

PRESS RELEASE:

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## **FAMILY FARM GROUPS AND ALLIES ASK SENATE TO REJECT PERU FTA**

### **Failed NAFTA Model to Devastate Farmers Here and Abroad**

Washington D.C. (December 3, 2007) - Family farm, ranching, consumer and faith groups from across the country released a letter to the U.S. Senate today asking that the Senate oppose the Peru Free Trade Agreement. With consumer anxiety about foreign imports rising, as well as growing demand for local food, now is not the time to be passing yet another free trade agreement that allows in more untested food while undermining local food systems.

The letter sent to the Senate outlines the flaws of the Peru FTA for U.S. and Peruvian farmers and urges that trade policy be based on principles of food sovereignty that emphasizes local, sustainable farm systems instead of the free trade model that pits farmers around the world in a race-to-the-bottom.

Despite the clear failures of free trade to benefit farmers here in the U.S. and in Mexico after NAFTA, the House chose to pass another severely flawed trade agreement that will cause extreme harm to Peruvian farmers and subject them to dumping of below-cost commodities by U.S. agribusiness companies. Under NAFTA, over 1 million Mexican corn farmers have been driven off the land thanks to the dumping of cheap U.S. corn. George Naylor, an Iowa corn and soybean farmer and president of the National Family Farm Coalition, said, "There is no excuse for Congress to support one more free trade agreement given the very apparent record of free trade displacing rural people and farmers from their communities. Meanwhile the benefits only go to multinational corporations that export and process cheap agricultural commodities."

U.S. fruit and vegetable farmers already suffering from the flood of cheap Peruvian imports will likely be further driven out of business.

U.S. ranchers may have to compete with exports from Peru, which has had outbreaks of foot and mouth disease. The U.S. already has a \$400 million agriculture trade deficit with Peru. Mississippi farmer Ben Burkett said, "After NAFTA, I and many of the farmers in my cooperative lost our cucumber contracts from corporations such as Heinz and Vlasic who chose to buy instead from Mexico. The Peru FTA simply continues the failed NAFTA-model for agriculture that destroys local food systems both here and abroad while favoring industrial-style export production."

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The National Family Farm Coalition (NFFC), founded in 1986, provides a voice for grassroots groups on farm, food, trade and rural economic issues to ensure fair prices for family farmers, safe and healthy food, and vibrant, environmentally sound rural communities here and around the world. NFFC represents family farm and rural groups in 30 states whose members' face the challenge of the deepening economic recession in rural communities caused primarily by low farm prices and the increasing corporate control of agriculture. For further information about the organization, call 1-800-639-3276 or visit [www.nffc.net](http://www.nffc.net).

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AGRICULTURE SIGN-ON LETTER OPPOSING THE PERU TRADE  
DEREGULATION  
AGREEMENT:

December 3, 2007

Dear Senator,

The following groups, representing family farmers, ranchers, religious, international development and consumer groups urge you to oppose the free trade agreement with Peru. We are deeply disappointed by the House of Representatives for approving this pact and call on the Senate to reject the agreement. Most of the improvements touted in environmental and labor standards do not address the downward weakening of food safety standards, particularly at a time when consumer anxiety over foreign imports is at an all-time high. The Peru FTA simply continues the failed NAFTA-model for agriculture that has severely harmed both farmers overseas and family farmers at home. The United States, historically possessing a healthy farm trade surplus, now verges on becoming a net food importer, placing our food security in peril.

In 1996, the U.S. had a \$27.3 billion agriculture trade surplus. Post-NAFTA and other FTAs, that trade surplus has been whittled down to \$4.7 billion. Recent consumer concerns over the Chinese wheat gluten scandal and tainted foreign seafood, as well as highly publicized e.coli meat recalls, have placed our food system in jeopardy. Now is not the time to be allowing for more cheap foreign imported food that undercut American family farmers and ranchers. Instead, we must create a system that emphasizes food sovereignty that supports local food systems that respects rural communities and promotes environmentally sustainable farming.

