

FAMILY FARMING AND TRADE POLICY

2017 SPECIAL ORDER OF BUSINESS

Access to global markets is critical for family farm agriculture. U.S. farmers and ranchers rely heavily on strong export markets to maintain commodity prices and farm revenues. However, the objectives and enforcement of free trade agreements frequently fails to adequately protect family farmers and ranchers from unfair trade practices. The current attitude toward trade agreements does not prioritize the interest of family farmers.

Each year for the past forty years, the United States has amassed a huge trade deficit. Every \$1 billion increase in imports causes loss of over 4,500 jobs. In 2016, the total trade deficit totaled \$502.3 billion. Eliminating the trade deficit could create as many as 2.3 million new jobs across the United States.

Agriculture typically accounts for 7-10% of total U.S. exports, and the surplus in agricultural trade helps reduce the trade deficit. Negotiators often use agriculture as bait to achieve favorable trade agreements for other sectors of the economy. However, our deeply flawed trade agenda has opened domestic markets to cheap, often low-quality food, fuel and fiber products. The agricultural trade balance dropped over \$26 billion from 2011 to 2016.

International trade is an important part of successful family farming in the United States, but trade is not an end unto itself. Decreasing our national trade deficit will bring greater economic prosperity to U.S. agriculture and the broader economy. Current trade agreements do not appropriately prioritize eliminating the trade deficit and fail to address unfair practices, such as currency manipulation.

NFU encourages the federal government to conduct a formal and thorough analysis of current agricultural trade agreements to determine their success at meeting their promised goals. NFU urges prioritization of eliminating the trade deficit in future trade agreements. To that end, future trade negotiations should focus on increasing agricultural exports and ensure domestic sovereignty for farm programs while limiting imports of cheap, low-quality agricultural products, as well as removal of rules and regulations from trade agreements that limit domestic laws affecting agricultural commodity prices, quantities, or labeling.