

FOR IMMEDIATE RELEASE
Tuesday A.M., January 7, 1964

The following is the text of a letter mailed to President Lyndon B. Johnson, late today, Monday, January 6.

January 6, 1963

The Honorable Lyndon B. Johnson
President of the United States
The White House
Washington, D.C.

Dear President Johnson:

I respectfully request the reported sale of 13 million bushels of durum wheat by Commodity Credit Corporation to Continental Grain Company be rescinded by executive order.

Information available would indicate American taxpayers will pay an abnormally large subsidy of nearly \$25 million, which includes not only the regular export subsidy on durum and other wheat, but in addition, an export subsidy of nearly 14 cents a bushel has been added to the regular durum export subsidy, apparently to help pay the differential between American and foreign shipping rates. This may possibly violate a condition of sale to communist countries enunciated by the late President, John F. Kennedy, on October 9, and would also contradict a statement made by Secretary of Agriculture, Orville Freeman, at a recent press conference that "Ocean freight subsidies" would not be paid.

There does not appear to be any real surplus of durum wheat as I note the durum carryover is only 46 million bushels compared with a carryover of nearly 1 billion bushels of the hard red winter variety. Present laws also permit preferential treatment for durum wheat producers and were apparently enacted because durum was frequently in short supply. Paving the way for a sale to Russia is difficult to comprehend when considering the fact the Department of Agriculture recently refused to pay a 59 cent per bushel subsidy (13 cents lower) on a 110,000 bushel transaction and also refused to pay a 73 cent per bushel subsidy on 37,333 bushels just last Friday. This is particularly confusing since these two small transactions were for durum to be exported to Free World Countries.

Some of the total \$25 million subsidy may benefit Continental Grain and indirectly Soviet Russia, but it appears contrary to recent highly publicized reports calling for economy in government. The transaction has been quasi-secret in nature hence there is also concern whether the sale is in our "National Interest".

For these reasons I respectfully request the announced 13 million bushel sale by Commodity Credit Corporation to Continental Grain Company be rescinded or otherwise held in abeyance until you have reviewed the entire matter and have determined it to be regular in every respect, and in the "National Interest".

Respectfully yours,

s/ Bob Dole

BOB DOLE, M. C.