

January 4, 1964  
For Immediate Release

Congressman Bob Dole (R-Kansas) stated today that reports of the sale of "durum" wheat to Russia announced late Friday by the U.S.D.A. indicate behind the scenes manipulations by the Johnson Administration to please Khrushchev.

Dole said "President Johnson's daily pronouncements about economy in government are hard to reconcile with the sale of 13 million bushels of durum wheat to Russia since the sale involves a "double subsidy" totalling nearly \$9½ million on a class of spring wheat which has frequently been treated specially legislatively because it was supposedly in short supply. Americans are entitled to know why the "durum", export subsidy jumped 13 cents a bushel (from 59 - 72 cents) in just 2 weeks and why the durum export subsidy is suddenly 9 to 22 cents per bushel higher than on other classes of wheat such as Kansas Hard Red winter, soft white, etc.

Dole stated "<sup>with</sup> ~~with~~ a billion 200 million bushel carryover of hard red winter wheat and only a 46 million bushel carryover of durum, the sale of "durum" was obviously to conceal the fact the additional 13 cents, per bushel subsidy will be used to subsidize "ocean freight rates".

American taxpayer will now pay a "double subsidy", the regular "export subsidy" plus the "ocean freight subsidy". The freight subsidy, in effect, violates conditions announced by the late President Kennedy, October 9, that one-half of all wheat sold to Communist Countries

would be shipped on American ships. No statement then, or since  
has in any way indicated the difference between American and foreign  
freight rates would be borne by the taxpayer thru a "transportation  
subsidy".

If this is a part of Johnson's "Peace Offensive" then  
Americans are entitled to a full disclosure of every detail.

1. Why was "durum" wheat, not in "surplus" to any degree, sold  
to Russia?

2. Why was the "durum" export subsidy increased 13 cents a  
bushel in a 2 week period?

3. What are the terms of the "Sale"?

4. Why did only one grain "exporter" (Continental Grain Co.)  
bid on the "export subsidy"?

5. Why is Russia permitted to purchase wheat for 78.5 million  
when the same quantity would cost domestic purchasers \$9.5 million  
now.