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**Collection:** Matlock, Jack F.: Files  
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# WITHDRAWAL SHEET

## Ronald Reagan Library

**Collection Name** MATLOCK, JACK: FILES

**File Folder** USSR-GRAIN EMBARGO 81 5/5

**Box Number** 27

**Withdrawer**

JET 5/10/2005

**FOIA**

F06-114/8

YARHI-MILO

2705

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
9991	MEMO	ALLEN TO PRESIDENT REAGAN RE U.S.- SOVIET CONSULTATIONS ON GRAINS <i>R 9/30/2008 F06-114/8</i>	1	6/1/1981	B1
10009	MEMO	HAIT/BLOCK/BROCK TO PRESIDENT REAGAN RE U.S.-SOVIET CONSULTATIONS ON GRAINS <i>R 9/30/2008 F06-114/8</i>	2	5/28/1981	B1
9992	PAPER	SOVIET GRAIN: STILL DEPENDENT ON IMPORTS	1	6/5/1981	B1 B3
9993	MEMO	BAILEY TO ALLEN RE USSR GRAIN AGREEMENT <i>R 9/30/2008 F06-114/8</i>	1	6/30/1981	B1
9994	MEMO	ALLEN RE POLAND <i>R 9/30/2008 F06-114/8</i>	1	7/30/1981	B1
9995	MEMO	BAILEY TO ALLEN RE USSR GRAIN AGREEMENT <i>R 9/30/2008 F06-114/8</i>	1	6/30/1981	B1
10011	CABLE	ARGENTINA/USSR <i>D 3/16/2011 F2006-114/8</i>	2	7/17/1981	B1 B3
10012	CABLE	211227Z JUL 81 <i>D 3/16/2011 F2006-114/8</i>	2	7/21/1981	B1 B3

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

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B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

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2705

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
9996	MEMO	ALLEN TO PRESIDENT REAGAN RE NSC DISCUSSION PAPER: GRAIN AGREEMENT WITH USSR <i>R 3/16/2011 F2006-114/8</i>	1	ND	B1
9997	MEMO	NSC DISCUSSION PAPER GRAIN AGREEMENT WITH THE USSR <i>R 9/30/2008 F06-114/8</i>	4	ND	B1
9998	MEMO	SAME TEXT AS DOC #9996 <i>R 3/16/2011 F2006-114/8</i>	1	ND	B1
9999	MEMO	SAME TEXT AS DOC #9997 <i>R 9/30/2008 F06-114/8</i>	4	ND	B1
10000	MEMO	ALLEN RE US-USSR GRAIN AGREEMENT <i>R 9/30/2008 F06-114/8</i>	2	7/23/1981	B1
10014	CABLE	231159Z JUL 81 <i>D 3/16/2011 F2006-114/8</i>	2	7/23/1981	B1 B3
10001	MEMO	POATS TO ALLEN RE SOVIET GRAIN PURCHASE: BILL STEARMAN'S MEMO OF JULY 23 <i>R 9/30/2008 F06-114/8</i> DOCUMENT PENDING REVIEW IN ACCORDANCE WITH E.O. 13233	2	7/24/1981	B1

Freedom of Information Act - [5 U.S.C. 552(b)]

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**File Folder** USSR-GRAIN EMBARGO 81 5/5

**FOIA**

F06-114/8

**Box Number** 27

YARHI-MILO

2705

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
10002	MEMO	STEARMAN TO ALLEN RE SOVIET GRAIN PURCHASES <b>R 9/30/2008 F06-114/8</b> DOCUMENT PENDING REVIEW IN ACCORDANCE WITH E.O. 13233	2	7/23/1981	B1
10003	MEMO	POATS TO ALLEN RE CONGRESSIONAL PROPOSAL TO ATTACH RELIGIOUS CONDITIONS TO EXTEND US-SOVIET GRAIN AGREEMENT <b>R 3/16/2011 F2006-114/8</b>	1	8/3/1981	B1
10004	MEMO	COLSON TO PIPES/POATS RE ITEM OF INTEREST FROM HAIG'S EVENING REPORT DATED 8/5/81 <b>R 9/30/2008 F06-114/8</b>	1	8/6/1981	B1
10005	PAPER	SOVIET GRAIN: NO GOOD ALTERNATIVES FOR THE KREMLIN	1	ND	B1 B3
10010	CABLE	141526Z AUG 81 <b>R 9/30/2008 F06-114/8</b>	2	8/14/1981	B1
10006	PAPER	USSR: PARTY LETTER BRIEFS MEMBERSHIP ON HARVEST FAILURE	1	9/9/1981	B1 B3
10007	MEMO	POATS TO ALLEN RE US-SOVIET GRAIN CONSULTATIONS <b>R 9/30/2008 F06-114/8</b>	2	9/22/1981	B1

Freedom of Information Act - [5 U.S.C. 552(b)]

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**File Folder** USSR-GRAIN EMBARGO 81 5/5

**FOIA**

F06-114/8

**Box Number** 27

YARHI-MILO

2705

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions	
10008	PAPER	US-USSR GRAIN TALKS OPEN	1	9/30/1981	B1	B3
10015	CABLE	082310Z DEC 81 <b>D 3/16/2011 F2006-114/8</b>	1	12/8/1981	B1	B3
10016	CABLE	111443Z FEB 82 <b>D 3/16/2011 F2006-114/8</b>	1	2/11/1982	B1	B3

Freedom of Information Act - [5 U.S.C. 552(b)]

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*file  
Grain Embargo*

## MEMORANDUM

THE WHITE HOUSE

WASHINGTON

June 1, 1981

*→ Ryan*~~CONFIDENTIAL~~INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN *Dick*  
SUBJECT: U.S.-Soviet Consultations on Grains

I concur with the recommendation of Secretaries Haig, Block and Brock (Tab A) concerning the instructions to the U.S. Delegation which will discuss with Soviet representatives in London, June 8-10, U.S. grain sales to the Soviet Union. The final decision on the new Long-Term Agreement, if any, should indeed be made only after the interagency group now at work has analyzed all its ramifications, including the political one. (C)

CC: The Vice President  
Edwin Meese III  
James A. Baker III  
Michael K. Deaver

~~CONFIDENTIAL~~

Review May 28, 1987.

DECLASSIFIED

NLRR F06-114/8#9991

BY *LDI* NARA DATE 9/30/08

## MEMORANDUM

## NATIONAL SECURITY COUNCIL

~~CONFIDENTIAL~~

May 28, 1981

ACTION

MEMORANDUM FOR: RICHARD V. ALLEN  
FROM: RICHARD PIPES *RP*  
SUBJECT: U.S.-Soviet Consultations on Grains

At Tab I is a memorandum from you to the President transmitting the recommendation of Secretaries Haig, Block and Brock (Tab A) concerning the instructions to the U.S. Delegation which will discuss U.S. grain sales to the Soviet Union with Soviet representatives in London, June 8-10. (C)

Poats, Baily and I concur in the recommendation.

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Approve ✓ Disapprove \_\_\_\_\_

## Attachments:

Tab I Memorandum from you to the President  
Tab A Memorandum from Secretaries Haig,  
Block and Brock, dated May 28, 1981

~~CONFIDENTIAL~~

Review May 28, 1987.

DECLASSIFIED

White House Guidelines, August 28, 1997  
By omp NARA, Date 7/23/02

DECLASSIFIED

NLRR FO6-114/8#10009BY LOI NARA DATE 9/30/08

THE SECRETARY OF STATE

WASHINGTON

May 28, 1981

~~CONFIDENTIAL~~

MEMORANDUM FOR: THE PRESIDENT

From:

Alexander M. Haig, Jr. *Block by R. Fung*  
John R. Block *Block by R. Fung*  
William E. Brock *WEB by Macdonald*

Subject: U.S.-Soviet Consultations on Grains

Under the terms of our current Long Term Agreement (LTA) with the Soviet Union, which expires September 30, periodic consultations are to be held on implementation of the agreement. Since the lifting of the embargo we have been discussing with the Soviets the time and place for a resumption of these consultations. In response to a Soviet invitation to Moscow, we proposed that we meet in Paris on June 9-10. We and the Soviets have now agreed to London on June 8, 9, or 10. The purpose of these consultations will be to agree on the amounts of grain we will make available for Soviet purchase and delivery before September 30, 1981, and on an interim basis in the following year.

Jack Block and Bill Brock have indicated publicly our interest in exploring possibilities for a new LTA. However, it is our collective judgment that we should not give the Soviets any indication that we are committed to such an agreement. An interagency group is now studying whether a new agreement is beneficial to our interests and, if so, what might be included in that agreement. Even if we wanted to pursue an agreement, over-eagerness would weaken our negotiating ability to secure a favorable one.

Accordingly, the U.S. delegation would simply be instructed to inquire as to Soviet views on future grain trading relationships following the expiration of the current LTA, and to raise specific questions with the Soviets about their future intentions and about any ideas they suggest. The delegation would indicate to the Soviets that while we have an interest in exploring the possibility of a new LTA, we have not yet made any decision as to

~~CONFIDENTIAL~~

GDS (5/22/87)

~~CONFIDENTIAL~~

-2-

whether a new LTA, extension of the old one, or a less formal arrangement would be desirable. The delegation would indicate that it was interested in Soviet views, that it would report them back to Washington, and that we would soon be back in touch with the Soviets. Arrangements for any future meetings would be discussed at that time.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

MEMORANDUM

NATIONAL SECURITY COUNCIL

June 30, 1981

~~CONFIDENTIAL~~

INFORMATION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: NORMAN A. BAILEY *NB*

SUBJECT: USSR Grain Agreement

We are informed that the Department of Agriculture wants to make the following changes in the grain agreement with the Soviet Union:

(1) Change the minimum Soviet purchase from 6 million tons with 2 million optional to 10 million tons with 2 million optional. If Article 2 remains unchanged, this means the Soviets could purchase up to 12 million tons no matter what they do in Poland or anywhere else.

(2) Broaden the agreement beyond corn and wheat to include a wide range of agricultural products.

State wants a five-year agreement on present terms but with conditional language in Article 2 permitting us to abrogate the agreement in certain circumstances.

