

WITHDRAWAL SHEET

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FOIA ID: F1997-066/8, D. Cohen
Date: 08/11/2004

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. memo	Donald Regan to William Clark re 7/26/82 meeting of Senior Interagency Group on International Economic Policy [w/notations], 1p <i>PAR 10/23/07 NLR2F97-066/9 #18</i>	7/26/82	B1 B3
2. note	to Jim Baker, 1p [Item is still under review under the provisions of EO 13233]	7/27/82	
3. draft	re John Block preferred guidance, 1p [Item is still under review under the provisions of EO 13233]	7/27/82	

RESTRICTIONS

- B-1 National security classified information [(b)(1) of the FOIA].
- B-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- B-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- B-7a Release could reasonably be expected to interfere with enforcement proceedings [(b)(7)(A) of the FOIA].
- B-7b Release would deprive an individual of the right to a fair trial or impartial adjudication [(b)(7)(B) of the FOIA].
- B-7c Release could reasonably be expected to cause unwarranted invasion or privacy [(b)(7)(C) of the FOIA].
- B-7d Release could reasonably be expected to disclose the identity of a confidential source [(b)(7)(D) of the FOIA].
- B-7e Release would disclose techniques or procedures for law enforcement investigations or prosecutions or would disclose guidelines which could reasonably be expected to risk circumvention of the law [(b)(7)(E) of the FOIA].
- B-7f Release could reasonably be expected to endanger the life or physical safety of any individual [(b)(7)(F) of the FOIA].
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

C. Closed in accordance with restrictions contained in donor's deed of gift.

① GRAIN
② CHINA



← GRAIN: →

- ① 1 year extension
- ② Grain minimum from — to —

↓
thru consultation
process with Soviets -
up to 15 MM metric tons,
subject to Pres' OK.

(#2)

Letter not announced
until after initial contact
so we don't get a turnaround from
Soviet

GRAIN STATEMENT OPTIONS:

NSC/State 1. I have authorized the Secretary of Agriculture to propose an extension for one year of the existing grain agreement with the Soviet Union. I have further authorized the Secretary of Agriculture to consult with the Soviet Union, as normally conducted under the agreement, with respect to purchasing additional amounts of grain beyond those specified in the agreement.

no reference to "limits"

USDA & others, plus WH Political & legislative offices 2. I have authorized the Secretary of Agriculture to propose an extension for one year of the existing grain agreement with the Soviet Union. I have further authorized the Secretary of Agriculture to consult with the Soviet Union, as normally conducted under the agreement, with respect to raising the current minimum level for grain purchases beyond that which is specified in the agreement.

authorizes raising the limits in the agreement "6+8"

Compromise 3. I have authorized the Secretary of Agriculture to propose an extension for one year of the existing grain agreement with the Soviet Union. I have further authorized the Secretary of Agriculture to consult with the Soviet Union, as normally conducted under the agreement, with respect to higher limits on purchases of additional amounts of grain beyond those specified in the agreement.

reference to higher limits, but only on "additional purchases" beyond the "6+8" limits in the agreement

NO DIS



THE SECRETARY OF THE TREASURY

WASHINGTON

July 26, 1982

B3

MEMORANDUM FOR: WILLIAM P. CLARK
ASSISTANT TO THE PRESIDENT FOR
NATIONAL SECURITY AFFAIRS

SUBJECT: Meeting of the Senior Interagency Group
on International Economic Policy (SIG-IEP),
July 26, 1982

At the meeting of the SIG-IEP today, the group decided
as follows:

-- The majority recommended that the Secretary of
Agriculture be authorized to propose a simple extension of the
Grain Agreement for one year.

-- The majority further recommended that after the
Agreement is extended, the Secretary of Agriculture will be
authorized, pursuant to the Agreement, to consult with the
Soviets as to possible purchase of higher amounts than those
provided for in the Agreement. While all participants could
accept this result, the Secretary of Agriculture would have
preferred attempting to get from the Soviets agreement to
higher minimums as part of the one-year extension of the
Agreement, and the Secretary of Defense would have preferred
letting the Agreement lapse.

