commerce of the other country with respect to all duties, charges or exactions other than customs duties imposed on or in connection with imports or exports.

In awarding contracts for public works and in purchasing non-military supplies, the Government of neither country shall discriminate against the other country in favor of any third country.

ARTICLE 7

No prohibition, restriction or limitation of any kind shall be imposed by the Government of either country upon the importation of natural or manufactured products originating in the other country or upon the exportation of natural or manufactured products destined for the other country, except as provided below.

Subject to the provisions of Article 5 of this Agreement, either of the two Governments may impose prohibitions or quantitative restrictions upon the importation of products originating in the other country as well as upon the exportation of products destined for the other country, provided that importation of the like products originating in all third countries, or exportation of the same products to all third countries, respectively, is similarly prohibited or restricted. If the Government of either country applies quantitative restrictions to the importation of any products in which the other country has an interest, and these restrictions are implemented by quantitative allocation among the various exporting countries, there shall be allocated to the other country a proportion of the total importations equivalent to the proportion of the imports of such product supplied by the other country during a representative period prior to the establishment of the restrictions in question.

ARTICLE 8

In the event that the Government of either of the two countries shall establish or maintain, either directly or indirectly, any form of control of the means of international payment, it shall, in all aspects of the administration of such control, accord to the other country unconditional most-favored-nation treatment.

It is agreed that this provision does not affect the provisions of Article 9.

ARTICLE 9

The Government of the Turkish Republic undertakes that, so long as it maintains, directly or indirectly, any form of control of the means of international payment, it will provide, in any calendar year, for the transfer of payments for commercial importations of natural or manufactured products originating in the United States of America, imported into the territory of the Turkish Republic during the calendar year in question, an amount of free foreign exchange which shall not be less, in proportion to the total value of the commercial imports of the Turkish Republic during the said calendar year, than the amount corresponding to the proportion of the total commercial imports supplied by the United States of America in the period from January 1, 1935 to December 31, 1937.

ARTICLE 10

The provisions of this Agreement relating to the treatment to be accorded by the United States of America and the Turkish Republic, respectively, to the commerce of the other country shall apply, on the part of the United States of America, to the continental territory of the United States of America and such of its territories and possessions as are included in its customs territory on the day of the signature of this Agreement. The provisions of this Agreement relating to most-favored-nation treatment shall apply, however, to all the territories under the sovereignty or authority of the United States of America, other than the Panama Canal Zone.

ARTICLE 11

The provisions of this Agreement shall not apply to:

(a) advantages now accorded or which may hereafter be accorded by either country to adjacent countries in order to facilitate frontier traffic within a zone not exceeding fifteen kilometers on either side of the frontier;

(b) advantages resulting from a customs union to which either the United States of America or the Turkish Republic may become a party, so long as such advantages are not accorded to any third country;

(c) advantages which the Turkish Republic has accorded or may hereafter accord in the matter of the customs tariff affecting products originating within the territories detached in 1923 from the Ottoman Empire;

(d) advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions, or the Panama Canal Zone, to one another or to the Republic of Cuba, irrespective of any change in the political status of any of the territories or possessions of the United States of America.

#### ARTICLE 12

Nothing in the present Agreement shall be construed to prevent the adoption of measures prohibiting or restricting the exportation or importation of gold or silver, or to prevent the adoption of such measures as either Government may see fit with respect to the control of the export or sale for export of arms, ammunition, or implements of war, and, in exceptional circumstances, all other military supplies. Nothing in the present Agreement shall prevent the adoption or enforcement of measures relating to neutrality.

Subject to the requirement that, under like circumstances and conditions, there shall be no arbitrary discrimination by either country against the other country in favor of any third country, the provisions of this Agreement shall not extend to prohibitions or restrictions:

- (a) relative to public security;
- (b) imposed on moral or humanitarian grounds;
- (c) designed to protect public health or the life of animals or plants;
- (d) relative to prison-made goods; or
- (e) relative to measures taken for the enforcement of police or revenue laws.

#### ARTICLE 13

In the event that either the Government of the United States of America or the Government of the Turkish Republic adopts any measure which, even though it does not conflict with the terms of this Agreement, is considered by the Government of the other country to impair the effectiveness of the Agreement, the Government which has adopted any such measure shall consider such representations and proposals as the other Government may make with a view to effecting a mutually satisfactory adjustment of the matter. If no agreement is reached with respect to such representations or proposals within thirty days after they are received, the Government making them shall be free, within fifteen days after the expiration of the aforesaid period of thirty days, to terminate this Agreement in its entirety on sixty days' written notice.