The USDA position, in our opinion, would give very bad signals to the Soviets and to our allies. We are in favor of a one-year extension on current terms.

cc: Rud Poats  
Henry Nau  
Robert Schweitzer  
Allen Lenz  
Don Gregg  
Jim Lilley  
Richard Pipes

~~CONFIDENTIAL~~

Review June 30, 1987

~~CONFIDENTIAL~~

*Pipes*  
*file grain*  
RVA HAS SEEN  
3924  
*AP*

*Norman -*  
*We may be able to go*  
*longer than 1 yr -*  
*up to 5. But we will*  
*certainly cancel, no matter*  
*what the agreement says, in*  
*the event of an invasion*  
*of Poland, or an equally*  
*aggressive act.*  
*RVA*  
*7/6*

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*NLRR F06-114/8 #9993*  
*BY LST NARA DATE 9/30/08*

#3924

6 JUL 1932 P 7: 19

JANET COLSON

BUD NANCE

DICK ALLEN

IRENE DERUS

JANET COLSON

BUD NANCE

KAY

CY TO VP

CY TO MEESE

CY TO BAKER

CY TO DEEVER

CY TO BRADY

SHOW CC

SHOW CC

SHOW CC

SHOW CC

SHOW CC

6 JULY

#3924

MR. ALLEN'S NOTE SAYS:

Norman,

We may be able to go longer than 1 yr - up to 5. But we will certainly cancel, no matter what the agreement says, in the event of an invasion of Poland, or an equally egregious act.

DECLASSIFIED/RELEASED

NLRR F06-114/8#9994

BY WOS NARA DATE 9/30/08

~~CONFIDENTIAL~~

GRAIN EMBARGO 8

81

3924

MEMORANDUM

NATIONAL SECURITY COUNCIL

June 30, 1981

~~CONFIDENTIAL~~

INFORMATION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: NORMAN A. BAILEY *NB*  
SUBJECT: USSR Grain Agreement

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(1) Change the minimum Soviet purchase from 6 million tons with 2 million optional to 10 million tons with 2 million optional. If Article 2 remains unchanged, this means the Soviets could purchase up to 12 million tons no matter what they do in Poland or anywhere else.

(2) Broaden the agreement beyond corn and wheat to include a wide range of agricultural products.

State wants a five-year agreement on present terms but with conditional language in Article 2 permitting us to abrogate the agreement in certain circumstances.

The USDA position, in our opinion, would give very bad signals to the Soviets and to our allies. We are in favor of a one-year extension on current terms.

cc: Rud Poats  
Henry Nau  
Robert Schweitzer  
Allen Lenz  
Don Gregg  
Jim Lilley  
✓ Richard Pipes

DECLASSIFIED

NLRR F06-114/3#9995

BY NDJ NARA DATE 9/30/88

~~CONFIDENTIAL~~

Review June 30, 1987

~~CONFIDENTIAL~~

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~

July 21, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: RICHARD PIPES *rl*

SUBJECT: NSC Discussion Paper: Grain Agreement with the USSR (S)

At Tab I is a self-explanatory memorandum to the President seeking his approval to support an extension of the present agreement with the USSR concerning grain sales. State prepared the NSC Discussion Paper at Tab A in preparation for the NSC meeting scheduled for July 22. (S)

Stearman and Bailey *mb* concur.

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

Attachments:

Tab I Your memorandum to the President  
Tab A NSC Discussion Paper prepared by State.

~~SECRET~~

Review July 21, 1987.

DECLASSIFIED  
White House Guidelines, August 28, 1997  
By *smf* NARA, Date *7/23/02*

## MEMORANDUM

THE WHITE HOUSE  
WASHINGTONSECRETACTION

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: NSC Discussion Paper: Grain Agreement with the  
USSR (S)

The State Department paper (Tab A) prepared for the NSC meeting on Wednesday, July 22, concerning the grain sales agreement with the USSR presents two alternatives: an one-year extension of the current agreement (which is due to expire in September 1981) or a new five-year agreement (LTA). (S)

On balance, the first option seems preferable, and this for two reasons:

1. It will support your policy toward the USSR: a new five-year LTA will tend to confuse the issue by signalling (in State's words) "our intention for long-term stability in our relationship with the USSR".
2. It will give us the required leverage to suspend grain sales should the Russians invade Poland or engage in similarly outrageous behavior elsewhere. (S)

It is unlikely that Moscow will accept a new LTA without guarantees against another embargo. To give such guarantees, however, would deprive us of the ability to use food sales as a means of moderating Soviet behavior in emergencies. We can, of course, always abrogate the LTA but such action would do great harm to our reputation as reliable trade partners. (S)

Moscow faces a dismal harvest prospect this year, due to the drought in the Volga region: some 190 million tons are expected, which means a shortfall of 40 or so million tons. This places us in a good bargaining position. A one-year agreement will enable us to monitor Soviet behavior at a critical stage in the Reagan Administration's foreign policy formulation when the Russians may engage us in "testing" operations. It will not preclude signing a new LTA in September 1982, should the situation warrant it. (S)

RECOMMENDATION

That you approve seeking an extension of the present agreement (page 2 of Tab A, second option).

SECRET

Review July 21, 1987.

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13  
NLRR FOI-11418#9916  
BY RW NARA DATE 3/16/11



DEPARTMENT OF STATE

Washington, D.C. 20520

4837  
14  
8121565

July 17, 1981

MEMORANDUM FOR RICHARD V. ALLEN  
NATIONAL SECURITY COUNCIL

Subject: NSC Discussion Paper

Attached is a State Department paper on the issue of a new grain agreement with the Soviet Union for the NSC meeting on Wednesday, July 22.

Attachment:

L. Paul Bremer, III  
Executive Secretary

UNCLASSIFIED WITH SECRET ATTACHMENT

UNCLASSIFIED UPON REMOVAL  
OF CLASSIFIED ENCLOSURE(S)

Def 7/23/02

13  
~~SECRET~~

NSC DISCUSSION PAPER

GRAIN AGREEMENT WITH THE USSR

The 5-year US-USSR Long-Term Agreement on Grain Trade (LTA), which expires September 30, 1981, has served US interests by preventing sudden, destabilizing Soviet grain purchases and ensuring minimum annual sales levels for US wheat and corn. We have essentially two alternatives: a new long-term grain agreement or extension of the current agreement for one year (until September 30, 1982).

If we decide to go for a new agreement, two major issues must be decided: (a) whether a new LTA should contain a U.S. guarantee against further embargoes and (b) the amount of grain the Soviets will be permitted to buy without prior USG concurrence. A related matter is the US-USSR maritime agreement, which expires in December, and which in the past was a condition for labor to agree to load grain for the USSR.

Issues for decision

A. Whether to seek a new long-term agreement or to extend the present arrangement

The present LTA expires on September 30. An agreement is preferable because it insures orderly development of the grain trade with the Soviets and guarantees a minimum quantity of grain sales.

The issue is whether to seek to negotiate a new 5-year agreement or to seek extension of the present agreement for one year.

In favor of seeking a new, 5-year agreement:

-- Going for a new, 5-year agreement would signal our intention for long-term stability in our relationship with the USSR, likely encouraging an increased level of Soviet purchases from the US and providing U.S. farmers the assurances they need for planning production.

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(GDS: 7/14/87)

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BY 105 NARA DATE 9/30/08

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- 2 -

In favor of seeking to extend the present agreement:

-- A one-year extension would allow us time to observe the evolution of the situation in Poland and elsewhere before committing ourselves to a long-term grain trade relationship.

-- Extension could probably be done quickly, thus advancing the date of return of the Soviets to our grain market.

-- Seeking extension would not preclude a future decision to negotiate a new, long-term agreement.

\_\_\_\_\_ Approve seeking a new, 5-year agreement

\_\_\_\_\_ Approve seeking extension of the present agreement

If you approve seeking a new, 5-year agreement, two additional issues must be addressed:

B. US Guarantees Against Future Embargoes

The current LTA provides an explicit guarantee against a USG embargo of the 6-8 million tons of grain specified in the Agreement. Even during the post-Afghanistan embargo, the US honored this commitment, providing 8 million tons of grain per year.

The issue is whether to retain an explicit guarantee against future U.S. embargoes in a new grain agreement with the USSR.

In favor of guaranteed access

-- USDA believes that without guaranteed access it might prove impossible to negotiate any new agreement. Even if a new agreement could be negotiated, lack of guaranteed access could probably discourage Soviet purchases of U.S. grain.

-- Even explicit guarantees could be overcome in extreme circumstances by abrogating the agreement

Against guaranteed access:

-- Guaranteed Soviet access would contradict our linkage strategy and be inconsistent with our overall approach to East-West trade.

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- 3 -

-- In general, guaranteed Soviet access to our grain would be inappropriate in view of the USSR's continued presence in Afghanistan, pressure on Poland and support for leftist guerillas and terrorist movements. Specifically, it is inconsistent with NATO-agreed sanctions to impose a general export embargo in case of a Soviet invasion of Poland.

-- Inclusion of specific guarantees against embargoes reduces the foreign policy flexibility you must have to respond to unacceptable Soviet international behavior and puts you in the position of having to abrogate an agreement you have approved.

-- Abrogation is an act which has serious implications in international relations and which could reflect on the value of guarantees in other international agreements, including arms control.

\_\_\_\_\_ Approve guaranteed Soviet access to US grain.

\_\_\_\_\_ Disapprove.

### C. Purchase Levels

The current agreement requires the Soviets to purchase 6 million tons of US grain annually (3 million tons each of wheat and corn) and permits them to purchase up to 8 million tons annually without prior approval from the USG.

The issue is whether the purchase levels of 6-8 million tons should be increased.

#### In favor of increased levels:

-- Increasing the purchase levels would help assure the US a significant share of the large Soviet market, slowing Soviet reliance on other suppliers such as Canada and Argentina (which have made major inroads into that market as a result of the embargo).

-- The US farm sector and key members of Congress see higher purchase levels as a test of Administration sincerity in undoing the "unfair" effects of the embargo.

#### Against increased levels:

-- Increased amounts would be inconsistent with our overall policy toward the Soviet Union, giving the impression

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- 4 -

that eagerness to sell US grain outweighs strategic considerations.

