

The Russian grain deal of '73 brought détente — and a season of booming business — to the Twin Ports

In the early 1970s the United States and the Soviet Union were both warming to the idea of thawing the Cold War diplomacy of the previous decade. In fact, both countries were looking for more than a thaw as each pushed the other for a relaxation in political and economic tension. When President Richard Nixon and Henry Kissinger traveled to Moscow in the spring

Duluth, destined for the Russian port of Nakhodka, on the Sea of Japan. While the overall amount was small, the potential for a much larger share was already being discussed within the offices of the Duluth Seaway Port Authority in early 1972.

An increase in grain exports was expected to be one of the topics discussed that June when Mr. Brezhnev visited Washington, D.C. As news of a harsh winter in the Soviet Union reached America, the potential for a significant deal to provide feed grain to the Russians was eagerly anticipated. No one, however, even the nation's largest grain companies, was prepared for the scale of the purchase the Soviets came here to broker.

The Soviets set up shop in a Manhattan hotel and immediately began to negotiate with New York-based Continental Grain. The numbers were stunning: 246 million bushels of corn, 37 million bushels of soybeans and a totally unexpected request for around 440 million bushels of wheat. All told, the total value of the deal was in the neighborhood of \$700 million.

In Duluth, C. Thomas Burke, executive director of the Seaway Port Authority, and others were already working behind the scenes to make sure the Port would receive its share of the shipping. Among other things, they would need assurances and support from labor unions to load the ships. The International

Longshoremen's Association, for example, had a long record of anti-communist activity, and some of its leaders were on record vowing that the ILA would not handle Russian-flag or other Soviet Bloc vessels.

Naysayers also contended that the deep draft vessels that were expected to haul the grain were too large to transit the Seaway system, and, as a result, there was fear that the lion's share of the cargoes would be handled on the East or Gulf coasts.

Mr. Burke remained adamant that the Twin Ports would benefit very nicely from the sale. On September 1, 1972, three Russian ships entered the St. Lawrence Seaway System, bound for Chicago to load grain.

"It's high time we realized that Russian vessels are coming to the Great Lakes, and it's something we have to be prepared to handle," declared Burke. With the grain deal near at hand, an estimated 50 Russian vessels, along with perhaps hundreds of third-party ships, were expected to load during the 1973 season. It was an opportunity Duluth-Superior port leaders didn't want to miss.

Before Russian ships would be allowed as far as Duluth, there was one major hurdle that Port leaders would need to overcome: a ban on Sino-bloc vessels entering the St. Marys River and the locks at Sault Ste. Marie. The ban dated back to the early 1940s, a long-standing



The Port's Past
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of 1972 to meet with Russian leader Leonid Brezhnev, each side looked for ways to promote nationalistic agendas designed to be mutually beneficial to each nation's interests. In America, the French word

"détente" was used to describe this new relationship between the two super powers, while in Moscow, the Russians called it "razryadka."

One of the earliest indicators of the success of the détente was a relatively small, but significant sale of grain to the Soviet Union that had taken place late in the previous year. In a deal brokered with Minneapolis based Cargill, the Soviets purchased a small amount of grain. In late December 1971, two vessels chartered by the Federal Commerce & Navigation Co., Ltd. of Montreal, loaded the grain in

holdover from the Cold War era. Following meetings with the Duluth-Superior port community, Senator Walter Mondale of Minnesota and Congressman John Blatnik of Minnesota's Eighth District were able to persuade the Army Corps of Engineers to lift the ban.

With the obstacles removed,



The Russian vessel *Zakarpatye* arrives on April 5, 1973, in a year of 'back to back ships.'

business began to boom. By the end of the 1972 shipping season, 69 third-country flagged ships loaded 39 million bushels of grain for the Soviet Union. In 1973 the Port would move four times as much grain as the port of Chicago, its nearest competitor in volume, and double the amount of grain it had moved the previous year. In stark contrast to the previous year, by the end of June, 1973, 40 ships had already loaded for the Soviet Union, one-fourth of them Russian.

The first Russian ship to reach Duluth arrived early in the season. In fact, it arrived earlier than any other foreign ship since the opening of the Seaway, in 1959. On April 5, 1973 the *Zakarpatye* passed beneath the Aerial Lift Bridge en

route to the Continental Grain elevator in Superior. Captain Vladimir Gomonenko and his crew of 34 were treated like visiting dignitaries, feted with dinners and tours and gifts.

The firm of Guthrie-Hubner acted as the local vessel agents for the Russians. Chuck Hilleren, a young

vessel agent at the time, remembers that year as the one in which he never seemed to get any sleep. "It was back-to-back ships," he recalled. "We'd finish loading one and another would come in from anchor to take its place. A lot of days I'd get home at two in the morning and go back to work at six. The Port had never seen tonnage like that."

From a cultural perspective, Mr. Hilleren immediately noticed how the Russians were different from seafarers of other nations.

"They employed women on the boats, which was rare. The Greeks or Italians would have never allowed women on board. They thought they were bad luck." And, they liked talking politics. Mr. Hilleren recalled one late night when he, a

local stevedore and the captain of a Russian ship "solved most of the world's problems" over a bottle of vodka. "Here we were," Mr. Hilleren said with a laugh, "sitting on a ship at 2 a.m., arguing with the captain about communism. I didn't think I'd ever get home that night."

As the last of the foreign ships strained to clear the Seaway in mid-December, the night skies were filled with the wonder of the comet Kohoutek. This fiery orb, with its glowing tail, caught the imagination of skywatchers who craned their necks skyward as the comet burned off into the universe.

Like Kohoutek, the Russian grain deal came and went in a blaze. The Russians would return the following spring, but as with a first ride at the fair, the level of excitement would never be the same. By 1974, there was a 50 percent decline in U.S. shipments to the Soviet Union.

The Russian grain deal of 1973 was not without its critics. There were many repercussions from the trade, not all of them good. Yet, for the Port of Duluth-Superior, these were record years, still fresh in the memories of those who witnessed them first-hand. Jobs were plentiful, ships were everywhere and the language of détente filled the Twin Ports, if only for one glorious season.

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