#### ARTICLE 14

In the event that the rate of exchange between the currencies of the United States of America and the Turkish Republic varies considerably from the rate obtaining on the day of the signature of this Agreement, the Government of either country, if it considers the change in rate so substantial as to prejudice the industry or commerce of the country, shall be free to propose negotiations for the modification of this Agreement. If such negotiations have not resulted in an agreement within

a period of thirty days, the Government which has proposed them shall be free to terminate this Agreement in its entirety on thirty days' written notice.

ARTICLE 15

Nothing in this Agreement shall be deemed to affect the rights and obligations arising out of the Treaty of Commerce and Navigation between the United States of America and the Turkish Republic, signed at Ankara on October 1, 1929.

ARTICLE 16

The present Agreement shall be proclaimed by the President of the United States of America and shall be ratified by the Grand National Assembly of Turkey.

The present agreement shall come provisionally into force on May 5, 1939. The Agreement shall come definitively into force on the day on which the Government of the United States of America shall have communicated officially to the Government of the Turkish Republic the proclamation of the President of the United States of America and the Government of the Turkish Republic on its part shall have informed the Government of the United States of America of the ratification of the Agreement by the Grand National Assembly of Turkey.

The Agreement shall remain in force, subject to the provisions of Articles 1, 5, 13 and 14, until it is terminated in accordance with the provisions set forth below. The Government of either country may terminate this Agreement on December 31, 1939, December 31, 1940 or December 31, 1941, in each case on two months' written notice. After December 31, 1941, the Agreement, if not previously terminated, shall continue in force subject to the provisions of Articles 1, 5, 13 and 14 until six months from the day on which the Government of either country shall have given notice to the other Government of its intention to terminate the Agreement.

In witness whereof the respective Plenipotentiaries have signed this Agreement and have affixed their seals hereto.

Done in duplicate, in the English and Turkish languages, both authentic, at the City of Ankara, this first day of April, nineteen hundred and thirty-nine.

JOHN V. A. MacMURRAY, 

ROBERT F. KELLY, 

SUKRU SARACOGLU, 

NUMAN MENEMENCIOGLU. 

## SCHEDULE I

**NOTE:** The percentages of reduction set forth in the fourth column of this Schedule shall apply to the rates of duty as set forth in the third column of this Schedule or as subsequently modified.

<u>No. of Turkish Tariff</u>	<u>Description of Articles</u>	<u>Rate of duty in pounds (Turkish) per 100 kilograms</u>	<u>Percentage of reduction</u>
Ex 72 C-3	Cattle hides: fresh, with or without hair, not worked, salted or pickled in lime, weighing 18 kilos (including 18) and over	6.00	5%
Ex 75 C	Worked skins:  Glased goat skins, weighing more than 4.5 grams per square decimeter (excluding morocco) (Glased kid skins weighing more than 4.5 grams per square decimeter are dutiable under this number)	1000.00	40%
Ex 176 B	Dried prunes (counting 110 prunes or less per kilo)	48.00	75%
Ex 195	Canned prunes and prune juice:  A. Without sugar  B. With sugar	70.00  112.50	75%  75%
Ex 201 B	Canned asparagus	120.00	75%
442	Thread (rubber)	62.50	5%
Ex 477	Asbestos, bitumen and the like, and articles of these materials (including those containing in their composition or texture rubber or fibers or base metals and those which are manufactured and mixed with paper, cardboard, plaster, cement, paints or other ordinary materials) (combined or not with other materials):  Ex C All kinds of plastic construction materials  Ex D Bands (including automobile brake lining)	6.00  37.50	5%  5%
Ex 523	Iron and steel plates and sheets (plain or corrugated) and hoops or bands:  Ex B-2 Galvanised with zinc, up to a thickness of 3 millimeters	3.75	5%
Ex 537	Furniture of iron and parts:  Ex A Only cabinets, boxes and drawers, with or without visible indexes, for filing purposes		



