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U.S. Speaker Session 4: Canada and U.S Approaches to Trade in Agriculture - U.S Speaker

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U.S. SPEAKER

Kevin Brosch[†]

Thanks very much, Brad. Good afternoon, and I want to thank Professor King and Professor Picker and the conference committee for inviting me here this year. I love to come to Cleveland and to Case Western Reserve. You have a beautiful law school here. It is quite an honor to be here. I also want to thank Dick Cunningham who had some hand in getting me to come and speak this year.

You know, Ted Kassinger said when he decided to go to the State Department, he called Dick. And Dick said it was a no-brainer, an easy choice to go work at State rather than Steptoe & Johnson. Well, that was absolutely untrue. Dick is a liar. The greatest opportunity for a young lawyer interested in trade law in Washington over the last 25 years has been to work for Dick Cunningham at Steptoe & Johnson, I can tell you that. I did it myself. It was a great experience.

When I went to Steptoe, which is about the time Ted Kassinger passed up the opportunity, the associates that sat down the hall from me who also worked for Dick Cunningham included Charlene Barshevsky, and Susan Esserman. Gary Horlick, Alan Holmer, Judy Bellow and Olin Wethington. Bob Novick later joined us.

During the last 15 years, these people who worked for Dick Cunningham have served as the U.S. Trade Representative, three Deputy U.S. Trade Representatives, ambassador status, five USTR General Counsel, three Assistant Secretaries of Commerce, a Department of Commerce General Counsel, an Assistant Secretary of Treasury, and a Special White House Advisor. So if you don't think it is an opportunity to work for Dick, think about that.

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I congratulate this institute for having Dick Cunningham as a member of their board of advisers. I consider Dick to be the outstanding Washington trade lawyer in the last 25 years.

(Applause.)

You will notice Dick's face is as red as his sweater, and that's why he wore the sweater.

You know, someone out in the audience today during lunch told me that we haven't had a joke today, and that we really need a joke to get this session going, and so I volunteer this one.

This story was told to me recently. I was, during my time in government, a trade negotiator, both during the Uruguay round and NAFTA, so I think I have some license to tell this story. I didn't make up the joke.

There are three NAFTA negotiators. They are working in agriculture, and during the break in negotiations, the three are sitting around talking.

And the Canadian says, "You know, we in the Canadian Government, we have to be bilingual. Everyone has to speak English and French, or you can't get the job, so we are all bilingual." The Mexican says, "Eell we are bilingual, too. Even though Spanish is the national language of Mexico, we all have to speak English because of these negotiations are conducted in English. So we are all bilingual, too."

The American is kind of sitting back there looking a little lost, and he finally says, "Well, we are bilingual, too. We can speak out of both sides of our mouth."

(Laughter.)

I didn't make that joke up. It was told to me, but I ought to pass it around because I think to some extent – and I say this with some chagrin – since 1998, that is the case with American trade policy and agriculture. I hope that some time soon we are able to do something about that.

I was asked to talk about what was the American approach to agricultural trade, and I suppose that means what is U.S. agricultural trade policy. And in my view, we had an agricultural trade policy. We had a good one; we had a strong one between 1981 and 1996,¹ but since 1998, the situation in terms of our trade policy in the United States has been one – I think Dick described it earlier – of entropy. That is, a state of organization dwindling into something of disorganization over the past six years. I'd like to start with two observa-

¹ See Stacey Willemsen Person, *International Trade: Pushing United States Agriculture Toward a Greener Future?*, 17 GEO. INT'L ENVTL. L. REV. 307, 313-16 (2005) (Discussing the evolution of U.S. agricultural policy); See also generally Terrence J. Sorg, *Global Hunger, a Doubling Population, and Environmental Degradation: Justifying Radical Changes in U.S. Farm Policy*, 6 IND. INT'L & COMP. L. REV. 679, 698-702 (1996) (describing the history of U.S. agricultural trade policy).

tions about trade law in the United States in general and also then about the nature of agricultural policy and how it is made in the United States.

I think it was eluded earlier, but not described specifically, that we don't really have trade treaties in the United States. You know, NAFTA is not a "treaty" if you live on this side of the border, and neither are the WTO or the CAFTA.

