His Excellency
Zhang Wenjin
Ambassador of the People's Republic of China

Dear Mr. Ambassador:

I welcome you to Washington as the envoy of the People's Republic of China to the United States, and trust your tenure will see continued improvement in our countries' relations.

I do wish to mention an issue that could cloud recent progress in expanding commercial relations. A number of members of Congress contacted President Reagan in July to urge his Administration to resolve the long dispute over U.S. import quotas on Chinese textiles and apparel. It was our belief, based on reports from Chinese officials, that this textile dispute was preventing the People's Republic of China (PRC) from honoring its full commitment under the current bilateral grain supply agreement. When a satisfactory resolution of the textile question was achieved on July 23, and the PRC decided to reverse the reduction in planned imports of U.S. agricultural products on September 6, we were highly encouraged.

I now understand that, despite these positive actions and statements, the PRC is indicating that it may not complete its grain obligation of six million tons by the end of this year. Statements attributed to Chinese officials suggest that factors not covered under the terms of the agreement should now be considered, and could relieve the PRC of responsibility for meeting its full import commitment.

I am certain that the circumstances which impeded PRC purchases of U.S. grain this year are unique, and that they warrant full discussion during early consultations. In the absence of agreement on how to resolve this issue, however, a reduction in the level of grain sales would reflect poorly on our efforts in Congress to maintain balance and equity in commercial relations.

I very much hope that a satisfactory solution to this issue can be found that will preserve the integrity of our commercial relations as a foundation for improved understanding between our countries in the future.

Sincerely yours,

BOB DOLE
United States Senate