

For Immediate Release: July 25, 2008

For more information contact: Jeri Lynn Bakken, WORC Regional Organizer at 701-376-7077, or Kevin Dowling, WORC Communications Director at 406-252-9672

## WORC: Current WTO Talks Should Cease

The Western Organization of Resource Councils (WORC) today called on U.S. trade negotiators to abandon current World Trade Organization (WTO) talks. Karen Englehart, WORC Trade Team Co-Chair and rancher from Bison, SD made the following statement regarding the latest Doha Round of WTO negotiations.

“WORC has always felt that trade talks should be based on fair trade and should benefit all countries involved. Current WTO talks have devolved into a one-way, dead-end road. The time has come to rein in U.S. negotiators and prioritize the competitiveness of America’s producers and labor forces.

Government officials from around the world are currently meeting in Geneva in an attempt to revive the Doha Round of WTO talks—a round that began in 2001. But talks have been at an impasse because few countries except the United States and the European Union are willing to give up anything.

U.S. negotiators have already agreed to give away the farm in these talks by drastically slashing farm programs and increasing imports from countries that violate fair trade practices, a stance that WORC strongly opposes. Amazingly it’s still not enough for our subsidized competitors—namely Brazil, India, China, and Argentina: they’re demanding more but willing to do nothing in return.

Through the WTO process and the Doha Round of agreements, countries such as Brazil, India, China and Argentina call themselves “developing” to avoid making reforms even though they are agricultural superpowers.

Some examples of indirect subsidizes that these countries enjoy now under WTO include:

- \* Brazil’s various forms of agricultural credit assistance and debt forgiveness.
- \* Subsidies in China to offset seed and machinery costs.
- \* An estimated \$8 billion “fertilizer” subsidy in India in recent years.
- \* The largest international loan default in history by Argentina, which devalued the peso and gave Argentine producers an unfair advantage in international markets.

These subsidies coupled with tariffs and low labor and environmental standards make it nearly impossible for U.S. farmers, ranchers and workers to compete.

Furthermore, WTO Director-General Pascal Lamy insisted that the U.S. Farm Bill poses a significant hurdle to the successful completion of the WTO Doha Round talks. Lamy recognized that the Farm Bill sets U.S. policy for the next five years and that the overwhelming veto override votes by which it was passed demonstrate that Congress is unwilling to change the basic framework of U.S. farm policy. Now, U.S. negotiators are making offers that conflict with the Farm Bill, claiming that Congress will “conform” U.S. law to whatever is agreed in Geneva.

Americans’ demand for a new model for U.S. trade policy is based on 15 years of experience under a faulty trade model implemented by WTO and various FTAs. Therefore, WORC calls on Ambassador Schwab to bring our negotiating team home and stop spending taxpayer money chasing a bad deal.”

The Doha Round is the current trade negotiations of the World Trade Organization (WTO) which started in November 2001. The negotiations continue with the objective to lower trade barriers around the world. Talks have stalled continually over a divide between the developed countries like the European Union, U.S. and Japan and major developing countries, led by Brazil, India, China and Argentina.

###