

Justice Finds No Crime in '72

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By Bernard Brenner
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The Justice Department said yesterday it had refused to give congressional investigators access to FBI reports on last year's massive Russian

grain deal, but said no criminal violations were found.

The department made public a summary of investigative reports saying the FBI found no criminal actions either by the grain companies which took part in the \$1.1 billion deal or by present or former Agriculture Department officials.

Sen. Henry Jackson (D-Wash.), whose Senate Investi-

gations Subcommittee will open its own probe of the grain deal July 20, had asked that his staff be allowed to review Justice Department files in the case.

Deputy Attorney General Joseph T. Sneed, in a July 5 letter made public today, refused Jackson's request, but enclosed the summary made public today. Sneed said it was against government policy to release FBI reports.

The Justice Department report, dealing only with legal questions, made no mention of wider issues raised by other critics of the grain deal. The General Accounting Office, in a report Monday, charged that the Agriculture Department bungled in its handling of the deal and said this resulted in driving up U.S. food prices and payment of needless export subsidies.

The report said Continental Grain Co., which handled over

Grain Deal

half the grain sale to the Russians, filed several inaccurate weekly position reports to the Commodity Exchange Authority (CEA) of the Agriculture Department on its holding last summer and fall when the Soviet deal was under way. The CEA recently filed an administrative complaint on this issue.

"The FBI investigation of this matter did not disclose a basis for criminal prosecution," the Justice Department summary said.

"The inaccurate report in no way adversely affected the government and in fact could have operated to Continental's disadvantage," the summary said. It added that the CEA was also making administrative studies of inaccurate reports from other grain companies.

The lengthy summary also said no violations of laws dealing with conflict of interest or improper disclosure of confi-

dential information had been found in investigations involving former Assistant Agriculture Secretary Clarence D. Palmby, Clifford J. Pulvermacher, or Charles W. Pence.

Palmby and Pulvermacher left the Agriculture Department last summer, after participating in preliminary U.S. negotiations with Russia, and joined private grain firms which later took part in the Soviet sales.