*Raise w/
Soviet
possibility?*

*SEC OF AGRIC.
auth. to
consult for such
discuss.
negotiating*

-- The group also recommended that, before announcement
of any decision, discussion with allies should take place and,
therefore, if possible, the announcement should be delayed until
at least August 2.

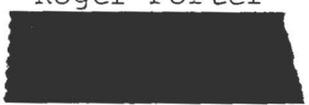
*higher
amts.
sums.*

Some

Voting for their agencies were the following:

- | | |
|-------------------------|-------------|
| Secretary Regan | Treasury |
| Secretary Weinberger | Defense |
| Under Secretary Buckley | State |
| Secretary Block | Agriculture |
| Secretary Baldrige | Commerce |
| Director Stockman | OMB |
| Jerry Jordan | CEA |
| David Macdonald | USTR |
| Roger Porter | OPD |
| | CIA |

*Gradim
Bafalis
Duncan*



DECLASSIFIED IN PART

NLRR 897-066/9 #18

BY *CH* NARA DATE 10/23/07

[(int.) DTR

Donald T. Regan

National Security Decision
Directive Number

U.S.-USSR GRAIN AGREEMENT

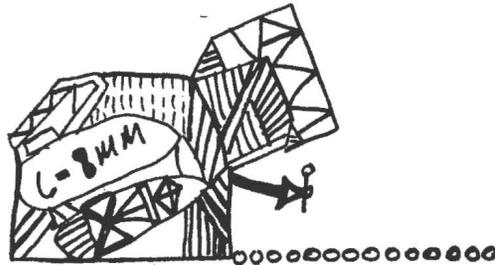
I have authorized the Secretary of Agriculture to propose *an*
~~simple~~ extension for one year of the existing grain agreement
with the Soviet Union. I have further authorized the Secretary
of Agriculture to consult with the Soviet Union, as normally
conducted under the agreement, ^(respecting limits and) ~~as to~~ possible purchases of
higher amounts of grain ~~beyond the 8 m metric ton levels~~

beyond those specified in the agreement. *The Secretary is not authorized to*
negotiate a new long term grain agreement with the Soviet Union.

MARTY
FELDSSTEIN

ALAN
GREENSPAN

WALTON for
VOLKER



Min. \leftrightarrow 15

(15 - 20 MMT)

— / — / — / —

THE WHITE HOUSE
WASHINGTON

I have authorized the Secretary of Agriculture to propose an extension for one year of the existing grain agreement with the Soviet Union. I have further authorized the Secretary of Agriculture to consult with the Soviet Union, as normally

conducted under the agreement, ~~respecting limits and possible~~ ^{with respect to ~~higher~~ higher}

^{top} purchases of ~~higher~~ ^{additional} amounts of grain beyond those specified in the agreement. [^] The Secretary is not authorized to negotiate

a new long-term grain agreement with the Soviet Union.

THE WHITE HOUSE

WASHINGTON

I have authorized the Secretary of Agriculture to propose an extension for one year of the existing grain agreement with the Soviet Union. I have further authorized the Secretary of Agriculture to consult with the Soviet Union, as normally conducted under the agreement, respecting limits and possible purchases of higher amounts of grain beyond those specified in the agreement. The Secretary is not authorized to negotiate a new long-term grain agreement with the Soviet Union.

THE WHITE HOUSE
WASHINGTON

I have authorized the Secretary of Agriculture to propose an extension for one year of the existing grain agreement with the Soviet Union. I have further authorized the Secretary of Agriculture to consult with the Soviet Union, as normally conducted under the agreement, respecting limits and possible purchases of higher amounts of grain beyond those specified in the agreement. The Secretary is not authorized to negotiate a new long-term grain agreement with the Soviet Union.

July 27, 1982

NOTE FOR JIM BAKER:

The result of a few quick calls with respect to grain suggests that no one has seen the SIG-IEP memo. The following people believe that the Administration position should be a one year extension of the grain agreement and an authorization for the Secretary of Agriculture to consult with respect to limits and higher purchases of grain."

Baldrige/DOC
Brock/USTR
Donovan/DOL
Edwards/DOE
Lewis/DOT
Harper/OPD
Duberstein
Rollins

Note: Baldrige, MacDonald(USTR) and Harper all indicated that they had "fought" for "higher limits" during the meeting.

