

## **The Trade Race**

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If opening foreign markets to a nation's products is a 'race for trade,' how are we in the U.S. doing compared to our competitors?

Right now the U.S., due to the expiration of trade promotion authority, is taking a break from negotiating new free trade agreements (FTAs) and focusing more on approving agreements already negotiated with Colombia, Panama and South Korea.

Meanwhile, Canada is negotiating for expanded trade with South Korea, Colombia, Peru, Singapore, China, India and Central America. The European Union is negotiating trade agreements with China, India, South Korea, Brazil and Argentina. Australia is angling for better trade terms with China, Japan, the Gulf community and Chile. Brazil is in trade talks with the European Union. All these nations also are active in the World Trade Organization (WTO) and view the multilateral approach as the premier avenue for lowering tariffs and expanding market access worldwide for goods and services.

For the U.S., the pursuit and implementation of trade agreements have played roles in the growth of agricultural trade exports from \$50 billion in 2000 to more than \$90 billion in 2008. Despite that positive growth, U.S. officials are watching other nations achieve preferential treatment in some of the fastest-growing markets in the world.

Trade expansion is a dynamic process. For the most part, the U.S. has been the leader in that process for many years, with other nations scrambling to follow. However, U.S. officials must make a more concerted effort to stay in the race. Seeking arrangements with strategic trade partners and maintaining a focus on commercially meaningful market access in the current round of WTO negotiations are two strategies for achieving this objective.

In the 'race for trade' the U.S. has done well over the years, with solid export growth records for the agricultural, manufacturing and services sectors. But now is not the time to sit back and relax. In this dynamic, competitive and growing world economy, the U.S. must stay in the race in order to stay in the lead.