

News from Senator

BOB DOLE



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FALLING FARM COMMODITY PRICES REFLECT 'ADJUSTMENT TO REALITY'

WASHINGTON-- Declining farm commodity prices "reflect a post-election adjustment to reality," according to Senator Bob Dole (R.-Kansas).

Dole, a senior member of the Senate Agriculture Committee and the likely Chairman of the Senate Finance Committee, says that the Carter Administration "pulled a lot of artificial tricks to help keep farm prices high in the period before the election and the decline in prices probably gives us a truer reflection of the sorry state of our farm economy."

Twenty Percent

Commodity prices have registered near-record declines in recent days and weeks. Soybean prices, for example, have dropped nearly 20 percent in a little over a week-- from \$9.03 per bushel on Dec. 1 to yesterday's close of \$7.03. And prices at the Russell, Kansas, grain elevator have shown a \$0.95 drop in the price of a bushel of wheat in the past 10 days. Similar declines have been registered throughout the farm states.

"Obviously the rapid rise in interest rates has had an adverse effect on commodity prices. And Soviet threats to Poland are very disruptive since it is widely believed that a Soviet invasion of that nation could result in a total cut-off of U.S. grain sales to the U.S.S.R.," Dole said.

"One of the first challenges to Governor Reagan and the new Secretary of Agriculture will be to restore profitability to the farming sector," Senator Dole added.