

# Corn Growers urge clarification on U.S. grain export policy

CEDAR RAPIDS, Iowa — "Immediate clarification of the Reagan Administration's grain export and credit policies to Eastern Europe and the Soviet Union is urgently demanded. This prolonged period of uncertainty and confusion about this issue has, and continues to be, disastrous for U.S. commodity prices," Bill Mullins declared last Wednesday.

Mullins, a corn and grain farmer in Shabbona, Illinois, is president of the National Corn Growers Association. He also emphasized that the NCGA board of directors, corn grower leaders from sixteen states representing more than 90 percent of U.S. corn production, and meeting in Cedar Rapids, Iowa, was unanimous in "... seeking clarification of world trade policies from the Reagan Administration. Coupled with a record 1981 corn harvest and the potential for record carryout corn stocks," Mullins noted that "any restrictions 'throughout any devices' on U.S. farmers' access to world grain import demand will only compound the severe cost-price squeeze on U.S. farmers' income."

Mullins also expressed the collective mood of frustration and dismay of the NCGA Directors that the Reagan Administration has not learned from the discredited and ineffective policies of previous administrations about manipulating U.S. food and feed grain export trade in attempting to gain international political goals. He warned that now, as well as in the past, "such efforts will fall far short of obtaining the desired political goals, all the while U.S. corn farmers would suffer inordinately large financial losses not shared equitably throughout the U.S. economy."

Moreover," Mullins continued, "even before the disturbing developments in Eastern Europe this weekend, it is now apparent that the Reagan Administration was, and now is, putting into place bit by bit the de facto but undeclared grain embargo." While candidate Reagan promised to "lift the Carter grain embargo, President Reagan has not moved to allow U.S. corn farmers to have access to grain import markets in Eastern Europe and the Soviet Union."

The National Corn Grower President cited the following recent developments during the past months as sufficient evidence that the Reagan Administration put into place the most difficult type of embargo to understand and describe — undefined, undeclared, and outside the scope of legislative recourse:

- Inconclusive negotiations to reach a realistic and workable US-USSR shipping agreement;

- A lack of any initiatives or proposals to re-establish agricultural trading relations with the Soviet Union because of any number of ever changing developments around the world;

- Suspension of U.S. government credits for corn shipments to Poland;

- Congressional resolutions urging President Reagan to use trade embargoes in retaliation for various unacceptable international political developments.

"Because of these and other developments, various Administration spokesmen have sent, and continue to send 'signals' to the Soviet Union that there will not be any normalization of overall commercial and grain trade relations — irrespective of USSR international behavior concerning Poland," Mullins pointed out. "The previous lack of substantial Soviet grain buying from the United States is the direct result of these 'signals' that an 'embargo' was in place through uncertainty about the ill-defined intentions of the Reagan Administration.

"The immediate and selective action yesterday of singling out and restricting U.S. food shipments to Poland, plus repeated 'signals' throughout the 1981 about embargoing U.S. grain exports to the Soviet Union, have depressed corn prices to the low levels experienced immediately following the Carter grain embargo on January 4, 1980," Mullins explained.

"This price situation — produced mainly by government inaction in international trade — cannot be tolerated any longer by U.S. corn farmers. In addition, the Reagan

Administration should be forthcoming and direct with U.S. farmers — either declare a complete embargo of all U.S. goods and services, or allow farmers to have access to all foreign markets enjoyed by farmers in all other grain producing countries." However, to curtail and regulate U.S. grain exports are simply incompatible with a market-oriented grain production program.

Mullins informed the press that the corn farmers on the NCGA board of directors were unanimous in calling for the implementation

of the following programs for corn growers if either the current state of confusion and uncertainty continues or a formal grain export embargo is declared against Eastern Europe and/or the Soviet Union:

- A 20 percent paid average diversion program for corn farmers in 1982;

- Reinstatement of first year interest free loans along with immediate and unlimited access to both regular loan and farmer owned reserve programs;

- Unlimited farmer access to CCC funds for financing farm

production and operations;

- Increased government incentives for alcohol fuel programs;

- Restriction of U.S. agricultural equipment, machinery and production inputs to other grain producing countries;

- Triple the foreign market development budget for USDA's Foreign Agriculture Service;

- Completely lift, within ten days, the loan restrictions on U.S. food shipments for the Polish people.

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