-- Pushing for increased grain exports would dilute our efforts to get our allies to restrain their exports of high-technology items to the USSR.

\_\_\_\_\_ Approve increased purchase levels.

\_\_\_\_\_ Disapprove.

#### US-USSR Maritime Agreement

The current grain agreement specifies that grain must be shipped according to the terms of the US-USSR maritime agreement, which expires in December 1981. US maritime labor would like to see the cargo sharing provisions of the agreement renewed, but this can only be done by making cargo sharing a precondition for the sale of grain or offering Soviet ships the opportunity to carry cargoes between the United States and third countries. The US maritime industry would oppose significant concessions to Soviet shipping interests, and insistence on US-flag carriage would make the grain agreement harder to negotiate. However, the Soviets may be encouraged to agree to cargo sharing by the potential threat of a renewed boycott by the International Longshoremen's Association (ILA) of grain shipments to the USSR. Drew Lewis has formed an interagency group to develop a policy in this area.

~~SECRET~~

Pipes: file  
grain

#4337

81 JUL 22 AIO: 07

JANET COLSON

BUD NANCE

DICK ALLEN

IRENE DERUS

JANET COLSON

BUD NANCE

KAY

CY TO VP

CY TO MEESE

CY TO BAKER

CY TO DEEVER

CY TO BRADY

SHOW CC

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BE' 2

(7/22/81)

## MEMORANDUM

## NATIONAL SECURITY COUNCIL

~~SECRET~~

July 21, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

FROM:

RICHARD PIPES *RP*

SUBJECT:

NSC Discussion Paper: Grain Agreement with the USSR (S)

At Tab I is a self-explanatory memorandum to the President seeking his approval to support an extension of the present agreement with the USSR concerning grain sales. State prepared the NSC Discussion Paper at Tab A in preparation for the NSC meeting scheduled for July 22. (S)

*MB*  
Stearman and Bailey concur.

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

## Attachments:

Tab I      Your memorandum to the President  
Tab A      NSC Discussion Paper prepared by State.

~~SECRET~~

Review July 21, 1987.

DECLASSIFIED

White House Guidelines, August 28, 1997  
By *smf* NARA, Date *7/23/02*

## MEMORANDUM

THE WHITE HOUSE  
WASHINGTON~~SECRET~~ACTION

## MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: NSC Discussion Paper: Grain Agreement with the  
USSR (S)

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On balance, the first option seems preferable, and this for two reasons:

1. It will support your policy toward the USSR: a new five-year LTA will tend to confuse the issue by signalling (in State's words) "our intention for long-term stability in our relationship with the USSR".
2. It will give us the required leverage to suspend grain sales should the Russians invade Poland or engage in similarly outrageous behavior elsewhere. (S)

It is unlikely that Moscow will accept a new LTA without guarantees against another embargo. To give such guarantees, however, would deprive us of the ability to use food sales as a means of moderating Soviet behavior in emergencies. We can, of course, always abrogate the LTA but such action would do great harm to our reputation as reliable trade partners. (S)

Moscow faces a dismal harvest prospect this year, due to the drought in the Volga region: some 190 million tons are expected, which means a shortfall of 40 or so million tons. This places us in a good bargaining position. A one-year agreement will enable us to monitor Soviet behavior at a critical stage in the Reagan Administration's foreign policy formulation when the Russians may engage us in "testing" operations. It will not preclude signing a new LTA in September 1982, should the situation warrant it. (S)

RECOMMENDATION

That you approve seeking an extension of the present agreement (page 2 of Tab A, second option).

~~SECRET~~

Review July 21, 1987.

DECLASSIFIED

NLRR 606-114/8 #998

BY RW NARA DATE 3/16/11



DEPARTMENT OF STATE

Washington, D.C. 20520

8121565

July 17, 1981

MEMORANDUM FOR RICHARD V. ALLEN  
NATIONAL SECURITY COUNCIL

Subject: NSC Discussion Paper

Attached is a State Department paper on the issue of a new grain agreement with the Soviet Union for the NSC meeting on Wednesday, July 22.

Attachment:

L. Paul Bremer, III  
Executive Secretary

UNCLASSIFIED WITH SECRET ATTACHMENT

UNCLASSIFIED UPON REMOVAL  
OF CLASSIFIED ENCLOSURE(S)

smf 1/23/02

~~SECRET~~

NSC DISCUSSION PAPER

GRAIN AGREEMENT WITH THE USSR

The 5-year US-USSR Long-Term Agreement on Grain Trade (LTA), which expires September 30, 1981, has served US interests by preventing sudden, destabilizing Soviet grain purchases and ensuring minimum annual sales levels for US wheat and corn. We have essentially two alternatives: a new long-term grain agreement or extension of the current agreement for one year (until September 30, 1982).

If we decide to go for a new agreement, two major issues must be decided: (a) whether a new LTA should contain a U.S. guarantee against further embargoes and (b) the amount of grain the Soviets will be permitted to buy without prior USG concurrence. A related matter is the US-USSR maritime agreement, which expires in December, and which in the past was a condition for labor to agree to load grain for the USSR.

Issues for decision

- A. Whether to seek a new long-term agreement or to extend the present arrangement

The present LTA expires on September 30. An agreement is preferable because it insures orderly development of the grain trade with the Soviets and guarantees a minimum quantity of grain sales.

The issue is whether to seek to negotiate a new 5-year agreement or to seek extension of the present agreement for one year.

In favor of seeking a new, 5-year agreement:

-- Going for a new, 5-year agreement would signal our intention for long-term stability in our relationship with the USSR, likely encouraging an increased level of Soviet purchases from the US and providing U.S. farmers the assurances they need for planning production.

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(GDS: 7/14/87)

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NLRR FOI-114/8 #9999

BY 105 NARA DATE 9/30/08

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- 2 -

In favor of seeking to extend the present agreement:

-- A one-year extension would allow us time to observe the evolution of the situation in Poland and elsewhere before committing ourselves to a long-term grain trade relationship.

-- Extension could probably be done quickly, thus advancing the date of return of the Soviets to our grain market.

-- Seeking extension would not preclude a future decision to negotiate a new, long-term agreement.

\_\_\_\_\_ Approve seeking a new, 5-year agreement

\_\_\_\_\_ Approve seeking extension of the present agreement

If you approve seeking a new, 5-year agreement, two additional issues must be addressed:

B. US Guarantees Against Future Embargoes

The current LTA provides an explicit guarantee against a USG embargo of the 6-8 million tons of grain specified in the Agreement. Even during the post-Afghanistan embargo, the US honored this commitment, providing 8 million tons of grain per year.

The issue is whether to retain an explicit guarantee against future U.S. embargoes in a new grain agreement with the USSR.

In favor of guaranteed access

-- USDA believes that without guaranteed access it might prove impossible to negotiate any new agreement. Even if a new agreement could be negotiated, lack of guaranteed access could probably discourage Soviet purchases of U.S. grain.

-- Even explicit guarantees could be overcome in extreme circumstances by abrogating the agreement

Against guaranteed access:

-- Guaranteed Soviet access would contradict our linkage strategy and be inconsistent with our overall approach to East-West trade.

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- 3 -

-- In general, guaranteed Soviet access to our grain would be inappropriate in view of the USSR's continued presence in Afghanistan, pressure on Poland and support for leftist guerillas and terrorist movements. Specifically, it is inconsistent with NATO-agreed sanctions to impose a general export embargo in case of a Soviet invasion of Poland.

-- Inclusion of specific guarantees against embargoes reduces the foreign policy flexibility you must have to respond to unacceptable Soviet international behavior and puts you in the position of having to abrogate an agreement you have approved.

-- Abrogation is an act which has serious implications in international relations and which could reflect on the value of guarantees in other international agreements, including arms control.

\_\_\_\_\_ Approve guaranteed Soviet access to US grain.

\_\_\_\_\_ Disapprove.

### C. Purchase Levels

The current agreement requires the Soviets to purchase 6 million tons of US grain annually (3 million tons each of wheat and corn) and permits them to purchase up to 8 million tons annually without prior approval from the USG.

The issue is whether the purchase levels of 6-8 million tons should be increased.

#### In favor of increased levels:

-- Increasing the purchase levels would help assure the US a significant share of the large Soviet market, slowing Soviet reliance on other suppliers such as Canada and Argentina (which have made major inroads into that market as a result of the embargo).

-- The US farm sector and key members of Congress see higher purchase levels as a test of Administration sincerity in undoing the "unfair" effects of the embargo.

#### Against increased levels:

-- Increased amounts would be inconsistent with our overall policy toward the Soviet Union, giving the impression

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- 4 -

that eagerness to sell US grain outweighs strategic considerations.

-- Pushing for increased grain exports would dilute our efforts to get our allies to restrain their exports of high-technology items to the USSR.

\_\_\_\_\_ Approve increased purchase levels.

\_\_\_\_\_ Disapprove.

#### US-USSR Maritime Agreement

The current grain agreement specifies that grain must be shipped according to the terms of the US-USSR maritime agreement, which expires in December 1981. US maritime labor would like to see the cargo sharing provisions of the agreement renewed, but this can only be done by making cargo sharing a precondition for the sale of grain or offering Soviet ships the opportunity to carry cargoes between the United States and third countries. The US maritime industry would oppose significant concessions to Soviet shipping interests, and insistence on US-flag carriage would make the grain agreement harder to negotiate. However, the Soviets may be encouraged to agree to cargo sharing by the potential threat of a renewed boycott by the International Longshoremen's Association (ILA) of grain shipments to the USSR. Drew Lewis has formed an interagency group to develop a policy in this area.

