Oregon's economy feeling the effects of the trade war

By Mike Rogoway

PORTLAND — Speaking last month on stage in Pennsylvania, President Donald Trump complained about Japanese auto imports — and then ridiculed one of the Northwest's largest exports.

"They (Japan) send thousands and thousands — millions — of cars. We send them wheat. Wheat," the president deadpanned, eliciting derisive laughter from his audience. "That's not a good deal. And they don't even want our wheat. They do it because they want us to at least feel that we're OK. You know, they do it to make us feel good."

The comments left Oregon wheat farmers concerned. They were alarmed not just that the president was disparaging their crops, but also that his comments appeared to signal a lack of interest in reducing Japanese tariffs that were making U.S. wheat uncompetitive. Wheat and grains are Oregon's fourth-largest export category, with more than 40% going to Japan and China.

Trump's comments were emblematic of his unorthodox approach to

trade policy, which has sent financial markets gyrating and sparked fears of a national recession. A closely watched state forecast issued last week warned of "bad behavior and policy mistakes" that could derail the national economy — and, by extension, Oregon's.

"The risk of recession is clearly rising in recent months," state economists wrote.

From the region's largest companies to tiny startups, employers are postponing hiring and spending, complaining of a whipsaw trade policy that makes it impossible to make strategic plans. Oregon farmers, like those across the country, are struggling to predict how the trade war will impact them.

"In general, this uncertainty with trade issues certainly weighs heavily," said Steve Mercer, communications vice president for U.S. Wheat Associates, which represents farmers in Oregon and elsewhere.

Characteristic of its unpredictable approach, the administration suddenly threw Northwest farmers a lifeline Aug. 25 — announcing it had cut a deal with Japan and indicating lower wheat tariffs would be part of the bargain.

Yet farmers remain wary, since the deal isn't final and details aren't public. Mercer said the trade war is making domestic farmers less competitive as customers overseas reconsider long-term relationships with their American suppliers.

"They're uncertain about the U.S.," he said, "so they're considering alternatives.

That uncertainty extends to all of Oregon's major industries. From agriculture to heavy industry, agriculture to sportswear, businesses say they're confounded by the president's approach to trade.

"Nobody knows what Trump's going to do next," said Frank Nichols, founder and CEO of Silicon Forest Electronics, a 20-year-old Vancouver company that makes specialized electronics for the aerospace, defense and industrial markets.

Weakening Oregon exports

Oregon economists spelled out the risks of the administration's trade policy last week in the state's quarterly revenue outlook, warning that "cracks may be forming due to the trade war."

Last week's nonpartisan report noted continued strength in the

Oregon labor market and manufacturing output. Unemployment is at a historic low of 4% and wages are rising rapidly.

After a decade of continuous expansion, the state's rainy day funds have more than \$2.5 billion in reserves — equivalent to 12% of Oregon's two-year budget. That could cushion any downturn by providing a measure of stability in public spending.

Intel, Oregon's largest corporate employer, is continuing to invest in the state despite declining sales and public misgivings about the trade war. The company has just begun construction of a multibillion-dollar expansion to its D1X research factory in Hillsboro.

Though Intel has warned of declining sales this year, and anxiety over the trade war, it's pressing ahead with the project. Thousands of contractors will help build the expansion over the next two years, and Intel says the project will add 1,750 long-term jobs by the end of

Still, analysts see worrisome signs in the Oregon data.

Excluding electronics, a volatile sector that rises and falls with

Intel's production cycle, Oregon exports were down more than 7% in the first half of the year. Manufacturing and timber shipments to China are in steep decline.

THE OBSERVER — 5A

And the number of manufacturing hours worked in the state is falling, at a pace more than double the national rate. That suggests manufacturers may be dropping shifts, or perhaps less overtime among factory workers.

"There are indications that say there are troubles ahead," said Rep. Lynn Findley, R-Vale, vice chairman of the House Committee on Revenue. He said the decline in Oregon manufacturing hours is particularly alarming.

Trade policy is affecting Oregon agriculture and other sectors, Findley allowed, but he said state policies are exacerbating the situation. He said a new requirement for paid family leave, a \$1 billion annual business tax for education, and the prospect of a state carbon tax on emissions are adding to the uncertainty.

"People that I have spoken with are concerned about making an investment in Oregon with all of these impacts," Findley said.



Union High School senior Jaimee Baxter checks a refrigerator in the new kitchenette in UHS's science section Wednesday. UHS junior Kaylee Lantis is on the right.

SCIENCE

Continued from Page 1A and operating this business will be an excellent way to see how algebraic equations can be applied to real-life profit and loss situations.

"This will help students see how math is related to the real world," Wyatt said.

The educator said students sometimes find numbers and math uninteresting until they see its use outside the classroom.

