



NEWS from U.S. Senator Bob Dole

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FOURTEEN SENATORS SUPPORT DOLE IN CALL FOR MORE LIBERAL TRADE WITH EUROPE IN FARM COMMODITIES

WASHINGTON, DC, September 22Senator Bob Dole (R-KAN) today released the text of a telegram to President Carter calling for renewed efforts to liberalize agricultural trade with Europe. The telegram, initiated by Dole and signed by fourteen Senate Agriculture Committee members, including Committee Chairman Herman E. Talmadge (D-GA), also decried recent actions by the European Economic Community (EEC) to restrict the importation of American feed grain.

Following is a text of the telegram to the President:

"We have been much encouraged by Ambassador Strauss' strong position confirming that agriculture must be a key sector for which important and positive benefits must be obtained in the Tokyo Round. In a joint multi-nation statement issued in Geneva on July 13, it was made clear that 'a positive result in agriculture is critical to the successful completion of negotiations in the Tokyo Round.'

Also, the major developed countries have committed themselves 'to reach a common understanding to avoid distortions of trade in traditional markets through the use of subsidies.'

We believe that these undertakings are a substantial step forward. Moreover, they show a definite policy agreement to liberalize trade in agricultural commodities. We concur in this effort.

However, we are deeply concerned by the recent tactics of the EEC with respect to several products which the United States exports. These actions will have the effect of reducing our farm exports and adversely affect our balance of trade. These include:

- (1) A very high internal subsidy for EEC processors of dried fodder which enables them to undersell U.S. exporters of alfalfa meal.
- (2) An EEC subsidy of about \$90 per ton to mixed feed manufacturers who buy peas and field beans for incorporation into animal feed. The objective is to reduce imports of protein feeds, such as soybean meal.
- (3) A proposed and possible quadrupling of the import duty on wheat bran. This will reduce U.S. exports and increase the domestic price of flour.
- (4) A proposal to reduce imports of tapioca - which has GATT bindings is under consideration in the EEC. Tapioca is mixed with high protein products to become an acceptable feed. Reducing tapioca use in the EEC will reduce exports of soybean, citrus pulp, corn gluten feed, beet pulp and brewers and distillers grains. This is a multi-billion dollar export market that will be adversely affected.

We urge you to use all your powers to reverse this process of defacto expanded import control. This is a real test of the spirit of trade liberalization."

The telegram was signed by Senators Allen, Zorinsky, Curtis Hayakawa, McGovern, Hodges, Bellmon, Helms, Young, Lugar, Melcher, Huddleston and Clark, in addition to Senator Dole and Senator Talmadge.