

Congressman Bob Dole (R-Kansas) stated today that it is now clear that Secretary of Agriculture Orville Freeman authorized payment of an unusually high export subsidy on the sale of 13-million bushel of durum wheat to Continental Grain Company for resale to Communist Russia.

Dole stated, "Freeman should make a clear revelation of the entire transaction now, for as late as last Tuesday (January 7) he told me in response to a question during Wheat Subcommittee hearings that the unusually high export subsidy of 73 cents per bushel for the durum wheat going to Russia did not include an ocean freight subsidy; but on the same day less than 8 hours later Secretary of Commerce Luther H. Hodges in a Department of Commerce press conference frankly agreed with reports that the high durum export subsidy included a sufficient margin to permit the grain exporters to absorb transportation costs. As the situation now stands we have not only given Russia preferential treatment by increasing the Durum subsidy 14 cents a bushel to help alleviate the differential between U.S. and foreign ~~market~~ rates, but have also established that exporters requesting CCC wheat for Free World countries were turned down by the USDA

as indicated by the following questions and answers on Tuesday, January 7, at hearings of the Wheat Subcommittee:

"Mr. Dole: How about movement of smaller amounts of Durham? Weren't there a couple of rejections, one based on a 59 cents bushel subsidy and one 75 cents per bushel export subsidy?

"Secretary Freeman. Yes.

"Mr. Dole. Why was this done?

"Secretary Freeman. Because we did not feel it was a good policy to sell small quantities of Durham (sic.) at such heavy subsidy when it was good policy to sell larger quantities. It is kind of a bargain basement sale, if you will.

"Mr. Dole. But they were free world countries as I understand, too.

"Secretary Freeman. All the more reason why we would want to try and hold up and get a price without having to pay as heavy a subsidy.

"Mr. Dole. You get the best price you can from the free world countries and give the Russians a bargain.

"Secretary Freeman. Not at all. Get the best price we can to move a substantial amount of

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Durham (sic.) regardless of the purchaser to save the taxpayer money.'"

"It seems this Administration's policy of coexistence is getting completely out of hand and I frankly doubt that the taxpayers of this country are so naive to believe our greed for money overrides all other considerations in dealing with our friends.