http://finance.senate.gov

For Immediate Release Thursday, Dec. 15, 2005

Contact: Jill Gerber, press secretary for Chairman Grassley, jill gerber@finance-rep.senate.gov, Hong Kong cell phone 6779-2533

Grassley Says It's Time to Ignore the Sideshows, Get Ambitious in Hong Kong

HONG KONG -- Sen. Chuck Grassley, chairman of the Senate Finance Committee, the Senate committee with legislative and oversight jurisdiction over international trade, today made the following statement on the status of progress at the World Trade Organization Ministerial. A longtime outspoken advocate for American agriculture and free trade, Grassley farms corn and soybeans with his son in Butler County, Iowa.

"Since the start of the Doha Round in 2001, WTO members have been negotiating over how to reach agreement on agriculture. Such an agreement would reduce barriers to trade and benefit farmers and consumers in both developing and developed countries. It would lift people out of poverty around the world. But now that the delegates of the 149 WTO countries have traveled from all over the world to meet in Hong Kong in an attempt to make real progress, the EU is creating sideshows.

"The reason for these sideshows is obvious. The EU is scared that we'll get to the biggest issue in these talks. And that's agricultural reform. They know they're vulnerable on agriculture. So they're setting little fires all over the place, like with food aid and duty-free, quota-free access. That way, negotiators will spend the week trying to put out these little fires that the EU is stoking. Negotiators will wake up on Sunday with these little fires smoldering around them and say, 'oops, we didn't have time to get to ag reform.' To some, this would be a successful outcome from Hong Kong.

"We can't let this happen. Spending too much time on issues like food aid and duty-free, quota-free access won't lead to long-term development, which is what the Doha Round is about.

"We've known since the start of the Doha Round that the crux of the negotiations would be agricultural reform. That's no surprise to anyone. So let's get to the heart of the matter. It's time to start negotiating on agricultural market access. There's no separate development agenda, as the EU would like everyone to believe. Market access is the development agenda. I know this isn't a new call to arms, but agricultural market access is the issue that negotiators have to

address before the Doha Round closes. And we're running out of time. We're already almost to the halfway point in Hong Kong. Looking further out, the negotiations have to conclude within a year in to meet the deadlines set by Trade Promotion Authority.

"The United States is the country of ambition. We're prepared to reach agreement on agriculture as part of a comprehensive agreement. We showed our ambition in our October agriculture proposal. The U.S. proposal was a leap of faith. Now our farmers and other business people are counting on negotiations to get them something in exchange for what they're prepared to give up. Congress is watching, too. But some of our trading partners don't seem interested in a reasonable give-and-take at all. Instead they insist on perpetuating sideshows, drawing unconditional and unrealistic lines in the sand, or just sitting out the negotiations altogether. It's time for our trading partners to get serious, step up to the plate, and show some leadership. Otherwise, the Doha Round will remain stalled."