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## THE WHITE HOUSE

WASHINGTON

~~SECRET~~

July 23, 1981

MEMORANDUM FOR THE VICE PRESIDENT  
THE SECRETARY OF STATE  
THE SECRETARY OF THE TREASURY  
THE SECRETARY OF DEFENSE  
THE SECRETARY OF AGRICULTURE  
THE COUNSELLOR TO THE PRESIDENT  
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET  
THE DIRECTOR OF CENTRAL INTELLIGENCE  
THE UNITED STATES SPECIAL TRADE REPRESENTATIVE  
THE CHIEF OF STAFF TO THE PRESIDENT  
THE DEPUTY CHIEF OF STAFF TO THE PRESIDENT

The following decisions have been made by the President based on discussions at the July 22, 1981 meeting of the National Security Planning Group:

US-USSR Grain Agreement:

- The current Five Year US-USSR Grain Agreement, scheduled to expire on September 30, 1981, shall be extended for a period of one year.
- While the current terms of the agreement requiring the Soviet Union to purchase 6 million tons of grain and allowing the purchase of up to 8 million tons without US approval shall pertain, the United States Special Trade Representative shall be given some flexibility with respect to these limits.
- The United States will remain open to the possibility of discussions regarding the negotiation of a new five-year agreement and an increase in the current limits in parallel with an evaluation of Soviet actions elsewhere in the world.
- In the event the United States decides to negotiate a new grain agreement with the Soviet Union, there will be no US guarantee against the imposition of embargoes.

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Review on July 23, 1987

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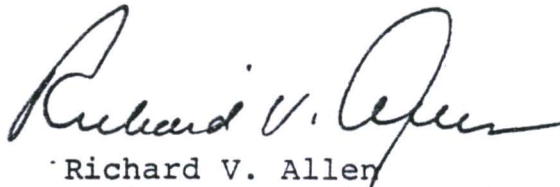
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-2-

Sale of Corn to Poland:

• Action shall be initiated for the purpose of extending \$60 million in new credits to Poland for the purchase of 400,000 metric tons of corn.

FOR THE PRESIDENT:



Richard V. Allen  
Assistant to the President  
for National Security Affairs

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~~Pipes:~~

gram

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JANET COLSON

BUD NANCE

DICK ALLEN

IRENE DERUS

JANET COLSON

BUD NANCE

KAY

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NATIONAL SECURITY COUNCIL

4419 (add-on)  
GK~~SECRET~~INFORMATION

July 24, 1981

MEMORANDUM FOR RICHARD V. ALLEN

FROM:

RUTHERFORD POATS *RP*

SUBJECT:

Soviet Grain Purchase: Bill Stearman's  
Memo of July 23 (U)

Bill Stearman's objections to my qualified endorsement of higher obligatory and optional quantities in any long-term renewal of the Soviet grain agreement lead me to believe that my brief for this position was too brief. As you know, the issue is moot, provided we stick to the present line of seeking only a one-year extension of the present agreement, as is. However, should the question become active in the future, here is my point:

If we deleted or nullified Article II, as State and NSC Staff advocate, the Soviets will have no assurance of receiving any grain, so increasing the "assured" amount would be no concession to Moscow. The President would be free to stop exports of both the obligatory and optional amounts without invoking the Export Administration Act. We would be saying to the Soviets, "Whereas you must unconditionally commit to buy 10 million tons of US corn and wheat annually, we will be free to embargo exports to you at any time that you commit aggression, as the USG defines it, regardless of whether you have bought more or less than the base amount." This is so radical a shift in our advantage, as compared with last year, when we were bound by Article II to allow the 8 million tons to be shipped despite Afghanistan, that I would be surprised if the Soviets signed such an agreement. (S)

Without an agreement, the Soviets can treat the US as the residual grain supplier, buying here only when they must and bunching such purchases late in the crop year, without USG control over the amounts except by presidential embargo under the Export Administration Act. The Soviets must know that the President would be inclined to embargo US grain only as part of a multilateral sanction program, not limited to grain. I doubt that this club would be used other than in response to blatant Soviet aggression. Whether the grain agreement is for 6-8 or 10-12 million tons, we are unlikely to embargo grain to influence less offensive Soviet behavior, such as arms supply to Nicaragua. (S)

~~SECRET~~Review on  
July 24, 1987~~SECRET~~

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NLRR FOI-114/8#10001

BY LoT NARA DATE 9/30/08

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Bill is right that public perception in Europe of a "bigger" US-Soviet grain deal could undermine our East-West policy proposals. Hence the decision to go for an unchanged, one-year extension. (S)

cc: William Stearman  
Norman Bailey  
Richard Pipes

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MEMORANDUM

NATIONAL SECURITY COUNCIL

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July 23, 1981

NLRR F06-114/8#10002

INFORMATION

BY h05 NARA DATE 9/30/08

MEMORANDUM FOR RICHARD V. ALLEN

FROM: WILLIAM L. STEARMAN

SUBJECT: Soviet Grain Purchases

The Poats memo to you (Tab I) proposes not opposing Block's desire to increase the obligatory and optional Soviet purchase levels to 10-12 million tons. I believe we should keep these grain sales to a minimum 6-8 million tons annually for the following reasons:

*not attached; Stearman on leave, fu. not sure which memo he wanted attached*

-- The less grain we sell them, the more acute their economic difficulties. This year's crop is being badly damaged by a combination of drought and severe storms. This means the Soviets are going to be even more dependent on US grain imports. (I doubt if they can fulfill their total needs from other sources.) Why should we help bail them out?

-- If we go up to 10-12 million tons, our farmers are going to become accustomed to this level which in times of better Soviet crops, will give the Soviets leverage over us -- given the demonstrated power of the grain sales advocates.

-- Increased sales will actually decrease our leverage over the Soviets in situations where we could apply pressure on them.

The chances of massive Soviet military actions (e.g., against Poland, Iran or Pakistan) are, I believe, at present relatively slim; moreover, the reasons for such actions, if they occurred at all, would be so compelling that threatening a grain embargo would not deter them. What we need are deterrents to more limited Soviet actions (e.g., large-scale arms deliveries to Nicaragua, border raids against Pakistan.) Here is where the threat of a grain embargo might have some real effect; however, the more dependent our farmers become upon Soviet grain sales, the more difficult it will be to impose an embargo short of a really major Soviet military action.

-- The larger our grain sales, the worse signal we send to both the Soviets and our allies. Even though other East-West trade issues, such as the Soviet gas pipeline deal, are of a different nature than grain sales, we weaken our arguments against those deals we oppose. (i.e., a major motive in the pipeline deal is selling Mannesmann steel pipes). What is worse, we con-

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Review on July 23, 1987

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vince the Soviets that trade takes precedence over pressure in our country. This can well lead to a potentially dangerous Soviet contempt for us.

cc: Rud Poats  
Norman Bailey  
Richard Pipes

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MEMORANDUM

NATIONAL SECURITY COUNCIL

4517

INFORMATION

July 29, 1981

MEMORANDUM FOR RICHARD V. ALLEN

**RVA HAS SEEN**

FROM: RUTHERFORD POATS

SUBJECT: Soviet Grain Agreement Negotiations

Ambassador Brock and Agriculture Undersecretary Lodwick will meet with the Soviets in Vienna August 3-5 and explore extension of the grain trade agreement. Brock will report on the negotiations to the Trade Policy Committee at 3:00 p.m., August 7. You may wish to put this on your calendar. In any event, I will send you a summary of reports from Vienna as soon as definitive news is in, and I will cover the TPC meeting.

cc: Norman Bailey

MEMORANDUM

FILE -  
GRAIN  
~~CONFIDENTIAL~~

NATIONAL SECURITY COUNCIL

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Dobriansky  
Jor. Umes  
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~~CONFIDENTIAL~~

ACTION

August 3, 1981

MEMORANDUM FOR RICHARD V. ALLEN

THROUGH: NORMAN BAILEY *MB*

FROM: RUTHERFORD FOATS *RF*

SUBJECT: Congressional Proposal to Attach Religious  
Conditions to Extend US-Soviet Grain Agreement (U)

Just before leaving for his Vienna negotiations with the USSR on extension of the grain agreement, Bill Brock received the attached letter from 50 Members of Congress proposing that the agreement "should contain clauses stating that the Soviet Union will not restrict prayer gatherings, the teaching of Hebrew culture and language, or emigration from the Soviet Union." (C)

Brock did not have time -- even if he had the inclination -- to seek review of his negotiating instructions in the light of this proposal. He asked his staff to get suggestions from me and from someone in State on how he should respond, when he returns from Vienna on Thursday. (C)

If you agree, I propose to suggest that his response state, in substance, that inasmuch as this Administration does not intend to make any concessions to the Soviet Union in a grain trade agreement, the negotiation of this agreement will offer no opportunity to exact political or religious concessions from the Soviet Union. The Administration does, of course, fully support the objectives expressed in the letter from the 50 Members of Congress, and Brock has referred the letter to Secretary Haig for his consideration in the direction of US relations with the Soviet Union. (C)

Allen Lenz *AL* and Paula Dobriansky *PD* concur.

RECOMMENDATION

That you approve the suggested line of response outlined above.

Approve *RF* *8/6*

Disapprove \_\_\_\_\_

Attachment

Tab I Ltr to Brock fr Congress

~~CONFIDENTIAL~~  
Review on  
August 3, 1987

~~CONFIDENTIAL~~

DECLASSIFIED

NLRR FOI-114/8 #10003  
BY RW NARA DATE 3/16/91



AFRICA  
ASIAN AND PACIFIC AFFAIRS  
TASK FORCE ON MISSING-IN-ACTION  
HUMAN RIGHTS AND INTERNATIONAL  
ORGANIZATIONS  
SELECT COMMITTEE ON AGING  
SELECT COMMITTEE ON  
NARCOTICS ABUSE  
AND CONTROL  
TASK FORCE ON DRUG ABUSE IN THE  
MILITARY  
SPECIAL COMMITTEE ON  
HOUSE RECORDING

**Congress of the United States**  
**House of Representatives**  
Washington, D.C. 20515

DISTRICT OFFICES:  
6151 WEST CENTURY BOULEVARD  
SUITE 1018  
LOS ANGELES, CALIFORNIA 90045  
(213) 642-5111  
1815 VIA EL PRADO  
SUITE 207  
REDONDO BEACH, CALIFORNIA 90277  
(213) 540-2951

July 30, 1981

The Honorable William E. Brock  
United States Trade Representative  
Executive Office of the President  
600 17th Street, N.W.  
Washington, D.C. 20506

Dear Ambassador Brock:

In a few days you will discuss the sale of American grain to the Soviet Union with representatives of the U.S.S.R. It is our belief that this is an opportunity to discuss three matters of utmost concern to those of us involved in the human rights struggle:

the persecution of religious groups in Russia who gather to pray;

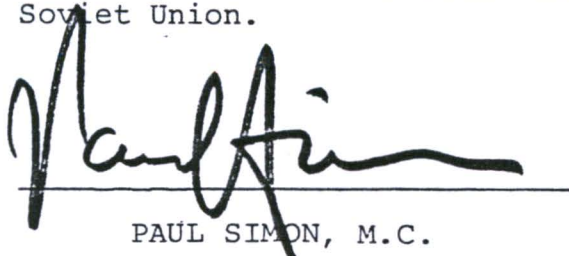
the refusal by the Soviet government to permit the teaching of the Hebrew language;

the refusal to permit emigration from the U.S.S.R.

