

Trade With Cuba: An Agricultural Perspective

Mr. Chairman, members of the Committee:

I appreciate the opportunity to speak today on a trade issue affecting not only farmers in Montana, but across the United States.

My name is Richard Owen and I am from Geraldine Montana where I produce wheat and barley. I am a member of a local cooperative, Montana Farmers Union, Montana Grain Growers Association and a director of a regional cooperative that is owned by 325,000 farmers in 28 states from the Great Lakes to the Pacific and from the Canadian border to Texas and is the third largest United States grains exporter.

Through a combination of factors our national supply of grains and oilseeds far exceeds our national demand. So we in the United States depend on export trade. Yet, United States exporters do not find the welcoming arms of other countries that we anticipated after passage of the 1996 farm bill. Whether there are subsidy issues as is the case of the European Union, biotech issues with some Asian countries, or the fact that other countries can feed themselves like those in South America, the expectation and promise that more trade opportunities would arise for the American farmer is not yet true. As the United States continues to try to negotiate better trade arrangements with countries specifically in the western hemisphere, it misses the opportunity to look a gift horse in the mouth. Not far from our largest agricultural export facilities of the Gulf Coast and the mouth of the Mississippi River, lies Cuba. As many other countries keep their trade options and business open with Cuba, the United States has almost none. We need to build and nurture better relationships with countries that want our products. We will not be successful in finding new markets without good relationships.

We know that some U.S. medical and food supplies are available to Cuba, but only on a limited cash basis. This is just a little tiny crack in the trade doorway. I would suggest that it is time to open wider that crack. I know that opening the doorway to Cuba will not be the answer to the woes of American farmers, but if we take the opportunity like this in other countries, especially in Latin America, then collectively we can create a whole new market closer to home. Cuba can be the beginning.

Trade can range from simple cheap commodities like grain to the expensive and complicated such as satellite technology. Perhaps just allowing travel to Cuba will be a good place to start. Bit by bit the United States should increase the size of the crack in the door until it is someday wide open to allow for a win/ win relationship for people in both countries. Studies have been done that show this is possible. We just need a little tolerance and compromise to make it happen.

Agriculture is the perfect toe to stick in the doorway to Cuba and having at least an agricultural toehold will help all United States industries when trade opens up. It is non-threatening to the United States, but all positive for farmers and their cooperatives. This is especially helpful to an ag economy that has been in a tailspin since the 1996 farm bill as is evidenced by massive annual emergency economic assistance. We all know that our competitors as well as our partners live on opposite sides of the globe, not the street like in decades past. It makes good sense to become friends with our neighbors and learn to succeed together. Here is our chance.

In closing, I believe that all producers, local cooperatives and regional co-op exporters, as well as the organizations to which they belong, would welcome any United States effort to permit agricultural trade with Cuba. I represent these groups and I know I welcome it.

Thank you for this opportunity, your attention, and your consideration of opening trade with Cuba. I am proud of you for your efforts.