

TB
Prescript

ID# .242191

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

FO 004-02

4509

INCOMING

DATE RECEIVED: MAY 31, 1991

NAME OF CORRESPONDENT: THE HONORABLE DAVE NAGLE

SUBJECT: URGES THE PRESIDENT TO EXTEND ADDITIONAL
AGRICULTURAL EXPORT CREDIT GUARANTEES TO
THE SOVIET UNION

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACTION ACT CODE	DATE YY/MM/DD	TYPE RESP	C D	COMPLETED YY/MM/DD
FREDERICK MCCLURE		ORG	91/05/31	FM		91/06/09 LJ
NSC Staff	REFERRAL NOTE:	R	91/06/10	LJ		91/06/24
99 DOS	REFERRAL NOTE:	I	91/06/10	LJ		C - / /
99 ASDA	REFERRAL NOTE:	I	91/06/10	LJ		C - / /
	REFERRAL NOTE:		/ /			/ /
	REFERRAL NOTE:					

COMMENTS: Letter sent to all signees

ADDITIONAL CORRESPONDENTS: 13 MEDIA:L INDIVIDUAL CODES: 1230 1240
MAIL USER CODES: (A) (B) (C)

*ACTION CODES: *DISPOSITION *OUTGOING *
* * *CORRESPONDENCE: *
*A-APPROPRIATE ACTION *A-ANSWERED *TYPE RESP=INITIALS *
*C-COMMENT/RECOM *B-NON-SPEC-REFERRAL * OF SIGNER *
*D-DRAFT RESPONSE *C-COMPLETED * CODE = A *
*F-FURNISH FACT SHEET *S-SUSPENDED *COMPLETED = DATE OF *
I-INFO COPY/NO ACT NEC * OUTGOING *
*R-DIRECT REPLY W/COPY * * *
*S-FOR-SIGNATURE * * *
*X-INTERIM REPLY * * *

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
(ROOM 75, OEOB) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

June 4, 1991

Dear Congressman Nagle:

Thank you for your recent letter to the President, cosigned by 13 of your colleagues, regarding the extension of additional agricultural export credit guarantees to the Soviet Union.

We appreciate being advised of your concern about the possible implications a delay in such an announcement may hold for the nation's agricultural producers. Please know that I have shared your comments with President Bush. Additionally, I have taken the liberty of providing your remarks to a number of the President's advisors on this matter so that they to are aware of your recommendations.

Thank you again for your interest in writing.

With best regards,

Sincerely,

Frederick D. McClure
Assistant to the President
for Legislative Affairs

The Honorable David R. Nagle
House of Representatives
Washington, D.C. 20515

FDM:TBA:

bcc: w/ copy of inc to NSC - for Direct Response
bcc: w/ copy of inc to Dept. of State - FYI
bcc: w/ copy of inc to USDA - FYI

RECEIVED

91 JUN 12 AM 1:09

242191

Congress of the United States

House of Representatives

May 29, 1991

Washington, DC 20515

Enclosure

The Honorable George Bush
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

We would like to take this opportunity to urge you to extend additional agricultural export credit guarantees to the Soviet Union.

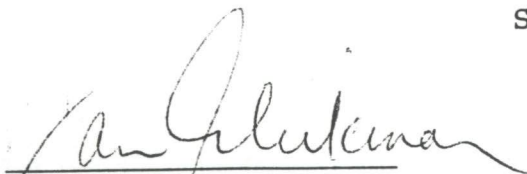
We believe that recent events affirm our belief that you should provide additional credit guarantees to the Soviet Union as quickly as possible. The Supreme Soviet passed a liberalized emigration bill that gives Soviet citizens the right to travel and live abroad. This bill not only stands as an act of the Soviet government's good faith towards its citizens' human rights, but also meets your test for extending a Jackson-Vanik waiver for the next twelve months.

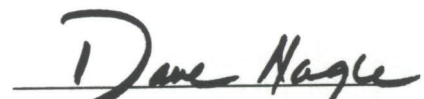
Much attention has been focused on the Soviet Union's ability to repay the loans backed by U.S. taxpayer dollars, which, no doubt, is an important matter to consider. The General Accounting Office, after examining and auditing all credit recipients of the credit guarantee program since its inception, concluded that "agricultural credit guarantees issued to the Soviet Union were still less risky than the average guarantee issued to other countries."

