United States Senate

WASHINGTON, DC 20510

June 23, 2006

The President
The White House
Washington, DC 20500

Dear Mr. President:

When discussions on the current round of negotiations in the World Trade Organization (WTO) began, there was a broad, bipartisan consensus that our negotiators should focus on producing a good result for U.S. agriculture. As this summer's deadline for agreeing on the outlines of a WTO agreement approaches, we write to express our deep concern about the direction of the negotiations on agriculture. Our support for an agreement depends on achieving a balanced, ambitious outcome in which gains from new market access and the elimination of export subsidies provide net gains for U.S. agriculture in relation to reductions in trade-distorting domestic support.

Last October, the United States put forward an ambitious proposal that included substantial cuts in U.S. domestic farm programs if other countries would agree to significantly reduce their tariffs on agricultural products and provide greater access to their markets. Many of the farmers we represent were concerned that the cuts in farm programs would directly reduce their income, while the market access gains were speculative at best. However, your Administration insisted that its offer was conditional: if the market access gains did not materialize, the United States would not agree to a disproportionately ambitious reduction in domestic support.

Unfortunately, many of our trading partners continue to call for greater cuts in U.S. farm programs, even as they reject any movement toward real improvements in market access. These countries have refused to make significant tariff reductions, and they insist on exceptions for sensitive and special products that will render meaningless the modest tariff reductions they have proposed.

It is not only U.S. agriculture that stands to gain from reduced tariffs and greater market access in food and agriculture trade. Most economic studies conclude that the majority of benefits of trade agreements in agriculture are generated by significantly cutting tariffs on food and agriculture products. Thus, a failure of the WTO negotiations to achieve an ambitious outcome on market access will hurt not only U.S. agriculture but also the global economy and people around the world.

It is simply untenable for some of our WTO negotiating partners to suggest the onus is on the United States to accept an unbalanced proposal – one with substantial cuts in our trade-distorting

support but only minimal gains in access by U.S. agriculture to foreign markets – in order to save the Doha Round from their reluctance to make ambitious market access offers. This is not an honest framing of the issue.

An unbalanced proposal that asks U.S. agriculture and rural communities to give more while getting less in market access is unacceptable. We urge you to direct your negotiators to reject any such proposal and instead insist on an ambitious, balanced result that will level the playing field for U.S. agriculture, open foreign markets to U.S. agricultural exports, and increase net income prospects for U.S. farmers and ranchers.

Sincerely,

Max Baucus

Saxby Chambliss

Harry Reid

John Cornyn

Mike Crapo

Daniel K. Akaka

Chuck Grassley

Ken Salazar

Blanche L. Lincoln

Ron Wyden

Herb Kohl

Maria Cantwell

Mark Dayton

Debbie Stabenow

Jim Jeffords

Patrick Leahy

Byron L. Dorgan

Kit Bond

Kay Bailey Hutchison

Sam Brownback

Norm Coleman

Pat Roberts

Michael B. Enzi

Craig Thomas

David Vitter

Robert Bennett

John Thune

Trent Lott

Mark Pryor

Pete V. Domenici

Chuck Schumer

Hillary Rodham Clinton

Craig Thomas

E. Benjamin Nelson

Arlen Specter

Patty Murray

Bill Nelson

Chris Dodd

Tim Johnson

Carl Levin

Ben Nighthorse Campbell

cc: The Honorable Mike Johanns
The Honorable Susan Schwab