

'The voice of reason on the benefits of trade was completely lost'

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farmers, that reflects the needs of rural communities, that is echoed by state and local leaders, and that seeks to heal the deep fissures on trade in Washington D.C.," they said in an opinion column they wrote on behalf of Farmers for Free Trade.

The organization was formed in response to the beating trade deals took on the campaign trail in the 2016 presidential elections, with both Republican and Democratic candidates bashing existing and pending agreements at every turn.

The discussion was focused on the U.S. trade deficit, which was more than \$700 billion in goods in 2016.

"It was a field day of people beating up on trade. The farmer's voice was not being heard," said Brian Kuehl, executive director of Farmers for Free Trade and director of federal affairs at K-Coe Isom, a national agricultural accounting and consulting firm.



Darci Vetter

"The real loser was free trade. The voice of reason on the benefits of trade was completely lost in the dialogue," he said.

"Candidates started questioning decades of assumed consensus that trade and agriculture are very complementary," said Darci Vetter, former chief U.S. agricultural negotiator, who serves as an adviser to Farmers for Free Trade and is the diplomat in residence at the University of Nebraska.

"Candidates started questioning that and whether the U.S. was winning or losing at trade," she said.

That question really sank in. Even some farmers, who have long prospered and taken pride in feeding the world, were questioning the balance. And all the rhetoric about losses in manufacturing jobs had them feeling a little sheepish — despite the fact that food processing is the largest manufacturing industry in the U.S., she said.

Shifting sands

The anti-trade sentiment fueled by the elections prevailed, with Congress failing to enact the 12-nation Trans-Pacific Partnership — an agreement largely supported by U.S. agriculture — and newly elected President Donald Trump quickly pulling the U.S. out of it.

Trump's threat to pull out of the free trade agreement with South Korea has not yet materialized. But his threat to pull the U.S. out of the North American Free Trade Agreement between the U.S., Canada and Mexico has resulted in negotiations aimed at re-vamping the treaty.

The country now has a Republican president who's turning the U.S. trade agenda on its head, said Vetter, whose tenure was during the Obama administration.

Typically, the Republi-



Port of Seattle

A container ship called at Terminal 18 of the Port of Seattle. U.S. agricultural exports exceeded \$140 billion last year with a trade surplus of more than \$21 billion.

can Party platform embraces open and free international trade, she said.

"The message we're hearing now is that the U.S. is looking inward. But are we winning when we renegotiate trade agreements instead of opening new ones?" she said.

During the campaign, Trump, Democrat Hillary Clinton and other presidential candidates took aim at NAFTA and the \$74.4 billion U.S. trade deficit with Canada and Mexico. They decried the loss of manufacturing plants, the loss of U.S. jobs and lower wages.

They also opposed TPP because the agreement didn't address currency manipulation.

Overall, agricultural exports represent 20 percent of U.S. production and 20 percent of U.S. farm income. But the stakes are much higher for some commodities. Exports account for 70 percent of the cotton and tree nuts and 50 percent of the wheat, soybeans and rice grown in the U.S.

Loss of those export markets would cause prices to tumble, harming U.S. agriculture, Kuehl said.

"Unless we reinvest in talking to people about the benefits, we'll lose out on trade," he said.

Agriculture has long been a bright spot in the U.S. trade portfolio, posting an annual trade surplus for more than 50 years. Any threat to that trade could have an overall net negative effect on the export economy, he said.

"It's a perilous time because the United States is

now asking itself these questions, whether we will continue to engage or pull back. Without competitive access to markets, we can very easily be left behind," Vetter said.

Other nations and trading blocs are stepping into the doors that the U.S. has left open. The European Union is negotiating with Japan and Mexico, and China is working on regional agreements, she said.

"We are by no means the only game in town," she said.

It's a myth that the U.S. can somehow pull out of trade and still be OK because the U.S. is such a big economy, she said.

"We can't really pull ourselves out of trade agreements. The trade won't stop if we don't engage," she said, adding that there needs to be a clear message that the U.S. needs open and free trade to be successful.

"We need to have farmers clearly state why trade is important and what they want Congress and the administration to do," Vetter said.

The stakes

"By and large, the United States has been successful in being a leader in the global economy and setting the rules of the road," she said.

If the U.S. is not part of setting the terms of trade agreements, farmers will pay the price because U.S. agriculture is so export-dependent, she said.

Sitting on the sidelines is not an option, Vetter said.

Trade agreements take a long time to negotiate and to go into effect, she said.

The negotiations for the TPP took seven years. Meanwhile, the middle class in many countries is growing and demanding better food — products the U.S. excels at producing, such as meats and fresh fruits and vegetables, she said.

Those consumers are establishing buying habits and adopting brands. If U.S. products can't get into those markets or if they are too expensive because of high tariffs, they would lose ground to competitors. And it would take a long time to overcome those obstacles if the U.S. comes late to the negotiating table, she said.

"Ninety-six percent of the world's consumers live outside our borders. If we don't stay competitive and get access to those markets, we'll fall behind," Vetter said.

Other countries have built up their agricultural industries and are more competitive than they used to be, she said.

"Being part of these agreements and helping to write the rules is more important than ever," she said.

Despite all the protectionist rhetoric, Vetter said she is not convinced that support for free trade in general has withered that much, but agriculture has not done a good job of communicating the benefits.

Agriculture is now in the position of playing catch-up in communicating those benefits to the broader public, she said.

Farmers for Free Trade believes the message of how trade benefits farmers and rural communities will prevail, Kuehl said.

Mobilizing

Most farmers and ranchers understand the importance of trade, and the objective is to make sure their voices are heard. For others, it's about education and connecting the dots between their products and exports, he said.

