

4808

4 December 1975

MEMORANDUM FOR THE RECORD

SUBJECT: Distribution of 28 November
National Intelligence Daily
Item to Selected Government
Officials

The attached article, "Soviet Grain Official
Alleges No More Purchases From US", appeared in
the National Intelligence Daily on 28 November
1975.

CIA SPECIAL COLLECTION
RELEASE AS SANITIZED
2000

Attachment:
As stated

(S-09080)

4 December 1975

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Office of Economic Research
Central Intelligence Agency
28 November 1975

Author:

SOVIET GRAIN OFFICIAL ALLEGES NO MORE PURCHASES FROM US

The head of the Soviet grain purchasing organization has said that the USSR intends to "punish" the US for the recent grain embargo by refusing to buy additional grain from the US. His statement is a reiteration of assertions earlier this fall which were followed, however, by additional contracts for US grain. Moscow needs more grain and lacks major supplies outside the US.

Viktor Pershin, the chairman of the purchasing organization, was vitriolic in denouncing the embargo and US negotiating tactics during the discussions leading to the long-term grain agreement announced on October 20th.

Pershin emphasized that the USSR has contracted for more than 30 million tons of all grains and that Moscow will not be back in the international grain markets until July 1976 at the earliest. He said he would refuse to permit certain unspecified contracts signed with other countries to be switched to US grain for fulfillment.

The Soviet official noted the congestion at Baltic ports, and that some incoming ships are being diverted

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to ports on the Black Sea. He also said that the weevil infestation problem has largely been resolved.

Pershin's comments on the US embargo and the negotiations are consistent with other reports. Minister of Foreign Trade Patolichev has said that the USSR is prepared to pay a premium elsewhere rather than buy additional US grain.

Pershin's assertion that the Soviets have already bought more than 30 million tons is not supported by available intelligence, which puts total estimated purchases at about 26.5 million tons. Even 30 million tons would leave the Soviets far short of meeting their basic requirements for livestock feed.

Although Soviet traders are probably picking up small amounts of grain around the world, Pershin may be trying to depress market prices prior to re-entering the grain markets.

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NO MORE PURCHASES FROM US"

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