We hope these two events will assist in persuading you to announce immediately an extension of additional credit guarantees. We are concerned that further delay in announcing a decision will allow other countries to capture the Soviet market, which would be extremely detrimental to agricultural producers across the U.S. In addition, delaying much longer could exacerbate the food and feed grain shortages within the Soviet Union, which could have serious prolonged effects on its livestock sector.

With best personal regards, we are

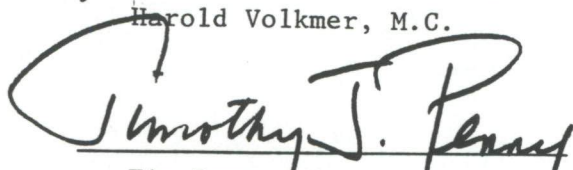
Sincerely,


Dan Glickman, M.C.


Dave Nagle, M.C.



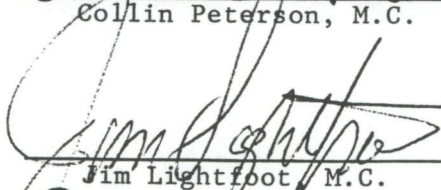
Harold Volkmer, M.C.



Tim Penny, M.C.



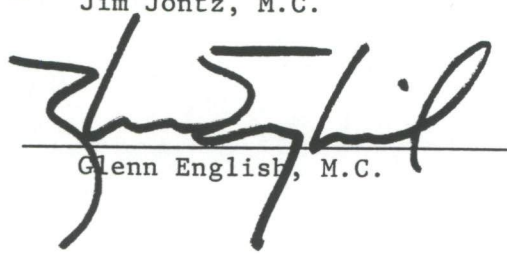
Collin Peterson, M.C.



Jim Lightfoot, M.C.



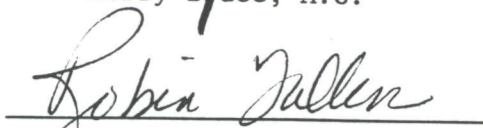
Jim Jontz, M.C.



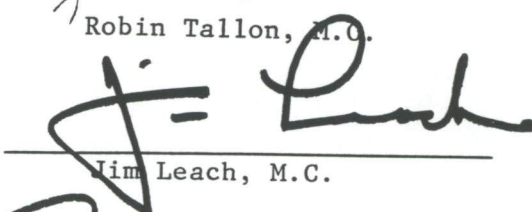
Glenn English, M.C.



Terry Bruce, M.C.



Robin Tallon, M.C.



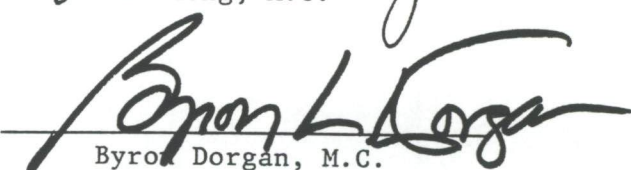
Jim Leach, M.C.



Richard Stallings, M.C.



Jill Long, M.C.



Byron Dorgan, M.C.

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 9104509
RECEIVED: 17 JUN 91 11

TO: PRESIDENT

FROM: NAGLE, DAVID R

DOC DATE: 29 MAY 91
SOURCE REF: 242191

KEYWORDS: EXPORT CREDITS
CO

USSR

PERSONS:

SUBJECT: LTR RE EXTENSION OF ADDITIONAL AGRICULTURAL EXPORT CREDIT GUARANTEES
TO SOVIET UNION

ACTION: SEE 9103500 FOR FINAL ACTION DUE DATE: 20 JUN 91 STATUS: C

STAFF OFFICER: BURNS

LOGREF: 9103500 9103778

FILES: WH

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSRCB

CLOSED BY: NSRCB

DOC 1 OF 1

UNCLASSIFIED

25

UNCLASSIFIED
ACTION DATA SUMMARY REPORT

RECORD ID: 9104509

DOC ACTION OFFICER

001 BURNS
001

CAO ASSIGNED ACTION REQUIRED

Z 91061711 PREPARE MEMO FOR SCOWCROFT
X 91062409 SEE 9103500 FOR FINAL ACTION

UNCLASSIFIED

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NSC/S PROFILE

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ACTION: PREPARE MEMO FOR SCOWCROFT DUE DATE: 20 JUN 91 STATUS: S

STAFF OFFICER: BURNS

LOGREF:

