

FOR IMMEDIATE RELEASE

OCTOBER 20, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

The American people -- our many grain farming communities, our workers, our farmers, and our consumers -- will benefit from the agreement signed in Moscow today providing for regular and orderly sales of wheat and corn to the Soviet Union during the next five years. Under this agreement, the Soviet Union has committed to purchase six million metric tons of grain per year representing \$1 billion in annual export earnings. Accordingly, I am today terminating the temporary suspension of sales of grain to the Soviet Union.

The benefits to the American economy are that we have:

- obtained a stable, long-term foreign market.
- assured a more stable flow of payments from abroad.
- assured the American farmer that the Soviet Union will be a regular buyer for grain at market prices.
- increased incentives for full production by the farmer.
- facilitated the hiring of labor, the purchase of new farming machinery, and the general stimulation of agriculture and business.
- neutralized a great destabilizing factor in recent years.
- provided jobs for American transportation workers and seamen.

The United States during this harvest season can rejoice over the best crop in years.

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The favorable economic implications are obvious. We have obtained Soviet commitment that additional purchase of grain in the current crop year will not be so large as to disrupt the U.S. market. I have directed the Department of Agriculture to continue to monitor closely export sales and the Economic Policy Board/National Security Council Food Committee to follow closely grain market price trends and related matters.

The long-term agreement signed in Moscow today promotes American economic stability. It represents a positive step in our relations with the Soviet Union. In this constructive spirit, the two governments have also committed themselves to begin detailed negotiations on mutually beneficial terms for a five year agreement for the purchase of Soviet oil. Negotiations will start this month.

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