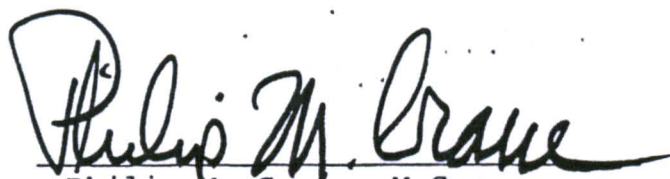
Since the grain embargo against the Soviet Union was lifted, new arrests and trials of people who expressed their religious or cultural beliefs have taken place. Christian and Jewish groups who gather to pray or learn their culture are still persecuted. The numbers of those permitted to leave the U.S.S.R. are the lowest of recent years.

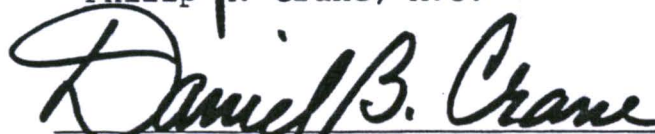
We urge you to discuss these troubling matters with Soviet representatives in Vienna. Indeed, man does not live by bread alone. If we are to provide grain to the Russian people, we should try to provide them with the freedom to pursue spiritual nourishment as well. Any eventual agreement reached should contain clauses stating the Soviet Union will not restrict prayer gatherings, the teaching of Hebrew culture and language, or emigration from the Soviet Union.


Sincerely,

  
PAUL SIMON, M.C.

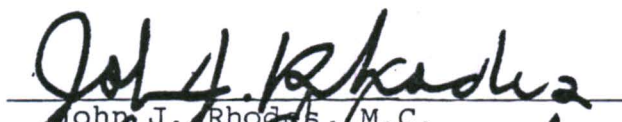
  
ROBERT K. DORNAN, M.C.

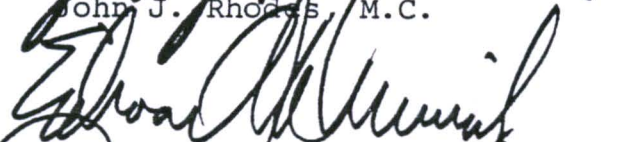
  
Philip M. Crane, M.C.

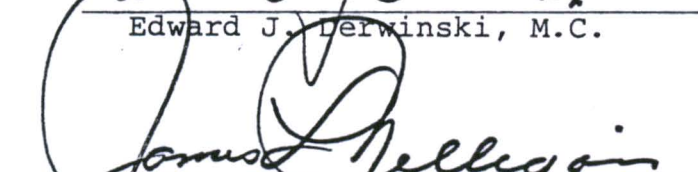
  
Daniel B. Crane, M.C.


  
Mark D. Siljander

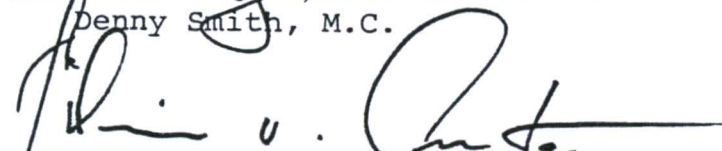
  
David Michael Staton, M.C.

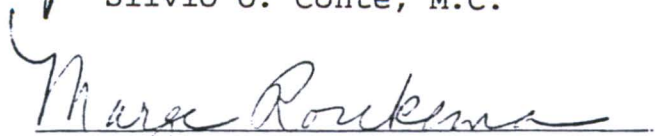
  
John J. Rhodes, M.C.

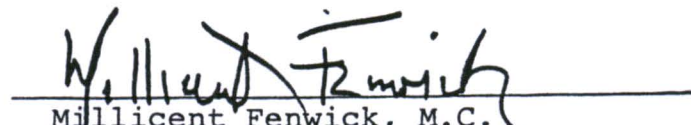
  
Edward J. Derwinski, M.C.

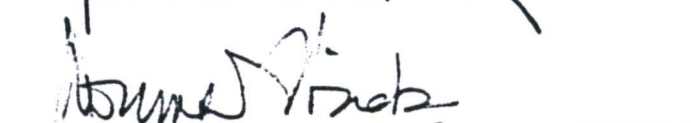
  
James L. Nelligan, M.C.

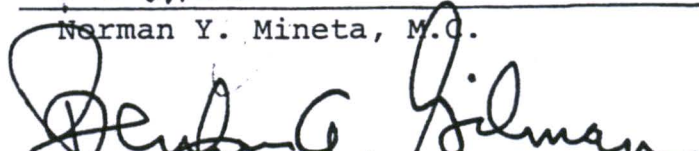
  
Denny Smith, M.C.

  
Silvio O. Conte, M.C.

  
Marge Roukema, M.C.

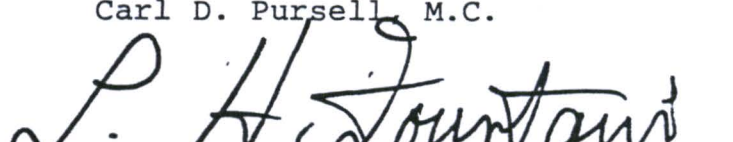
  
Millicent Fenwick, M.C.


  
Norman Y. Mineta, M.C.

  
Benjamin A. Gilman, M.C.

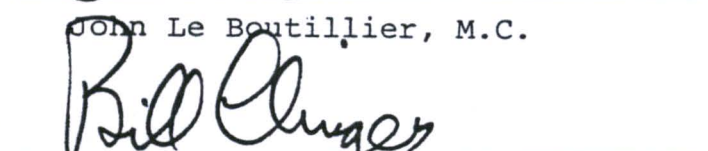
  
Clarence E. Miller, M.C.

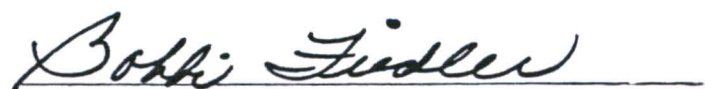
  
Carl D. Pursell, M.C.

  
L. H. Fountain, M.C.

  
Robert H. Michel, M.C.

  
John Le Boutillier, M.C.

  
William F. Clinger, M.C.

  
Bobbi Fiedler, M.C.

*Don Ritter*  
DON RITTER, M.C.

*Bernard J. Dwyer*  
BERNARD J. DWYER, M.C.

*Joseph H. Smith*  
JOSEPH H. SMITH, M.C.

*Tom Bliley*  
THOMAS BLILEY, JR., M.C.

*Joel Pritchard*  
JOEL PRITCHARD, M.C.

*John N. Erlenborn*  
JOHN N. ERLBORN, M.C.

*Bill Lowery*  
BILL LOWERY, M.C.

*Cleve Benedict*  
CLEVE BENEDICT, M.C.

*Bill Green*  
BILL GREEN, M.C.

*John H. Rousselot*  
JOHN H. ROUSSELOT, M.C.

*W.G. (Bill) Hefner*  
W.G. (BILL) HEFNER, M.C.

*Robert Walker*  
ROBERT WALKER, M.C.

*Albert Lee Smith Jr*  
ALBERT LEE SMITH, JR., M.C.

*Marjorie S. Holt*  
MARJORIE HOLT, M.C.

*Ray Mc Grath*  
RAYMOND MCGRATH, M.C.

*Carlos J. Moorhead*  
CARLOS J. MOORHEAD, M.C.

*Bill Gradison*  
BILL GRADISON, M.C.

*William Carney*

WILLIAM CARNEY, M.C.

*Bill Archer*

BILL ARCHER, M.C.

*Sam Gejdenson*

SAM GEJDENSON, M.C.

*James V. Hansen*

JAMES V. HANSEN, M.C.

*Manuel Lujan, Jr.*

MANUEL LUJAN, JR.

*William M. Brodhead*

WILLIAM M. BRODHEAD, M.C.

*Thomas M. Foglietta*

THOMAS M. FOGLIETTA, M.C.

*Hamilton Fish, Jr.*

HAMILTON FISH, JR., M.C.

*Harold C. Hollenbeck*

HAROLD C. HOLLENBECK, M.C.

*Dennis E. Eckart*

DENNIS E. ECKART, M.C.

*Baltasar Corrada*

BALTASAR CORRADA, M.C.

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MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

August 6, 1981

MEMORANDUM FOR: RUD POATS  
RICHARD PIPES, ET AL

FROM: JANET COLSON

SUBJECT: Item of Interest from Secretary Haig's  
Evening Report dated August 5, 1981

- \* NOTE: Because of the desire to limit the circulation of these items, they will be distributed to the "action officers" only. Please share, informally, with others as appropriate.