The organization is working to educate and mobilize farmers through events such as grower conventions and social media.

Farmers for Free Trade is not a Washington, D.C.-focused effort, and it's not a lobbying organization, he said.

"We're very much focused on the conversation in the heartland. Middle America shapes what happens in D.C.," Kuehl said.

It's making sure everyone in a coffee-shop conversation understands the benefits of trade and that farmers know where their products go beyond harvest, he said.

"We believe if you rebuild the national consensus on trade, it's naturally going to flow uphill to the people in D.C. to support trade. This investment on the ground is critical," he said.

It's also about farmers and rural Americans sharing the benefits and support of trade with their local and state officials, who in turn will push that sentiment up the line.

The effort is already seeing that sentiment reflected in statements from elected officials, such as the governors of Arizona and Arkansas, who have issued agricultural trade awareness proclamations.

It's also gaining momentum in the farm community, garnering support from the American Farm Bureau Federation, National Pork Producers Council, National Association of Wheat Growers, CropLife America and hundreds of independent farmers and ranchers.

"We really feel like we're building a good head of steam," Kuehl said.

This grassroots effort is critical, said Julie Anna Potts, American Farm Bureau executive vice president.

Misperceptions have taken hold about trade. It's been a political lightning rod, and the rhetoric has often not been balanced, she said.

"We have to take this action now to make sure everyone knows the real story of how agriculture relies on export markets," she said.

Farm income is already 50 percent lower than it was four years ago. If the U.S. loses its foreign markets, farm income will decline even more and that would be disastrous, Potts said.

"Also, if we lose those markets, our competitors in other countries will take full advantage and we'll never recover," she said.

"It's important to get all sectors of agriculture and all of our grassroots voices aligned on this issue," she said.

Through Farmers for Free Trade, farmers and ranchers can share their stories of why trade matters to them in a way that can be heard at the White House and on Capitol Hill, she said.

'It could be years and years and years before the courts make decisions'

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"It did appear Thursday night that they were coming back to the ranch that evening, and then redirected," Stephenson said. "I think it's likely they were coming down and saw my headlights, spotlight and human activity, and took off and went somewhere else."

Steve Pedery, conservation director of the environmental group Oregon Wild, said the organization has spoken several times with Birdseye and offered to provide financial assistance or volunteer labor for non-lethal deterrents.

"We're hopeful we can get past the immediate situation," Pedery said.

The Oregon Cattlemen's Association, however, is looking for broader changes in Western Oregon wolf management to protect ranchers and livestock.

Rogue Valley rancher Veril Nelson serves as co-chairman for the OCA wolf committee, focused on Western Oregon wolves. He said the association would eventually like to see the species delisted, but knows that may be a

lengthy battle in court.

"It could be years and years and years before the courts make decisions and go through with appeals," Nelson said.

Nelson said the association is also working on changing the rules for endangered species that would allow ranchers to kill wolves caught in the process of attacking livestock, or agencies to authorize killing wolves that repeatedly attack livestock similar to how they do in eastern Oregon, Washington and Idaho.

"Once wolves start preying on livestock, they tend to continue," he said.

With just a few dozen known wolves in western Oregon, Pedery said he is frustrated by the notion of delisting the species. He added he has been impressed by Birdseye, who seems genuinely interested in trying new solutions.

"We're eager to work with him," Pedery said.

ODFW estimated there were at least 113 known wolves statewide at the end of 2016. An updated population estimate is expected to be released in March.

Bill is only proposal that has bipartisan support

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The bill that emerged from the Senate agriculture committee is the only proposal that has bipartisan support. Still, neither Democratic nor Republican leaders in the Senate guaranteed it would win over their caucuses.

"I'd say there is some support for it, but not unanimous," Schoesler said. "I think it is an agreement in a committee, not the entire Senate."

SB 6091 proposes short-term regulations for new household wells. By mid-2021, rules drawn up by watershed panels would prevail in some basins. The plans would set limits on water withdrawals and authorize projects to more than offset water diverted from streams by new wells. The bills calls for spending \$300 million on fish projects by 2030.

The bill would cap the amount of water that could be drawn from new wells to an annual average of 950 gallons

a day. The current limit for domestic wells is 5,000 gallons.

Under the bill, 15 watershed committees, led by the Department of Ecology, would write the post-2021 rules for each basin. The committees would include representatives from tribes, counties, cities, irrigation districts, public water suppliers and the construction industry.

Ecology divides the state into 62 watersheds. Committees would be appointed in the watersheds that Ecology says are most affected by the Hirst decision. Environmental lobbyists say they want lawmakers to implement the Hirst decision statewide.

Washington Farm Bureau associate director of government relations Evan Sheffels said lawmakers would be wise to confront the reach of the Hirst decision this year.

"There is tremendous legal risk that's ahead of us if we don't get ahead of this with a

bill," he said.

How much water rural residents should be allowed to use has emerged as an issue. Tribes and environmental groups back a proposal to limit withdrawals to 350 gallons a day and prohibit outdoor use.

Farm groups and others say the prohibition on using water outdoors would prevent people from cultivating gardens, having animals and greening up vegetation to protect their homes from wildfires.

A Democratic bill in the House would allow withdrawals up to 1,000 gallons in some watersheds, but bar outdoor watering. The bill's prime sponsor, Rep. Joe Fitzgibbon, D-Burien, said that is likely to change.

"We've moved away from thinking that indoor-use-only is a conversation we're going to resolve in this bill this year," he told the House Agriculture and Natural Resources Committee on Tuesday.