

Bob Dole



NEWS

U.S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
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U.S. WHEAT SALES TO RUSSIA

WASHINGTON - Senate Republican Leader Bob Dole today sent the attached letter to President Clinton urging the Administration "to ensure that a full and complete review of all options for renewing U.S. wheat sales to Russia be undertaken immediately." Dole, who met with Russian grain-buying officials last week, emphasized that "the resumption of U.S. sales of wheat to Russia could be an important step in maintaining stability in that country while also serving the U.S. national interest" :

Dear Mr. President:

Last week I was visited by a Russian delegation expressing their government's renewed interest in purchasing U.S. wheat through the U.S. Department of Agriculture's (USDA) guaranteed loan programs. I understand the same delegation also met with high ranking USDA officials.

During our discussion, I was informed by the delegation that the outlook for Russia's current wheat crop is poor. In addition, I was informed of their interest in immediately purchasing as much as 2 million metric tons of U.S. wheat to make up for a shortfall stemming from inadequate central government procurements last year.

The question of renewed Russian purchases of U.S. wheat raises the issue of extending new USDA credits to Russia. Current USDA regulations prohibit the extension of new credits to countries which are in arrears on payments against past U.S. credit. I understand the Russian government is currently \$2.5 million in arrears in payments against credit extended in 1991 to the former USSR.

It is my hope that the matter of these current arrearages can be addressed by the Administration and the Russian government as soon as possible, so that Russia will be in a position to qualify again to receive U.S. grain credits. I know this to be the Russians' desire. USDA officials have informed them that further discussions on the matter will have to await some resolution of their late payments.

In the interim, it is important that USDA continue to make an effort to design programs to facilitate new Russian purchases of U.S. wheat. The importance of such programs to Russia are obvious -- a wheat shortfall next year could seriously destabilize the Russian political and economic situation. However, it is also important for U.S. wheat farmers. Without access to U.S. credits, the Russians may have no alternative but to purchase wheat from other exporting countries.

Mr. President, I urge you to do everything possible to ensure that a full and complete review of all options for renewing U.S. wheat sales to Russia be undertaken immediately. The objective of the undertaking should be to make possible the immediate resumption of wheat trade with Russia, upon the settlement of the payment issue which prevented progress in that direction last week.

I believe that the resumption of U.S. sales of wheat to Russia could be an important step in maintaining stability in that country while also serving the U.S. national interest. I commend your past leadership in such matters and stand ready to offer any assistance you may need in resolving this situation.

Sincerely,

Bob Dole
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