

Shultz Admits U.S.

Burned on Wheat Sale

Washington

Treasury Secretary George P. Shultz conceded yesterday that the United States got burned in the Soviet wheat deal but indicated it won't happen again.

"I think it is a fair statement to say that they were very sharp in their buying practices," Shultz said of the massive 1972 wheat purchases by the Soviet Union,

a deal which pushed up U.S. food prices.

Shultz, in a news conference, said the Russians bought perhaps two-thirds more wheat than the United States originally thought.

Meanwhile, Senator Walter Huddleston (Dem-Ky.) said the Soviet Union appears to be making at least a 100 per cent profit in sell-

Back Page Col. 1

From Page 1

ing some of the wheat to Italy at current high market prices.

In a Senate speech, Huddleston asked the Agriculture Department and the General Accounting Office to investigate.

In an interview, he said the Russians paid U.S. exporters about \$1.65 per bushel for wheat and would get \$4.65 on the world market now.

"For a country of noncapitalists, the Soviet Union has pulled off a major coup," he said.

Huddleston said he based his account on Italian newspaper accounts and the report of an Italian resident that a ship unloaded 22,000 metric tons of Soviet grain at a port near Rome.

Other accounts said two other vessels may have car-

ried Soviet grain to Italy, he said.

The reports of the sale "could well be another indication that Soviet traders knew more about world conditions than we did and took advantage of our negotiators not only to supply their own needs but to reap huge profits on the world market — all subsidized by the American taxpayer and consumer," Huddleston said.

Carroll G. Brunthaver, assistant secretary of Agriculture, said that a check by the department showed that the Italian cargo in question had been shipped in Galveston last month, purchased by a Swiss grain dealer.

The Soviet Union, he said, was "in no way involved," and he castigated Huddleston's statement as "loaded" and "just another example of hearsay."

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