2. Grain Talks with the Soviets. Bill Brock did a first-rate job in convincing the Soviet delegation at the grain talks in Vienna August 3-5 to agree to a simple one-year extension of the Long-Term Grain Agreement (LTA), to September 30, 1982. The Soviet side clearly would have preferred to begin negotiations on a new grain agreement at this session, but Bill will contact them in early October to work out the time and place for such talks. The extension outcome provides a satisfactory framework for our grain trade with the USSR in 1981/82, without giving the Soviets any concessions. Bill told the Soviets privately that progress on these talks would depend on developments in our bilateral political relationship. (C)

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Derivative SecState

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NLRR F06-114/8#10004

WJ NARA DATE 9/30/08

UNCLASSIFIED  
Department of State

GRAIN  
OUTGOING  
TELEGRAM

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STATE 209274

INFO OCT-00 ADS-00 AID-07 INR-10 EUR-12 SS-15 AF-10  
CIAE-00 EA-12 ICA-15 DODE-00 H-01 MMO-01 IO-15  
NEA-07 NSC-05 ARA-16 NSAE-00 COME-00 L-03 LAB-04  
CTHE-00 TRSE-00 INT-05 ITC-01 PA-02 CEA-01 OMB-01  
STR-11 SMS-01 SAL-01 FRB-01 SIG-03 ANAE-00 AGR-01  
SP-02 SPRS-02 /173 R

DRAFTED BY EB/OPF/FPD:MAPETERS:JS  
APPROVED BY EB:EJOHNSTON  
EB/OPF/OPF:BRFURNESS  
EUR/SOV:NBURAKOW  
USDA:JRUDBECK  
AF/EX:GMANDERSCHIED  
EA/EX:KHARRIS  
EUR/EX:BHUGHES  
NEA/EX:RDEASON  
ARA/EX:RLUTKOSKI

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R 070656Z AUG 81 ZEX  
FM SECSTATE WASHDC  
TO ALL DIPLOMATIC POSTS

UNCLAS STATE 209274

PASS CONSULS AS APPROPRIATE

E.O. 12065: N/A

TAGS: EAGR, US, UR, ETRD

SUBJECT: EXTENSION OF US-SOVIET GRAIN AGREEMENT

1. FOR POSTS' INFORMATION AND USE IN RESPONDING TO HOST COUNTRY INQUIRIES, FOLLOWING ARE TEXT OF PRESS RELEASE ON EXTENSION OF US-SOVIET GRAINS AGREEMENT ISSUED IN VIENNA AUGUST 5, AND PRESS GUIDANCE PREPARED IN WASHINGTON.

2. U.S. TRADE REPRESENTATIVE WILLIAM BROCK ANNOUNCED TODAY THAT THE U.S. AND THE SOVIET UNION HAVE AGREED TO A ONE-YEAR EXTENSION OF THE CURRENT LONG-TERM GRAINS AGREEMENT. ORIGINALLY DUE TO EXPIRE ON SEPTEMBER 30, 1981. THE AGREEMENT REACHED BY THE TWO PARTIES PROVIDES THAT THE EXISTING LONG-TERM AGREEMENT WOULD REMAIN INTACT, EXCEPT THAT THE EXPIRATION DATE WOULD BE CHANGED TO SEPTEMBER 30, 1982. AT THE SAME TIME, IT WAS AGREED TO BEGIN DETAILED AND IN-DEPTH EXAMINATION OF A NEW LONG-TERM GRAINS AGREEMENT THE NEXT SESSION OF TALKS IS PLANNED FOR SOME TIME LATER THIS FALL. (END TEXT OF VIENNA PRESS RELEASE)

(BEGIN DEPT. PRESS GUIDANCE) Q: WHAT ARE THE SPECIFIC PROVISIONS OF THE US-SOVIET GRAIN AGREEMENT SIGNED IN VIENNA?

A: WE AGREED IN VIENNA TO A SIMPLE ONE-YEAR EXTENSION OF THE CURRENT LONG-TERM GRAINS AGREEMENT, WHICH WAS ORIGINALLY DUE TO EXPIRE ON SEPTEMBER 30 OF THIS YEAR. ALL THE PROVISIONS OF THE EXISTING AGREEMENT REMAIN INTACT, WITH THE EXCEPTION THAT THE EXPIRATION DATE IS NOW SET AT SEPTEMBER 30, 1982. THUS, IN FISCAL YEAR 1982 THE SOVIETS ARE NOW PERMITTED TO BUY UP TO EIGHT MILLION TONS OF U.S. GRAIN WITHOUT FURTHER CONSULTATION.

Q: HOW WOULD YOU DESCRIBE THE TONE OF THE GRAIN TALKS AT VIENNA? WERE THERE ANY CONFRONTATIONS OVER POLITICAL ISSUES?

A: WE UNDERSTAND FROM U.S. TRADE REPRESENTATIVE BROCK

THAT THE TALKS WERE CORDIAL, BUSINESSLIKE AND TOTALLY WITHOUT CONFRONTATION.

Q: HOW DOES THE NEW AGREEMENT AFFECT THE QUANTITIES OFFERED FOR SALE TO THE SOVIETS AT THE LONDON MEETING IN JUNE?

A: IN LONDON WE ADVISED THE SOVIETS THAT THEY COULD PURCHASE UP TO 6 MILLION TONS, 3 MILLION TONS OF CORN AND/OR 3 MILLION TONS OF WHEAT PRIOR TO SEPTEMBER 30. THE PURCHASE QUANTITIES OFFERED IN LONDON FOR THE PERIOD AFTER SEPTEMBER 30 ARE NOW INCLUDED IN THE SIX TO EIGHT MILLION TONS OF GRAIN AUTHORIZED FOR PURCHASE IN FISCAL YEAR 1982 BY VIRTUE OF THE ONE-YEAR EXTENSION OF THE LONG-TERM AGREEMENT.

Q: IS THE U.S. COMMITTED TO BEGINNING TALKS ON A POSSIBLE NEW LONG-TERM GRAINS AGREEMENT?

A: BOTH THE SOVIET AND U.S. SIDES AGREED TO BEGIN DETAILED AND IN-DEPTH EXAMINATION OF A POSSIBLE NEW LONG-TERM GRAINS AGREEMENT WHEN THEY RETURNED HOME FROM VIENNA. NO DATE OR VENUE HAS BEEN SET FOR FUTURE TALKS, ALTHOUGH FALL WAS MENTIONED AS A TIME FRAME FOR THE NEXT MEETING. ASIDE FROM ANY MEETING ON A PROSPECTIVE NEW GRAINS AGREEMENT, I WOULD NOTE THAT UNDER THE PROVISIONS OF THE CURRENT AGREEMENT A REGULAR BI-ANNUAL US-SOVIET CONSULTATION IS EXPECTED TO TAKE PLACE IN EITHER SEPTEMBER OR OCTOBER. HAIG

UNCLASSIFIED

GRAIN

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EOB749

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~~SECRET~~

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IN

OP IMMED  
 UTS9299  
 DE RUEHMO #1399 2261526  
 O 141526Z AUG 81  
 FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC IMMEDIATE 5889

~~SECRET~~ MOSCOW 11399

STATE PASS AGRICULTURE IMMEDIATE ELECTRONICALLY  
 FOR HAMMER, SMITH, NOVOTNY, MACKIE, BANGE  
 E.O. 12065: GDS 08/14/87 (MCCALL, SHERROD)OR-M  
 TAGS: EAGR, EPAP, ETRD, PINS, UR  
 SUBJECT: USSR GRAIN CROP AND TRADE  
 REF: MOSCOW 11318

1. ~~(S)~~-ENTIRE TEXT.

2. OFFICIALS OF AN INTERNATIONAL GRAIN TRADING  
 FIRM VISITING HERE FROM WEDNESDAY, AUGUST 12,  
 DISCUSSED SOVIET GRAIN CROP AND TRADE SITUATION  
 WITH AG COUNS OFFICE STAFF OVER LUNCH PRIOR TO  
 FRIDAY AFTERNOON DEPARTURE FROM MOSCOW.  
 TRADERS SAID BUSINESS AND PRIVATE DISCUSSIONS  
 WITH EXPORTKHEB CONFIRMED FIRM'S SUSPICION  
THAT GRAIN CROP MAY BE ABOUT 20 MMT BELOW  
USDA'S NEW 185 MMT ESTIMATE. THIS CONCLUSION  
WAS SUPPORTED, THEY SAID, WHEN SOVIETS "TURNED  
WHITE" AT TRADERS' MENTION OF 1972 (168 MMT) AS  
A COMPARABLE YEAR.

3. CONTACTS NOTED THAT THEY BELIEVE ABOUT 1.0 MMT  
 OF U.S. GRAIN FOR PRE-SEPT. 30 DELIVERY WAS SOLD  
 THE U.S.S.R. ON THURSDAY, AUG. 13, TO BE  
 ANNOUNCED IN WASHINGTON FRIDAY. TOTAL IS  
 APPROXIMATE AS IT IS SPLIT AMONG FIRMS; ABOUT  
50/50 WHEAT/CORN. THIS WOULD RAISE TOTAL  
COMMITMENT FOR YEAR ENDING SEPT. 30 TO 9.55 MMT,  
OF WHICH 5.9 MMT CORN AND 3.65 MMT WHEAT.  
 TRADERS DENIED WHEAT PURCHASE FOR NEARBY

\*\*\*\*\*

SIT:  
 EOB: PIPES  
 WHSR COMMENTS:

PAGE 01

MOSCOW 1399

DTG:141526Z AUG 81

PSN:009163

TOR: 226/1600Z

CSN:ECF077

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\*\*\*\*\*E COPY

DECLASSIFIED  
 NLRR F06-114/8 #10010  
 BY 105 NARA DATE 9/30/08

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\*\*\*\*\*E COPY

DELIVERY IS SIMPLY A GESTURE TO U.S. WHEAT GROWERS, IMPLYING SOVIETS NEED WHEAT NOW. THIS ALSO, THEY SAID, TENDS TO CONFIRM THEIR VIEW OF PROSPECTIVE CROP.

4. ON OTHER GRAINS, TRADERS INDICATED THEY RECEIVED INDICATIONS THE SOVIETS ARE ANXIOUS TO ADHERE STRICTLY TO THE EXTENDED LTA ON GRAINS, AND ARE THUS HESITANT TO MAKE DESIRED PURCHASES OF U.S. SOYBEANS AND BARLEY, WHICH THEY FEAR MIGHT BE CONSTRUED AS GOING BEYOND AUTHORIZED LIMITS OF THE AGREEMENT, OR MIGHT EXCITE U.S. PUBLIC OPINION. TRADER'S CONCLUSION WAS THAT THIS COULD CAUSE SOME SALES TO BE LOST OR DELAYED.

