

FOCUS ON AGRICULTURE
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American Farm Bureau Federation

Trade Matters to Our Economy
By Lynne Finnerty

A way to create more jobs—by finalizing three pending trade agreements—has been handed to the administration and Congress on a proverbial silver platter. Whether they act on the opportunity should play a role in whether voters support incumbents in the 2012 elections.

Most economists agree that the U.S. must add around 150,000 new jobs every month to keep pace with the number of people entering the job market. It's a tall order, and that's only what is needed to keep the unemployment rate flat. We have to add even more jobs to lower unemployment.

According to USDA statistics, every \$1 billion in agricultural exports supports 9,000 U.S. jobs, not just on the farm but also in transportation, food processing and packing, shipping and sales. Our agricultural exports came to nearly \$116 billion last year, so America's farmers and ranchers are already doing a lot to create jobs. Do the math and you'll see that last year's agriculture exports were equal to about half of the job growth that was needed for the year.

Farmers and ranchers could do even more. Trade agreements that the U.S. has negotiated with South Korea, Colombia and Panama would help us play to our strength—agriculture exports. The agreements would wipe out tariffs that currently make our exports less competitive in these growing markets.

By passing all three agreements, nearly 22,500 jobs would be supported. Any kid who is saving for a new bike—or more likely these days, an iPad—knows that every dollar you put into the piggy bank helps. Adding more than 22,000 jobs through agriculture exports would be a substantial addition to our jobs piggy bank.

By not completing the trade agreements, the U.S. is losing market share to other countries that are negotiating—and more importantly, completing—their own trade deals with Korea, Colombia and Panama. Further delay by the U.S. changes the game from one of increasing our exports to just trying to keep our current footing.

The last of those trade agreements was signed in 2007, meaning little has happened with them in four years—four years when we could've used more jobs like Texas and Oklahoma could use more rain right about now, which is to say pretty badly. But that's all water under the bridge. Looking ahead, the Obama administration is striking new deals on issues it is concerned about, and that will allow the trade agreements to move forward.

The next step is for the president to send implementing legislation to Congress, and then for Congress to approve the bills—quickly. After all, we've waited long enough.

To help make the point that the trade agreements should be completed without further delay, Farm Bureau has launched the “Trade Matters” campaign. Farm Bureau members are getting in touch with their senators and representatives to let them know that trade matters a great deal to them now, and it will matter when they head to the polls 18 months from now.

If you care about our economy, then trade should matter to you, too. Contact your members of Congress and let them know that you expect them to support U.S. agriculture and job growth by approving the trade agreements with Korea, Colombia and Panama.