

FOR IMMEDIATE RELEASE:
TUESDAY, MARCH 23, 1982

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STATEMENT BY SENATORS BOB DOLE AND ROGER JEPSEN

As Senators from two major farm states, we are very pleased with President Reagan's remarks yesterday to members of the American Agriculture Editor's Association. We believe that the President's three-point National Trade Policy statement is a positive signal to American agriculture--a signal that the United States is making a vigorous commitment to the expansion of agriculture exports. Therefore, we feel the time is right for the U.S. to actively pursue the continuation of grain sales to the Soviet Union. This positive trade action will also help remove the psychological grain embargo that has existed since the declaration of martial law in Poland.

While the situation in Poland has not improved, it is doubtful that any additional sanctions will affect trade in non-strategic products between the United States and its allies and the East Bloc countries.

Within this context, we began several weeks ago to explore the potential for reducing the considerable uncertainty and pessimism that have clouded U.S. agricultural trade relations with the Soviet Union, and are contributing to unacceptably low prices for corn, wheat and other farm products.

We have now met separately with high-ranking officials of the State Department, the Department of Agriculture, and with Soviet Ambassador Dobrynin and Trade Representative Kalashnikov. On the basis of these discussions, we believe that sufficient justification exists to make the following statements:

1. Barring an embargo on total trade, the Soviet Union will continue to buy U.S. grain, including wheat, in quantities approaching the 23 million tons permitted during the current sixth year of the U.S./U.S.S.R. Grain Supply Agreement; to date, grain sales total 13.5 million tons.
2. The Secretary of Agriculture should initiate an invitation for consultations called for under the Agreement, to be held in April or May in Washington;
3. Depending on the terms of any mutually-acceptable structure for agricultural trade that may become effective when the current Agreement expires in October 1982, the Soviets are prepared to continue to look to the U.S. as a principal supplier of farm products.

Considering the importance of exports to American farmers, we strongly encourage the Administration to pursue every available means for maximizing agricultural sales to all foreign buyers, including the Soviet Union. If the Soviets are willing to be reliable customers, the U.S. must make clear its intention to be a reliable supplier.