COMMENT: IT OCCURS TO AGATT STAFF; HOWEVER, THAT THIS MAY BE A SOVIET PLOY TO GET SOYBEANS ADDED TO THE 1 YEAR CORN AND WHEAT AUTHORIZATION OF 6-8 MMT, WHICH EXPIRES SEPT. 30, 1982, IN ORDER TO OBTAIN ASSURANCE AGAINST LATER POSSIBLE SUSPENSION. TRADERS WENT SO FAR AS TO SUGGEST ADDING 1 TO 2 MMT OF U.S. SOYBEANS AT THE SEPT. 1981 CONSULTATIONS, AND ADDING EXTRA CORN/WHEAT TO BRING THE TOTAL TO AT LEAST 10-12 MMT OF WHEAT/CORN/SOYBEANS. CONTACTS FELT THE SOVIETS MIGHT BE WILLING TO COMMIT THEMSELVES TO TAKE THE 10 MMT IN ORDER TO GET THE 12 MMT. IT IS ALSO WORTH NOTING THAT ON AUGUST 12 AT SPASO MEL'NIKOV OF MFT ALSO MENTIONED TO AGATT THAT IN SOME QUARTERS (AMONG U.S. FARMERS HE SAID) THE CURRENT 1 YEAR EXTENSION IS SEEN AS A SALES-LIMITING FACTOR. MATLOCK  
BT

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~~CONFIDENTIAL~~

5591

## NATIONAL SECURITY COUNCIL

~~CONFIDENTIAL~~INFORMATION

September 22, 1981

MEMORANDUM FOR RICHARD V. ALLEN

THROUGH: NORMAN BAILEY MB  
FROM: RUTHERFORD POATS RP  
SUBJECT: US-Soviet Grain Consultations (U)

The USDA staff now has put forward a revised position paper for the September 30 US-Soviet grain consultations. These consultations are held at the beginning of each agreement year for the purpose of declaring the availability of specific amounts of additional US grain beyond the automatic 8 million ton export level and to get some indication of Soviet intentions to purchase additional quantities. USDA's main ambition is to get a reliable Soviet undertaking to buy in exchange for the US undertaking to supply additional quantities so as to firm up the soft grain market and marginally increase the total volume of US grain exports by greatly increasing the volume of US exports to the Soviet Union. (C)

The USDA position paper drops the earlier proposal, which State and I opposed, of inducing a Soviet commitment by offering assurances against embargo with regard to the amounts above the basic grain level (8 million tons). Instead, USDA proposes to offer a minimum of 12 million tons additional grain and to go as high as 17 million tons additional (25 million tons total) if the Soviets declare some intention to buy part of this amount. If this ploy fails, USDA would leave on the table the offer of 12 million tons and announce it to the press, acknowledging that no assurance of Soviet intent to buy was obtained. (C)

I have stated the NSC staff's opposition to these offering levels on grounds that (1) it is politically untimely to signal "business as usual" to the Soviet Union and other grain exporting countries to the extent indicating by the US proposal to sell 25 million tons -- the target level set by the US during the year of embargo and 10 million tons higher than we have ever actually sold in the past; and (2) it is unseemly for the US to take the "demandeur" role of publicizing a 12 million ton offer (20 million tons total) in the face of a Soviet refusal to commit to any additional purchase. Personally, I have argued that there is no logic to the USDA belief that such a news story would firm up the US grain market. (C)

~~CONFIDENTIAL~~

Review on

September 22, 1987

DECLASSIFIED

NLRR Feb-114/8 #10007

BY WJ NARA DATE 9/30/08~~CONFIDENTIAL~~

90  
~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

2

I told the USDA staff that if they wanted to appeal this position, Block or Lodwick would need to take it up with you. I said I would not clear going any higher than 8 million tons additional (doubling the assured amount in the agreement) in the face of no Soviet commitment to buy and go no higher than 12 million tons in response to a Soviet commitment or indication of intent to buy some portion of that amount. (C)

Norm Bailey and Dick Pipes concurred in my response to USDA, and I believe State/EB are taking a similar stance. (U)

~~CONFIDENTIAL~~

CONFIDENTIAL

ITEM RETURNED  
TO NISC

SECRETIARIAT

IN APRIL 1987

Log # Pub USSR Adjusting to US Gain  
81-00410

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INTERNATIONAL

WSJ  
26 11 1981

# Soviets See Pluses in Grain Embargo

By DAVID BRAND

Staff Reporter of THE WALL STREET JOURNAL

MOSCOW — When President Carter slapped an embargo on U.S. grain exports to the Soviet Union 13 months ago, there was widespread optimism that the Soviets would be made to pay for their adventure in Afghanistan. Advancing tanks would be countered by retreating foodstuffs.

Thirteen months later, the Soviets are asking: Who has hurt whom?

The U.S. government spent \$2.4 billion buying up 14.5 million metric tons of Soviet-bound grain and soybeans, which it then sold at a loss of \$460 million. (A metric ton is equivalent to 36.7 bushels of wheat or soybeans or 39.4 bushels of corn.)

Although the Soviets have been forced to spend heavily on grain supplies from other countries, they claim the embargo has provided them the resolve to become self-sufficient in agricultural production.

"We have enough resources to do without imports," declares Arnold Litvinov, an agribusiness expert at the Institute of U.S. and Canadian Studies in Moscow. He calls agricultural self-sufficiency "a very realistic goal."

Despite such Soviet contentions and strong opposition from U.S. farmers, most observers don't expect President Reagan to lift the embargo any time soon.

That the embargo has stung the Soviets into action is supported by Zhores Medvedev, a Soviet emigre scientist who works at the National Institute for Medical Research in London. The Soviets, he writes in a widely discussed article in *The New Scientist*, a British magazine, are making a major effort to prove their independence from U.S. imports.

"In general," Mr. Medvedev writes, "I find that the U.S. embargo, which was designed to expose the vulnerability of the Soviet Union, has in reality made a rather

positive impact on the Soviet economy, helping to mobilize its resources and potentials."

But many in the West disagree with this assessment. "Yes, the Soviets are potentially capable of becoming self-sufficient, but at great cost," says Everett Jacobs, an American expert on Soviet agriculture who teaches at Sheffield University in England. "It would be so costly that it would be irrational to attempt it." He adds that the capricious Soviet climate makes harvest goals difficult to meet, as was the case in 1979 and 1980.

The Soviets were hit from two directions last year. First came the grain embargo, which meant the loss of 17 million metric tons of U.S. grain that were planned to be imported between October 1979 and September 1980. (The U.S. government bought up 14.5 million metric tons of this

**They claim the embargo has provided them the resolve to become self-sufficient.**

for resale. The embargo exempted eight million tons a year, which the Soviets bought in the 1980 contract year and have contracted for again this year.) Then bad weather reduced the harvest, targeted at 235 million metric tons, to 189.2 million.

The shortage is acutely affecting Soviet meat supplies because the principal grain imports are for animal feed. These imports are now coming in at a rate of about 35 million metric tons a year from Argentina, Canada and a number of other countries.

The Soviet view—laced with considerable hyperbole—is that a heroic effort is being made to raise production of animal feed. Planners are considering higher yields of everything from alfalfa to rapeseed. "Even potatoes and beets are an important resource for feeding animals," says Mr. Litvinov of the U.S. and Canadian institute. Mr. Litvinov is extremely serious when he tells a reporter: "The grain embargo was a pleasure for our country. Because we had come to rely on imported feed and coarse grain from the U.S., we weren't forced to do anything about increasing the production of high-protein forage and coarse grain in our own country."

## Relying Is Dangerous

During the years of detente, he says, it was considered more rational to import additional feed grain than to produce it, thus freeing resources for use elsewhere in the economy. But, as relations between the U.S. and the Soviets have deteriorated, he says, "we now realize that it's very dangerous to rely on international partners."

Exactly how the Soviets could make up their deficiencies in animal-feed production isn't clear. Victor Nazarenko, who directs a Moscow institute of economic research in agriculture, talks somewhat vaguely about improving efficiency through increased investments in irrigation and storage.

But he comes closer to a major reason for the animal-feed shortage when he bemoans the "lack of initiative" shown by state-farm managers. "State farms must become self-sufficient instead of relying on subsidies," he says.

Western experts doubt that the cumbersome Soviet agricultural bureaucracy can be inspired to become more efficient. Nor do they believe that the Soviets will be able to boost production of alfalfa, soybeans and rapeseed for many years. Thus the Soviets must step up efforts to bring more land into production.

In the harsh landscape of the Soviet Union, this largely means reclaiming land from forest and swamp, treating it with large amounts of fertilizer and minerals, and building irrigation systems. Even so, such areas have the least-productive soil, deficient in humus and lime, and the capital investment needed to bring it into production is high. Although more than 11,000 acres of these so-called nonblack lands have been brought into production in the past five years, the total still constitutes only 3% of Soviet arable land.

## Costs Less Than Imports

But the cost can be justified, says Mr. Nazarenko. In recent months, the Soviets have been paying as much as \$226 for a metric ton of imported grain, compared with the domestic production cost of \$110 a ton. Even though grain from the nonblack lands is as high as \$200 a ton, it still costs less than the imports.

The Soviet research institute for nonblack lands—located in Minsk, capital of the republic of Byelorussia—is suddenly of major importance in the Soviet effort to increase grain production.

Michail Severnyou, the institute's director, says 48% to 50% of the arable land in nonblack areas is planted to cereal crops. His mission, he says, is to expand that to 60%. But this will make only a minor dent in the Soviet Union's feed-grain needs because the nonblack lands provide only 6% of the nation's grain.

The priority given to Mr. Severnyou's institute can be seen in the facilities at its command. It controls 31 laboratories with 680 scientific workers and 280 scientists and engineers. It has an experimental plant to test prototypes of farm machines and a factory with 400 workers to build the machines.

Mr. Severnyou is convinced that feed production can be increased on nonblack lands with new technology and with minerals and organic fertilizers. "With fertilizer alone," he says, "we can triple our hay production." The problem is that the Soviets have a chronic shortage of fertilizer.

In his article, Mr. Medvedev, the Soviet emigre scientist, says such efforts are part of the "battle attitude" adopted by the Soviets after the U.S. embargo. He writes: "Full self-sufficiency in production clearly motivated several high-level agricultural-planning decisions taken at the beginning of 1980. And the effect of these decisions will be long lasting, far beyond the limits of 1980."

