

# United States Senate

WASHINGTON, DC 20510

May 10, 2011

The Honorable Debbie Stabenow  
Chairwoman  
Senate Committee on Agriculture, Nutrition, and Forestry  
328A Russell Senate Office Building  
Washington, DC 20510

The Honorable Pat Roberts  
Ranking Member  
Senate Committee on Agriculture, Nutrition, and Forestry  
328A Russell Senate Office Building  
Washington, DC 20510

Dear Chairman Stabenow and Ranking Member Roberts:

We write to request that the Senate Committee on Agriculture, Nutrition, and Forestry immediately hold a hearing on the potential impact of the free trade agreements with Panama, Colombia, and South Korea on America's farmers and ranchers.

Trade is vital to the success of American agriculture. For example, currently, the United States exports roughly 15 percent of our corn production, 45 percent of our soybean production, and 25 percent of our pork production. Exports and investment growth help to sustain high paying jobs, both on and off the farm. In the context of a \$14 trillion national debt, trade promotion should be near the top of our economic agenda, because its job creating benefits occur without expensive programs that add to the federal deficit.

As you are no doubt aware, the President has committed to sending free trade agreements with Panama, Colombia, and South Korea to Congress for approval. These agreements have languished for years, largely because of opposition expressed to President Obama by U.S. labor unions. Delay of these agreements has already resulted in significant loss of U.S. market share. China, the European Union, and other competitors have been working aggressively to secure trade and investment partners while the United States has stalled.

In Colombia, for instance, the United States recently lost its position as the Latin American market's number one agricultural supplier. Total U.S. agricultural exports to Colombia decreased from \$1.8 billion in 2008 to \$827 million in 2010. U.S. market share is being lost to China, Brazil, and other countries in Latin America that benefit from trade accords with Colombia. And in South Korea, the United States currently accounts for 30 percent of South Korea's agricultural imports, down from almost 45 percent in the mid 1990s. The European Union has completed a free trade agreement with South Korea that is set to take effect on July 1, 2011, putting European producers in a more competitive position than U.S.

agricultural exporters, which will further erode the U.S. share of the South Korean agricultural market.

These three free trade agreements offer great potential to expand U.S. agricultural exports. In their recent analyses, the U.S. Department of Agriculture estimated that the free trade agreements with Panama, Colombia, and South Korea would expand U.S. agricultural exports by \$46 million, \$371 million, and \$1.9 billion, respectively, per year after full implementation.

Given the significant impact these three free trade agreements would have on the U.S. agricultural sector, we request that the Committee hold a hearing on the potential impact of these agreements on America's farmers, ranchers, and agribusinesses.

We thank you for your consideration of our request. We look forward to working with you to expeditiously approve the free trade agreements with Panama, Colombia, and South Korea.

Sincerely,

Dick Lugar

Mike McConnell

Paul Cohen

Sayby Chaubkin

Mike Johanns

John Boozman

John Sh

John Hower