*Debarth
Willam -
- Du
- Rollis*

DRAFT ANNOUNCEMENT OF DECISION ON U.S.-USSR GRAIN AGREEMENT

The U.S.-Soviet grain agreement, which has governed our grain trade with the Soviet Union since 1976, is due to expire September 30. After discussion in the Cabinet, I have authorized the Secretary of Agriculture to propose to the Soviet Union a simple one-year extension of the existing grain agreement. I have further authorized the Secretary of Agriculture to consult with the Soviet Union, as normally conducted under the agreement as to possible purchases of higher amounts ^{of grain beyond those} (than the 8 m. metric tons) specified in the agreement.

In this decision, I have ruled out any negotiation of a new long-term agreement. On December 29th, I postponed such negotiations until the Soviet Union indicates that it is prepared to permit the process of reconciliation in Poland to go forward and demonstrates this desire with deeds and not just words. My decision reinforces this objective. The Soviets should not be afforded the security of a new long-term grain agreement as long as repression continues in Poland.

I lifted the grain embargo, imposed by the previous Administration, in spring of 1981 because it was not having the desired effect of seriously penalizing the USSR for its brutal invasion and occupation of Afghanistan. Instead, alternative suppliers of this widely available commodity stepped in to make up for the grain which would have been normally supplied by U.S. farmers. These developments substantially undercut the tremendous sacrifices of our farmers and I vowed at that time not to impose a grain embargo unilaterally unless it was part of a general cut-off of trade between the U.S. and the Soviet Union.

Our farmers therefore can be assured that they will continue to have a fair opportunity to export grain to the USSR on a cash or cash-equivalent basis. This decision today preserves the framework in which this trade occurs.

Press Conference (if asked) July 28, 1982

Q: Have you decided to review the grain agreement and if so, does this conflict with your sanctions policy toward Poland?

A: -- On December 29th, along with the other sanctions imposed against the Soviet Union, I postponed negotiations of a new long-term grain agreement.

-- There has been no change in the situation in Poland that would warrant any change in this particular sanction.

-- The existing grain agreement with the Soviet Union will therefore continue in place for another year.

White House Statement

August 2, 1982

see Robinson draft

*Set of agri. auth. to proceed w/
Soviet as to possible pers. of higher auths.*

① Get a mtg. of bankers going.

② New - write up the grain decision.

Consultations vs. Negotiations

Consultations are provided for under terms of existing agreement. The Secretary of Agriculture has authority to call for these consultations. Consultations were held last spring and last fall with the Soviets.

According to my memorandum of July 23, 1981, the lead roll for negotiations is entrusted to the United States Trade Representative. If these were negotiations, the United States Trade Representative would conduct them. We would be entering a very extensive and time-consuming process possibly working for additional commodities such as soybeans, flour or soybean meal. The term of the agreement would be multi-year. The current agreement covers only feed grains and wheat.

There is a substantial distinction between a simple extension for one year with realistic limits and negotiating a whole new long-term agreement.

Jim -
from Jack Block
regarding the difference
between "extending"
the agreement and "negotiating"
a new agreement.



The Secretary is directed to contact the Soviets under terms of the existing trade agreement for consultation. He is given authority to discuss our future trade relationship, to explore the possibility for an extension of the current agreement for another year, and consideration of amending the minimum and maximum sales to reflect more realistic updated levels. It would be reasonable to discuss the possibility of increasing the minimum level to somewhere between 12 and 15 MMT. The Secretary is authorized to consummate an extension with the appropriate amendment if mutually agreed.

From: J. Block
preferred guidance - 7/27/82

The Secretary is directed to contact the Soviets under terms of the existing trade agreement for consultation. He is given authority to discuss our future trade relationship, to explore the possibility for an extension of the current agreement for another year, and consideration of amending the minimum and maximum sales to reflect more realistic updated levels. It would be reasonable to discuss the possibility of increasing the minimum level to somewhere between 12 and 15 MMT. The Secretary is authorized to consummate an extension with the appropriate amendment if mutually agreed.

CALL Block AT 11:00 A.M. 
Fuller has copy - 