

Alexander Wants to Sell Rice

June 17, 2007

The Baton Rouge Advocate
Washington Bureau

U.S. Rep. Rodney Alexander, R-Quitman, recently spent his Memorial Day recess week traveling to Cuba to promote Louisiana agriculture.

Alexander joined a delegation from the House Appropriations Agriculture Committee. As a representative from an agricultural district, Alexander was eager to learn about easing trade restrictions with Cuba that could benefit Louisiana farmers — particularly rice farmers, he said.

Alexander also wanted to know what Congress could do to facilitate increased sales to Cuba. Alexander's trip was similar to one taken two years ago by Gov. Kathleen Blanco that resulted in \$15 million worth of Louisiana agricultural goods being exported to Cuba.

Though the United States has isolated itself from the communist nation since the 1960s, U.S. commercial agricultural exports have been permitted since Congress passed the Trade Sanctions Reform and Export Enhancement Act of 2000. The act allows U.S. producers to sell products, mostly agricultural products, to Cuba — with many restrictions and licensing requirements.

But the law continues to prohibit the United States from purchasing goods from Cuba. Since the law was enacted, the United States has sold more than \$1.5 billion in agricultural products to Cuba, and Louisiana's rice industry has

benefited, Alexander said.

According to the USA Rice Federation, during the 2006-2007 crop year the United States shipped 55,800 metric tons of rice to Cuba. Louisiana's share was 33,500 metric tons — 60 percent.

Yet the figures for that year are a decline from the year before, Alexander said. Overall U.S. sales to Cuba have dropped substantially in recent years. According to the Congressional Research Service, the United States sold \$404 million in exports to Cuba in 2004. That number fell to \$348 million in 2006.

Cuba's increase of trade with other nations is largely to blame, Alexander said. Cuba's spending on imports worldwide jumped from \$3.5 billion in 2004 to \$4.7 billion in 2005, the latest data available, the research service said.

"I believe the United States must consider lifting some unnecessary restrictions on trade before our nation's producers suffer greater reductions in this market," Alexander said upon his return.

Cuba has expressed an interest in buying more American rice, particularly Louisiana rice because Cubans favor its quality and taste, Alexander said. If the strict trade sanctions were lifted, the USA Rice Federation estimates that the market size for U.S. rice could reach 800,000 metric tons — 14 times the current export. Louisiana's share could jump to as much as 480,000 metric

tons.

"Imagine what an impact this would have on our state," Alexander said.

Alexander attended a convention in Havana between Alimport, a food-import company in Havana, and U.S. agricultural producers. The producers negotiated nearly \$150 million in sales of food products, such as pork, soybeans, tomatoes and rice.

Trips like those taken by Blanco and Alexander continue to be criticized by Cuban-American groups who support the U.S. embargo and castigate Cuba for its continued opposition to democracy and for jailing political dissidents. The Bush administration continues to support the embargo.

"Anyone who is going there for business is encouraging that system," Commerce Secretary Carlos Guitierrez, a Cuban native, recently said.

But the U.S. embargo has failed to work. Cuban President Fidel Castro has thumbed his nose at no fewer than 10 American presidents over the past 50 years. The only group being punished by the U.S. stance is the Cuban people, who make \$3,000 to \$5,000 a year and still drive cars made in the 1950s.

"As trade becomes more competitive on a global scale, it is so important for Congress to explore new markets for our nation's producers," Alexander said. "We should not punish our producers by denying them access to a potentially profitable market just because it is located in a country we disagree with."