

More Big Grain Sales To Russia

Washington

The Soviet Union has bought 7.854 million tons of American grain for delivery between now and next summer, an Agriculture Department report disclosed yesterday.

Last year, in a record \$1.1 billion deal that boomed prices here and abroad, the Soviet Union bought about 19 million tons of U.S. grain and 1 million tons of soy beans. Critics have charged that the 1972 deal played a large part in driving up domestic food prices.

The new sales are expected to come mostly from 1973 crops, according to the Agriculture Department.

The sales were revealed when the department published a weekly summary of reports filed by exporters. The reports included data on the expected destination of the shipments for the first time.

In addition to Russian sales, the report disclosed exporters have concluded deals to ship 2.2 million tons of grain and 500,000 tons of soy beans to China.

The report became public as the Justice Department refused to give congressional investigators access to FBI reports on last year's Russian grain deal. (Story on Page 8.)

United Press

Congress Denied FBI's Grain Files

Washington

The Justice Department said yesterday it will not give congressional investigators access to FBI reports on last year's massive Russian grain deal, but added that no criminal violations have been found.

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

Representative John Melcher (Dem-Mont.) branded the report a "whitewash job" and said the House Agriculture Committee should investigate to determine whether any grain company concealed grain holdings from the Agriculture Department to collect "tens of millions of dollars in extra export subsidies."

"The report is a whitewash job so bad that Tom Sawyer's Aunt Polly would have polished his posterior," said Melcher in a statement.

Senator Henry Jackson (Dem-Wash.), whose Senate investigations subcommittee will open its own probe of the grain deal July 20, had asked that his staff be al-

lowed to review Justice Department files in the case.

Deputy Attorney General Joseph T. Sneed refused Jackson's request, but released the summary.

POLICY

Sneed said it is 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 the Agriculture Department bungled in its handling of the deal and said this resulted in higher U.S. food prices and needless export subsidies.

The report said Continental Grain Co., which handled more than half the grain sale to the Russians, filed several inaccurate weekly position reports to the Commodity Exchange Authority of the Agriculture Department on its holdings last summer and fall when the Soviet deal was under way.

SUMMARY

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

"The inaccurate reports in no way adversely affected the government and, in fact, could have operated to Continental's disadvantage," the summary said.

The lengthy summary also said no violations of laws dealing with conflict of interest or improper disclosure of confidential information had been found in investigations involving former Assistant Agriculture Secretaries Clarence D. Palmby, Clifford J. Pulvermacher or Charles W. Pence.

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