Wyatt said she has never heard a student say \$20 is not important, but has heard students say math is not important. Many students tend to feel this way about the subject until they see how

math applies to finances, said Wyatt, who as a math coach advises teachers on techniques and strategies to

Wyatt said that later this year educators will begin conducting math tutoring sessions in the new lab, which would be open to all UHS students.

The renovations cost about \$60,000, work paid with Measure 98 funds, said Union School District Deputy Clerk Mendy Clark. Oregon voters passed Measure 98 in 2016 in an effort to boost graduation rates. It requires the state to provide additional funding to school districts for programs such as careertechnical education.

Union School District Superintendent Carter Wells said the renovated facilities tie in with the district's commitment to Science, Technology, Engineering and Math (STEM) and Career Technology Education programs the state is placing its focus on. He said he is delighted with how students are responding to the new facilities now that the school year has begun.

"It is energizing them," he said.

Wyatt said that the renovated facilities are sending an important message to students.

"It reminds them of how much education is valued," the educator said.

CARE

Continued from Page 1A said. "That is the flame we have started."

According to Anderson, while the protocol benefits anyone who has suffered a concussion, student athletes of all ages are a primary focus of the program. With contact and impact sports, like football and soccer, concussions are more likely to occur. Knowing this, Anderson's program reached out to the La Grande School District and has initiated discussions with other local school districts to help establish better protocol for treating student concussions. This includes following an established stepby-step progression from injury to returning to school, as outlined by the Oregon School Activities Association. Anderson's program

is meant to improve the communication between the school and care providers to ensure the student returns to school safely.

As part of this effort, the GRH Community Benefit Committee has funded the purchase of ImPACT testing for local high school athletes. The ImPACT test, administered by the OSAA, establishes a baseline for cognitive and physical function so that if a student who has taken the test does sustain a concussion those involved in the student's care and health have data of the students' level of ability to compare it to. By having the hospital pay the bill for this test, Anderson said, he saw the relationships with the schools improve.

"Now we have a system within the hospital to get these kids, or adults, into

their primary provider with good information, and we are branching into the school system to create a better path for the school setting to further strengthen the communication between the PCP and the education system," Anderson said.

The hospital funding this program was an opportunity to help fill a need that had been identified in the community, GRH Communications Director Mardi Ford said.

"It's a great project to do. It's a great thing for our community," Ford said.

The symptoms of a concussion can present themselves in many ways, according to the Center for Disease Control. They can be physical responses such as sensitivity to light or noise, balance problems, dizziness, feeling tired or low

on energy, headaches, nausea or vomiting at the onset, or problems with vision. There are also cognitive issues that can be indications of the injury, including attention or concentration problems, feeling slowed down, foggy or groggy, short- or long-term memory loss, and difficulty thinking clearly. Social and emotional responses to a concussion include increased anxiety, sadness, nervousness, irritability or feeling more emotional. Any drastic

indicators. These symptoms, when coupled with a recent impact to the head, show signs that the bump or blow sustained may be serious.

The length of time that these indicators are present can vary in each person, as well as the number and severity of the symptoms. Because of this, the needs for treatment differ — however, in all cases, treatment is necessary. Studies have shown that concussions can have long-term effects including reduced cognimemory loss, and those that go completely untreated can sometimes lead to death. However, treatment for this type of brain injury is now more easily accessible to residents of Union County, due in part to Anderson's program.

"Through this (program's) targeted approach, you find out where the impairments are and treat them individually," Anderson said. "The goal was to create the safest environment for someone to return to something he loves or she loves."

WALMART

Continued from Page 1A which he provided to The Observer. It reads, in part:

"We had an opportunity to review your file. We have determined that Walmart Stores, Inc. is not responsible for your damages. Upon reviewing the evidence we found that there was no negligence on the store's behalf. The door was closing and you continued to enter without any caution to the closing door."

Thompson, 60, does not agree with this assessment. He said he rode up to the automatic door and waited for the door to open after its sensor detected him. The door then opened and he started

moving, he said, but before he could get inside the door closed on his wheelchair.

The Observer called Claims Management Inc. multiple times for comment, but the calls were not returned.

The Observer also called the Island City Walmart for comment and was directed to its corporate media relations office. A request was sent to the media relations office for a response on Aug. 30. The media relations office sent an email to The Observer the same day indicating it had received the request, but beyond that has not yet responded.

Thompson, who suffers from a lung condition and a serious back problem, rarely leaves his apartment now because it is not safe to use his wheelchair.

"I'm very limited in what I can do," he said.

Thompson said his hope is quite simple.

"All I want is for Walmart to step up and fix the wheelchair," he said.





Susan Hughes, LCSW

Psychologist, Associate Nancy Anderson, LPC

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Family Medicine

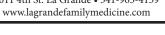
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