## Zimbabwe Government Unveils Economic Plan

SALISBURY (AP) — Zimbabwe's 10-month-old, black-majority government unveiled an economic policy blueprint designed to create "a socialist and egalitarian society."

A policy paper entitled "growth with equity" said a primary objective is to "end imperialist exploitation, and achieve a greater and more equitable degree of ownership of natural resources, including land, promote participation in, and ownership of, a significant portion of the economy by nationals and the state."

The document was released at a news conference by Bernard Chidzero, the minister of economic planning and development, who said it is needed to replace previous "lopsided" development and "grossly inequitable distribution of wealth and social services between racial groups."

Zimbabwe was a white-ruled British colony for nine decades. It became independent and changed its name from Rhodesia last April 18.

PRESERVATION COPY

RECEIVED 09 JAN 82 09

TO PRES

FROM ROBERTS, CLINT

DOCDATE 17 DEC 81

EMERSON, WILLIAM

17 DEC 81

ROBERTS, PAT

17 DEC 81

KEYWORDS: POLAND

USSR

CO

SUBJECT: RULING OUT OF GRAIN EMBARGO TO USSR

ACTION: DIRECT REPLY FURNISH INFO COPY DUE: 16 JAN 82 STATUS C FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

STATE

LENZ

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COMMENTS

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ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

C 1/23 Rec'd s/s Direct Reply 27,51

DISPATCH

W/ATTCH FILE

(C) 4/25

UNCLASSIFIED

(Classification)

S/S# 8200558

Date January 22, 1982

82 JAN 22 P11: 20

DEPARTMENT OF STATE  
EXECUTIVE SECRETARIAT  
TRANSMITTAL FORM

WHITE HOUSE  
SITUATION ROOM

FOR: Mr. William P. Clark  
National Security Council  
The White House

REFERENCE:

TO: President Reagan FROM: The Honorable Clint Roberts  
DATE: January 11, 1982 SUBJECT: Embargo on U.S. Grain to USSR

WHITE HOUSE REFERRAL DATED: January 9, 1982 NSC# 053877  
(if any)

THE ATTACHED ITEM WAS SENT DIRECTLY  
TO THE DEPARTMENT OF STATE

ACTION TAKEN:

- ☐ A draft reply is attached.  
☐ A draft reply will be forwarded.  
☐ A translation is attached.  
☒ An information copy of a direct reply is attached.  
☐ We believe no response is necessary for the reason cited below.  
☐ Other.

REMARKS:

UNCLASSIFIED

*William M. ...*  
L. Paul Bremer III  
Executive Secretary

(Classification)



DEPARTMENT OF STATE

Washington, D.C. 20520

JANUARY 22 1982

Dear Mr. Roberts:

I have been asked to reply to your letter of December 17 to President Reagan opposing the imposition of an embargo on grain exports to the Soviet Union.

As you know, on December 29 President Reagan announced the imposition of several sanctions against the Soviet Union in response to their role in the current suppression of the Polish people. Among these sanctions was the postponement of negotiations on a new long-term grains agreement with the Soviets. This is a clear signal to the U.S.S.R. that the grain trade will not be exempted if Soviet actions in Poland warrant strong trade sanctions.

In considering a grains embargo, the U.S. Government must realistically assess the role U.S. grain plays in the Soviet economy and the need for support from our friends and allies if an embargo is to be effective. Even in bad years the Soviet Union is still by far the world's largest producer of wheat, almost all of which is consumed domestically. This means that enough grain is grown in the Soviet Union to provide the population with a minimum diet. Grain imports are needed to support the government's important political goal of increased meat consumption, but are not necessary to prevent hunger. In addition, Canada, Argentina, Australia and the European Community also supply significant amounts of grain to the U.S.S.R., and could supply more if the U.S. were to restrict its grain exports. Given this situation it appears unlikely that the Soviets would make any meaningful concessions in return for continued access to U.S. grain.

There are several other important reasons why an embargo was not imposed at this time. President Reagan has stated that U.S. farmers should not be called upon to bear the burden of an embargo alone. Therefore if an embargo becomes necessary, it will affect the entire range of goods which move in U.S.-Soviet bilateral trade. The President decided that at this time it serves U.S. interests best to retain the option of imposing still harsher sanctions, thus leaving a major incentive for the Soviets to moderate their behavior toward Poland.

The Honorable  
Clint Roberts,  
House of Representatives

I hope this helps you understand the position President Reagan has taken on the possibility of a grains embargo against the U.S.S.R.

Sincerely,

*RF*  
Richard Fairbanks  
Assistant Secretary for  
Congressional Relations

REFERRAL

DATE: 09 JAN 82

MEMORANDUM FOR: DEPARTMENT OF STATE

8200558

DOCUMENT DESCRIPTION:

TO: PRES

SOURCE: ROBERTS, CLINT

DATE: 17 DEC 81

KEYWORDS: POLAND

USSR

SUBJ: RULING OUT GRAIN EMBARGO TO USSR

---

REQUIRED ACTION: DIRECT REPLY FURNISH INFO COPY

DUEDATE: 16 JAN 82

COMMENTS:

  
FOR ALLEN J LENZ

STAFF DIRECTOR

---

FOR NSC USE ONLY

---

FOR INFO LENZ

PIPES

STEARMAN

F WH

O MB C MB

Received in 5/S-I  
1111 at 10:11 A.M. (220)

60  
January 6, 1982

Dear Clint:

This is to acknowledge and thank you for your letter to the President of December 17, cosigned by 23 of your colleagues, urging against the imposition of an embargo on grain exports to the Soviet Union in response to the Polish crisis.

You may be assured that we share the concern you have expressed in behalf of America's grain farmers and that full consideration will be given to the points which you and your colleagues have raised with respect to this important matter. We appreciated hearing from you, and please know that your views will receive close attention.

With best wishes,

Sincerely,

Kenneth M. Duberstein  
Assistant to the President

The Honorable Clint Roberts  
House of Representatives  
Washington, D.C. 20515

KMD/CMP/Lpt(MLF-6:32)

cc: w/copy of incoming, NSC Secretariat - for DIRECT  
Response (with copy to Ken Duberstein)

WH RECORDS MANAGEMENT WILL RETAIN ORIGINAL INCOMING

COMMITTEE ON AGRICULTURE

SUBCOMMITTEES:

WHEAT, SOYBEANS AND  
FEEDGRAINS

CONSERVATION, CREDITS AND  
RURAL DEVELOPMENT

TOBACCO AND PEANUTS

CONGRESSIONAL RURAL CAUCUS

CONGRESSIONAL TRAVEL AND  
TOURISM CAUCUS

CLINT ROBERTS 8200558  
2ND DISTRICT, SOUTH DAKOTA

Congress of the United States  
House of Representatives  
Washington, D.C. 20515

December 17, 1981

WASHINGTON OFFICE:  
1009 LONGWORTH BUILDING  
WASHINGTON, D.C. 20515  
(202) 225-5165

DISTRICT OFFICES:  
621 6TH STREET  
RAPID CITY, S.D. 57701  
(605) 342-0042

438 SOUTH PIERRE STREET, SUITE  
PIERRE, S.D. 57501  
(605) 224-6239

108 EAST 3RD STREET  
MITCHELL, S.D. 57301  
(605) 996-8776

MF  
The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

With world-wide attention focused on the volatile situation in Poland, we feel it imperative at this time to stress our hope that you will rule out an embargo on grain exports to the Soviet Union in response to the Polish crisis.

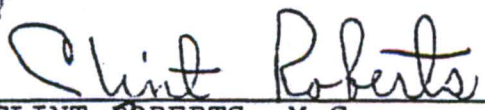
America's grain farmers have not yet recovered from the blow they felt as a result of the embargo imposed by your predecessor, and commodity prices yesterday dropped to record lows for wheat, corn, soybeans, cattle and pork on speculation that an embargo might be reinstituted.

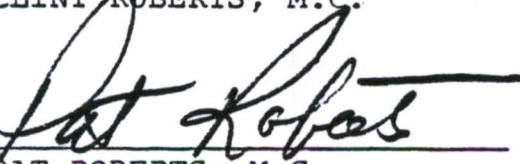
We strongly believe the American farmer cannot again be asked to bear the brunt of U.S. foreign policy. The imposition of a selective grain embargo would be devastating to the American agricultural economy, which is still reeling from the surplus built up as a result of the Carter embargo.

The U.S. imported close to one-half billion dollars of goods from Poland last year. We believe that placing sanctions on Polish exports would be a more effective option than a selective embargo.

We strongly urge you to consider America's farmers as you develop your critical policy options for ensuring the freedom of the Polish people.

Respectfully,

clint  
  
CLINT ROBERTS, M.C.

pat  
  
PAT ROBERTS, M.C.

Bill  
  
BILL EMERSON, M.C.

Bill  
  
WILLIAM C. WAMPLER, M.C.

053877

Gene Gene Taylor  
GENE TAYLOR, M.C.

Buddy Buddy Roemer  
BUDDY ROEMER, M.C.

Gerry Gerry Solomon  
GERALD B. SOLOMON, M.C.

Mr. Floyd Fithian  
FLOYD J. FITHIAN, M.C.

Steve Steve Gunderson  
STEVE GUNDERSON, M.C.

Larry Larry Winn, Jr.  
LARRY WINN, JR., M.C.

Sid Sid Morrison  
SID MORRISON, M.C.

Bill Bill Frenzel  
BILL FRENZEL, M.C.

Bill William M. Thomas  
WILLIAM M. THOMAS, M.C.

Hal Hal Daub  
HAL DAUB, M.C.

Vin Vin Weber  
VIN WEBER, M.C.

Duncan Duncan Hunter  
DUNCAN HUNTER, M.C.

John John L. Napier  
JOHN L. NAPIER, M.C.

Charles Charlie Stenholm  
CHARLES W. STENHOLM, M.C.

Ron Ron Marlenee  
RON MARLENEE, M.C.

Arden Arden Stangeland  
ARLAN STANGELAND, M.C.

Tom Tom Hagedorn  
TOM HAGEDORN, M.C.

Larry Larry J. Hopkins  
LARRY J. HOPKINS, M.C.

Cooper Cooper Evans  
COOPER EVANS, M.C.

Jim Jim Jeffries  
JIM JEFFRIES, M.C.