<u>No. of Turkish Tariff</u>	<u>Description of Articles</u>	<u>Rate of duty in pounds (Turkish) per 100 kilograms</u>	<u>Percentage of reduction</u>
	1. Plain and painted	30.00	20%
	2. Gilded, varnished or others (combined or not with other materials)	37.50	20%
Ex 617 B	Motion picture films	3.75 per kilo- gram	5%
Ex 619	Radio receiving sets, complete or incom- plete, including tubes and loud-speakers	500.00	75%
Ex 619	Non-assembled detached radio parts	500.00	88%
Ex 660	Sewing machines, machines for embroider- ing and tulle weaving, and mechanical parts and spare parts thereof, (excluding needles) (including those electrically driven)	17.50	5%
662	Typewriters, calculating and registering machines, and machines for counting, grouping and classifying, and parts there- of (including those electrically driven):		
	A. Weighing up to 5 kilos	60.00	12%
	B. Weighing 5 kilos and over	30.00	12%
663	Tables, bases, covers and stands for sewing machines and typewriters	12.00	5%
Ex 666	All kinds of electric refrigerating machines and apparatus (assembled, unas- sembled):		
	A. The whole weighing up to 50 kilos	15.00	12%
	B. The whole weighing 50 kilos and over up to 150 kilos	12.00	12%
	C. The whole weighing 150 kilos and over up to 500 kilos	10.00	12%
	D. The whole weighing 500 kilos and over up to 2,000 kilos	9.00	12%
	E. The whole weighing 2,000 kilos and over up to 10,000 kilos	8.00	12%
	V. The whole weighing 10,000 kilos and over	7.00	12%

## Trade Agreement with Turkey

<u>No. of Turkish Tariff</u>	<u>Description of Articles</u>	<u>Rate of duty in pounds (Turkish) per 100 kilograms</u>	<u>Percentage of reduction</u>
667	Automotive vehicles:		
	A. Automotive vehicles for the transport of persons:		
	1. Weighing up to 900 kilos	75.00	60%)
	2. Weighing 900 kilos and over up to 1,300 kilos	35.00	60%)
	3. Weighing 1,300 kilos and over up to 1,750 kilos	45.00	60%) 1
	4. Weighing 1,750 kilos and over up to 2,000 kilos	175.00	60%)
	5. Weighing 2,000 kilos and over	250.00	60%)
	B. All kinds of automotive vehicle chassis, with or without motor (wheels with or without tires and tubes):		
	1. Weighing up to 750 kilos	48.00	60%
	2. Weighing 750 kilos and over up to 1,100 kilos	21.00	60%
	3. Weighing 1,100 kilos and over up to 1,500 kilos	25.50	60%
	4. Weighing 1,500 kilos and over up to 1,750 kilos	126.00	60%
	5. Weighing 1,750 kilos and over	180.00	60%
	C. Bodies of automotive vehicles for the transport of persons	350.00	60%
	D. Body parts, not specially provided for	150.00	60%
	H. Chassis parts of automotive vehicles, not specially provided for	45.00	60%
	V. Wheels and parts of wheels for automotive vehicles and rims of iron or steel	40.00	60%
695 D	Heavy mineral oils and their residues (machine oils, masout, motorine and other such combustibles and residues, tars: the light fraction distilling below 270 degrees must not exceed 10%)	1.00	5%
Ex 703 D	Typewriter ribbons	45.00	10%

1) Only the amount of the reduced duties will be collected even if the amount of the reduced duties is less than 30% of the C.I.F. value.

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<u>No. of Turkish Tariff</u>	<u>Description of Articles</u>	<u>Rate of duty in pounds (Turkish) per 100 Kilograms</u>	<u>Percentage of reduction</u>
Ex 709	Varnish (only liquid waterproofing preparations)		
	A. With bronze, aluminum, and colors	24.00	20%
760	All kinds of insecticide preparations intended for the destruction of rats, fleas and other parasites and insects (powders, pastes, liquids and other forms) (including the weight of the inner containers)	5.00	5%
Ex 853	Specialties for which import permits have been issued by the Government		
	Ex B-1 First class, only toothpastes	50% ad val.	50%

Trade Agreement with Turkey

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<u>United States</u> <u>Tariff Act of</u> <u>1930 Paragraph</u>	<u>Description of Articles</u>	<u>Rates of</u> <u>Duty</u>
1633	Borax, crude or unmanufactured, and borate of lime, borate of soda, and other borate material, crude and unmanufactured, not specially provided for	Free
1647	Chromite or chrome ore	Free
1670	Valonia, whether crude or advanced in value or condition by shredding, grinding, chipping, crushing, or any similar process, not containing alcohol, not specially provided for	Free
1672	Emery ore	Free
1681	Furs and fur skins, not specially provided for, undressed:  Hare and marten	Free
1755	Sausage casings, weasands, intestines, bladders, tendons, and integuments, not specially provided for; all the foregoing produced from sheep, lambs, and goats	Free

**TRANSLATION**MINISTRY OF FOREIGN AFFAIRS  
Ankara, April 1, 1939

Mr. Ambassador:

