

(Roger Johnson is ND's Agriculture Commissioner.)

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JOHNSON URGES RECONSIDERATION OF SUGAR TRADE STRATEGY

BISMARCK - Agriculture Commissioner Roger Johnson says proposed concessions by the United States in the ongoing Central American Free Trade Agreement (CAFTA) and other trade negotiations could destroy the U.S. sugar industry.

"The cumulative effect of what your trade ambassador is proposing could expose the U.S. market to three times our current domestic sugar usage, undoubtedly crashing prices and destroying our industry," Johnson said in a letter to President George Bush. "I strongly urge you to reconsider this negotiating strategy."

Johnson invited the president to send a team, including U.S. Trade Ambassador Robert Zoellick to North Dakota to see firsthand the potential impact of their negotiations. "American agriculture producers are tired of operating under the constant threat that they are one deal or one negotiation away from losing their farms, and they would like to hear directly from our negotiators how your proposals are likely to impact them," Johnson said.

Rather than handing "a sweet deal to five Central American counties" by fully opening the American sugar market to them, Johnson said the U.S. should press for this issue to be addressed as part of a global trade deal using the World Trade Organization negotiation process.

"The sugar provisions agreed to in CAFTA are likely to serve as a precedent for subsequent bilateral and regional trade agreements including FTAA," Johnson said. "American sugar producers deserve a level playing field for any negotiations involving trade among sugar-producing countries."

Johnson said the sugar industry plays a vital role in the Red River Valley regional economy, generating \$2 billion in annual economic activity.

"There is no doubt that any impact to the price of sugar will decrease the number of sugarbeet acres in production and will reduce the net farm income of our producers," he said. "The impact would be felt across all of agriculture, as the migration of sugarbeet acres leads to increased production of other crops and lowers prices for them as well."