

Crapo Statement at USTR Nomination Hearing
July 28, 2022

Washington, D.C.--U.S. Senator Mike Crapo (R-Idaho), Ranking Member of the U.S. Senate Finance Committee, delivered the following remarks at hearing to consider the nomination of Douglas J. McKalip, for U.S. Trade Representative Chief Agricultural Negotiator.

The text of Ranking Member Crapo's remarks, as prepared, is below.

"Thank you, Senator Wyden.

"Welcome, Mr. McKalip, and congratulations on your nomination. I took the opportunity to listen to your band Box Cartel. You're hitting the right notes there. With your trade policy experience, I hope that—if confirmed—you'll also the right hit notes on improving opportunities for our farmers and ranchers.

"America's farmers continue to prove their resilience and productivity every day, and will keep doing so. But's it not easy. Americans are painfully aware that gas prices are up 42 percent from a year ago. What fewer people may know is that the price for diesel rose by an even greater margin—68 percent. This hits our farmers hard.

"Back in March, a fourth generation farmer in Meridian, Idaho explained that the cost of filling up his tractor had doubled in a year to \$800. However, one bright factor for America's farmers right now is exports with sales of agricultural products overseas reaching \$177 billion in 2021. America's farmers sell more high quality products to consumers around the world than ever before.

"In Idaho, if we kept what our 24,000 farms produced within the state, each Idahoan would have to eat 209 slices of bread, 40 potatoes, 3 pounds of sugar, 2 pounds of cheese, 2 pounds of beef and a cup of beans—*every single day*. Fortunately, Idaho's agricultural products also feed the nation and the world, exporting one of every six rows of Idaho potatoes and 50 percent of Idaho's wheat.

"Nationally, one in three acres planted in the United States will be exported. But we can sell even more. What is holding us back is, again, a misplaced Biden Administration policy: a moratorium on new trade agreements, and limited enforcement of existing agreements.

"The Administration is crystal clear that it prefers to not pursue real trade agreements in favor of something it calls 'frameworks,' which lack crucial market access obligations.

"This is confusing, since market access is the main problem our farmers and ranchers face. A lot of our potential trading partners maintain high agricultural tariffs and regulatory measures that are essentially a guise for protectionism. We need to tear them down.

“For example, India applies an average agricultural tariff of 36 percent. It also applies a number of non-science based restrictions on U.S. agriculture, such as unreasonable GMO certifications on apples, potatoes, soybeans, wheat and other crops.

“If America wants to sell crops in India, these are exactly the types of issues that must be addressed. Moreover, the need to find new markets is particularly compelling because we must diversify our customer base.

“China is currently our largest agricultural export destination. But, we need new markets to reduce our dependency and increase our leverage. Securing these markets will require more than frameworks where government officials can just talk.

“It requires binding commitments that ensure our farmers can sell. Put plainly, our farmers and ranchers deserve our trading partners’ markets to be as open to our commerce as ours is to theirs. Hopefully, we can start a conversation today on how to apply our nominee’s experience and talents toward that goal.

“With that, I look forward to hearing the nominee’s testimony and his responses to our questions. I also look forward to the nominee’s next album when that comes out.

“Thank you, Mr. Chairman.”