The Peru FTA, contrary to the claims of a few commodity organizations reflecting the interests of corporate agribusiness, will not benefit the vast majority of American farmers and ranchers. The U.S. already has a large and growing agricultural trade deficit with Peru. When President Bush took office in 2001, the U.S. had a small, \$6 million agricultural trade surplus with Peru. In 2006, that had become a nearly \$400 million agricultural trade deficit. Despite concerns that growing agricultural imports could disadvantage American farmers and undermine food safety, agricultural issues were

nearly entirely excluded from the May 10th deal between the White House and some congressional Democrats. Family farm organizations had urged that the free trade agreements be modestly modified to exclude sensitive agricultural products from coverage and to strengthen our food safety rules, but even these reasonable requests were not addressed.

The free trade deals since the 1990s have been little benefit to most family farmers in the U.S. Since the WTO and NAFTA went into effect, the United States has lost more than a quarter million independent family farms. For most of that period, commodity prices were at record lows, requiring expensive taxpayer subsidy bailouts to ensure the survival of many farmers, despite the promises of increased market access and exports. The overwhelming majority of American farmers would see little or no gain from the Peru free trade deal. Many vegetable and fruit growers will likely face surging, cheaper imports of fresh and processed fruits and vegetables. Already, the asparagus industries in California and Washington have been devastated in recent years by the flood of cheap imports from Peru. Processing companies such as Del Monte and Green Giant have shifted their production to Peru to take advantage of lower farmland, labor, and environmental compliance costs.

American ranchers will be harmed by the Peru FTA's failure to include food safety standards for cattle. Peru's beef production is growing and could soon export to the U.S., despite a foot-and-mouth disease (FMD) problem. Inadequate rules of origin would allow cattle from non-Peruvian countries such as Argentina and Brazil to be slaughtered in Peru and allowed preferential access to U.S. markets. In the wake of serious food safety concerns and downward harmonization of health and safety standards that disadvantage U.S. cattle producers, the Peru FTA should not be passed.

As harmful as the Peru FTA will be for American farmers and ranchers, the effects on Peruvian farmers could be more devastating.

International grain traders have dumped below-cost corn into developing countries. Under NAFTA, over a million Mexican farmers and their families have been driven off the land due to U.S. dumping. Many of those displaced farmers have ended up in the U.S. Peruvian corn and rice farmers would likely face similar disasters as the U.S. starts dumping cheap commodities into the Peruvian market. In July, 4 million Peruvian peasant farmers took to the streets to voice opposition to the FTA that will only further marginalize them in a country already known for high economic inequality.

Farmers at home and abroad need a new direction on trade and agriculture policy that protects rural livelihoods and promotes food sovereignty instead of promoting a race to the bottom among farmers that outsources our food security. FTAs directly undermine and weaken renewed consumer demand for specialty crops and local foods. The first step in that new direction must be rejection of the Peru Free Trade Agreement.

Sincerely,

American Agriculture Movement  
American Corn Growers Association  
California Dairy Campaign  
California Farmers Union  
Caney Fork Headwaters Association  
Colorado Independent Cattle Growers Association (CICA) Community Farm Alliance  
(KY) Cumberland Countians for Peace & Justice Dakota Resource Council (ND) Dakota  
Rural Action (SD) Family Farm Defenders Federation of Southern Cooperatives/Land  
Assistance Fund Food & Water Watch Grassroots International Institute for Agriculture  
& Trade Policy Iowa Citizens for Community Improvement Justice and Witness  
Ministries, United Church of Christ Minnesota Farmers Union Missouri Rural Crisis  
Center Mississippi Livestock Markets Association National Family Farm Coalition  
Northern Plains Resource Council (MT) Oakland Institute Ohio Farmers Union  
Progressive Agriculture (PA) Pesticide Action Network North America R-CALF USA  
Western Organization of Resource Councils Women Involved in Farm Economics  
(WIFE)

For more information or background, contact the National Family Farm Coalition at 202-543-5675.