FILES: WH NSCP: CODES:

DOCUMENT DISTRIBUTION

FOR ACTION
BURNS

FOR CONCURRENCE
HEWETT
LAMPLEY

FOR INFO
GATES
GOMPERT
GORDON
HAYDEN
PAVITT
SCOWCROFT

COMMENTS: Answered in package 3500 nlm

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSRCB

CLOSED BY:

DOC 1 OF 1

UNCLASSIFIED

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

June 19, 1991

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ED A. HEWITT/DAVID GOMPERT

FROM: NICHOLAS BURNS NB

SUBJECT: Response to Congressional Letters on the Soviet Grain Request

Attached at Tab I are identical letters to the many Congressmen who wrote the President during the past month and a half concerning the Soviet request for \$1.5 billion in grain credit guarantees.

The letter describes the reasons for the President's positive decision, and the terms of the offer the President made to President Gorbachev. The letter also emphasizes our proposal, which Gorbachev has accepted, to work jointly on a longer-term project on food distribution.

Concurrences by: Virginia Dampley and Tim Deal

RECOMMENDATION

That you sign the letters attached at Tab I.

Attachments

Tab I Congressional Letters
Tab II Incoming letters

THE WHITE HOUSE

WASHINGTON

Dear Congressman Nagle:

Thank you very much for your letter to the President, cosigned by 13 of your colleagues, concerning the USSR's request for grain credit guarantees from the United States. Your views were of particular interest to the President as he reviewed this issue during the last month.

As you know, the President informed President Gorbachev on June 11 that the U.S. would meet the Soviet request for up to \$1.5 billion in credit guarantees for Soviet purchases of American agricultural commodities. The President specified he would make the credit guarantees available in three tranches over the next nine months--\$600 million this month, \$500 million in October 1991 and \$400 million in February 1992.

The President decided to grant the Soviet request based on the excellent Soviet record in meeting its official obligations and following very positive discussions with the Soviet leadership and republic officials on this matter. We were also assured that the grains made available by U.S. firms would be distributed fairly among Soviet republics and the Baltic states. The President's decision is consistent with the Administration's objective of a continued, positive evolution in the U.S.-Soviet relationship.

In his letter to President Gorbachev, the President also renewed his offer to work with the Soviet government and the republics on the long-term problem of food distribution, primarily through the introduction of market measures. President Gorbachev has accepted this offer. The Presidential mission on agriculture which visited the USSR in late May reported to the President that inefficiencies in food distribution, particularly the reliance on command methods in most parts of the country, and not food production, was by far the greatest problem in the Soviet food system. We are forming a joint USG/private sector team to work with the Soviets over the coming months and years to tackle this crucial problem.

Sincerely,

Brent Scowcroft

The Honorable David R. Nagle
House of Representatives
Washington, D.C. 20515

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NSC Staff	REFERRAL NOTE:	R	21/06/18	LU	1/1
99 DOS	REFERRAL NOTE:	I	21/06/18	LU	1/1
99 ASDA	REFERRAL NOTE:	I	21/06/18	LU	1/1
	REFERRAL NOTE:		1/1		1/1
	REFERRAL NOTE:				

COMMENTS: Letter sent to all signers

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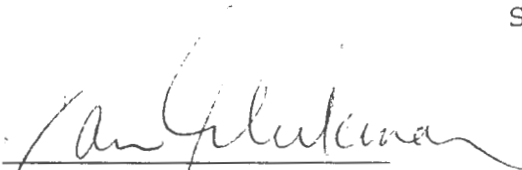
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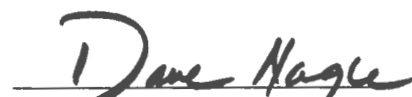
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PHOTOCOPY
MISC HANDWRITING


Dave Nagle, M.C.

Harold Volkmer

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