I have the honor to refer to the provisions of the Trade Agreement between our two Governments signed this day and to inform Your Excellency that my understanding of the agreement with respect to the application of Article 9, reached during the negotiations, is as follows:

1. The total value of the commercial imports from the United States of America into the territory of the Turkish Republic during the period from January 1, 1935 to December 31, 1937, mentioned in Article 9, is 10.91 percent of the total value of the commercial imports of the Turkish Republic from all sources during the same period. It is agreed that, in determining the amount of free foreign exchange which shall be made available each year, this percentage shall be applied to the total value of the commercial imports into the territory of the Turkish Republic from all sources during the year in question, after deducting from such total value the amount by which the value of commercial imports resulting, during the same year, from the utilization of the credits provided for in the Agreement with the United Kingdom of Great Britain and Northern Ireland, signed on May 27, 1938, and the Agreement with Germany, the principles of which were established in October, 1938, at Ankara, exceeds the payments made during that year in accordance with the provisions of the said credit agreements. This deduction has been decided upon for the reason that the total value of commercial imports into the Turkish Republic will be temporarily increased to an abnormal extent by imports under the governmental credits mentioned above.

The amount of available free foreign exchange envisaged in Article 9, shall be applied to payments for commercial imports originating in all the territories under the sovereignty or authority of the United States of America.

2. The amount of free foreign exchange mentioned above which shall be made available each year under Article 9 shall be utilized for the transfer of payments for the said commercial imports in the chronological order in which requests for exchange are made.

3. In view of the fact that the Turkish Republic derives its principal supply of free foreign exchange from the export of products, the sale of which has a seasonal character, it is understood that it may not be possible to avoid temporary delays in making available free foreign exchange for the transfer of payments for commercial imports originating in the United States of America. It is agreed that the provisions of Article 9 do not preclude seasonal delays in making available free foreign exchange for transfer of the said payments within any calendar year.

4. If the Government of the Turkish Republic should not be in a position, through lack of free foreign exchange, as a result of unforeseen developments affecting adversely the commerce of the Turkish Republic, to make available the amount of free foreign exchange agreed upon in Article 9, the Government of the United States of America and the Government of the Turkish Republic shall enter into negotiations for the purpose of reaching an arrangement satisfactory to the two Governments.

5. The present note constitutes an integral part of the Trade Agreement signed this day.

Please accept, Mr. Ambassador, the assurances of my highest consideration.

SUKRU SARACOGLU

Mr. John V. A. MacMurray  
Ambassador Extraordinary  
and Plenipotentiary  
of the United States of America  
to the Turkish Republic.

DIRECTION FROM THE PRESIDENT REGARDING APPLICATION OF TRADE AGREEMENT RATES

The White House,  
Washington  
April 5, 1939

The Honorable  
Henry Morgenthau, Jr.,  
Secretary of the Treasury.

My dear Mr. Secretary:

Pursuant to the authority conferred upon me by the Act to amend the Tariff Act of 1930, approved June 12, 1934 (48 Stat. 943), as extended by the Joint Resolution approved March 1, 1937 (50 Stat. 24), I hereby direct that the duties proclaimed on this date in connection with the trade agreement signed on April 1, 1939 with the Turkish Republic, and all other duties heretofore proclaimed in connection with trade agreements (other than the trade agreement with Cuba signed on August 24, 1934, the trade agreement with Nicaragua signed on March 11, 1936 and the trade agreement with Czechoslovakia signed on March 7, 1938, as amended) entered into under the authority of the said Act, as originally enacted or as extended, shall be applied on and after the effective date of such duties, or, as the case may be, shall continue to be applied on and from the date of this letter, to articles the growth, produce, or manufacture of all foreign countries, except as otherwise hereinafter provided, whether imported directly or indirectly, so long as such duties remain in effect and this direction is not modified.

Such proclaimed duties shall be applied to articles the growth, produce, or manufacture of Cuba in accordance with the provisions of the trade agreement with Cuba signed on August 24, 1934.

Because I find as a fact that the treatment of American commerce by Germany is discriminatory, I direct that such proclaimed duties shall not be applied to products of Germany. Products of Bohemia, Moravia and Slovakia, now under the de facto administrative control of Germany, shall be regarded as products of Germany for the purposes of this paragraph.

My letter addressed to you on November 25, 1938, with reference to duties heretofore proclaimed in connection with the trade agreements signed under the authority of the Act of June 12, 1934 is hereby superseded.

You will please cause this direction to be published in an early issue of the weekly Treasury Decisions.

Very sincerely yours,

FRANKLIN D. ROOSEVELT