I have heard a lot of people from other countries say, "well, we have this treaty with you Americans." Well, they really don't from the U.S. legal perspective because all lawyers – I imagine most of the people in this room are lawyers – know that in the United States, for something to be a treaty, you have to go through a certain constitutional process. You have to have the President negotiate it, bring it back, present it to the Senate of the United States for its advice and consent and have that voted on and approved by two-thirds majority of the senators present.²

We haven't had a trade treaty ever, or at least since World War II, go through that process.³ As many of you who watch the constitutional process understand, the United States Congress does not approve many treaties. The Senate is not very fond of treaties – indeed, they rarely ratify treaties any more.

Very often, even the ones that aren't very controversial – like the Law of the Sea Treaty,⁴ for example, that is supported by both the left and the right in the U.S. political spectrum – right now is having trouble getting through the Senate. Congress just doesn't like treaties. Having worked in Congress, I can tell you why. It is because they don't write these agreements. And Congress does not like to pass things that they didn't write.

In fact, one of the little known facts is that the WTO was, in fact, presented as a treaty for ratification when it was first brought back from Geneva in 1947.⁵ It lingered in the United States Senate, I think, until 1954⁶ when the

² U.S. CONST. art. II, § 2, cl. 2.

³ See Steve Chamovitz, *Using Framework Statutes to Facilitate U.S. Treaty Making*, 98 AM. J. INT'L L. 696, 699-704 (2004) (discussing "[t]he tradition in U.S. trade policy of circumventing the Senate treaty process..."); see also Connie de la Vega, *Human Rights and Trade: Inconsistent Application of the Treaty Law in the United States*, 9 UCLA J. INT'L L. & FOREIGN AFF. 1, 7-8 (2004) (reviewing the debate of the constitutionality of congressional-executive agreements) [hereinafter *Human Rights and Trade*]; see also generally Frederick M. Abbott, *Foundation-Building for Western Hemispheric Integration*, 17 NW. J. INT'L L. & BUS. 900, 930-31 & n.63 (1996-97) (describing the fast-track legislative process for trade treaties).

⁴ United Nations Convention on the Law of the Sea, Dec. 10, 1982, 1833 U.N.T.S. 397.

⁵ See George E.C. York, *Global Foods, Local Tastes and Biotechnology: The New Legal Architecture of International Agricultural Trade*, 7 COLUM. J. EUR. L. 423, 455 (2001) (referring to the General Agreement on Tariffs and Trade and the International Trade Organization); see also generally Understanding the WTO – The GATT Years: From Havana to Marrakesh, http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact4_e.htm (last visited Nov. 7, 2005).

⁶ See Ronald A Brand, *The Status of the General Agreement on Tariffs and Trade in*

administration back then finally gave up and said we are just not going to be able to get ratification. We have to operate in a different way with respect to trade agreements.

And one of the reasons that Congress doesn't like to do this is because the constitution sort of squints on this notion of who is in charge in this area. The President certainly has this Article II power to negotiate treaties⁷ but Article I, Section 8 of the Constitution says that Congress has the authority to regulate commerce with foreign nations,⁸ and Congress also has the exclusive authority under that same section to impose taxes, including tariffs.⁹

So it seems under that section of the Constitution, Congress is in charge, and this whole idea that the President should somehow step up and usurp that – that general regulatory authority that Congress has – by occasionally bringing home a treaty and saying here, pass this – Congress doesn't like that idea, and they say, in effect, “No. We don't think so. What we think what you ought to do is to propose implementing legislation.

And so that's what we have gotten to in the United States. We have now what we call in the United States executive agreements.¹⁰ We don't have treaties in trade. We have executive agreements, and the President comes home with what he has negotiated after seven or eight years, for example, the Uruguay Round agreements. But those agreements are not submitted as treaties and therefore never become law in the United States.

You know, if it were a treaty and ratified by the Senate, the words of the treaty itself would be law in the United States just as though it were a statute.¹¹ It would have the same status as a statute, but we don't have that. The treaty sort of sits on the side, and what the Congress of the United States does, in collaboration with the Administration, is to put together an implementing bill. When that bill is ultimately enacted by Congress, it supposedly approximates the treaty into our national law.

And believe me, there is oftentimes a slip between the cup and the lip during that implementing bill process. So this is the first thing that you have to understand when you wonder why it is that our political leaders – and especially our representatives in Congress – are not that observant of what most people consider to be our international obligations contained in trade treaties. From the perspective of many U.S. politician, and many in the U.S. legislature, the trade treaty in question is simple not U.S. law. It is what the Presi-

United States Domestic Law, 26 STAN. J. INT'L L. 479, 482 (1990) (discussing the Truman administration's decision “to withdraw its request for Senate consent to the ITO Charter.”).

⁷ U.S. Const. art. II, § 2, cl. 2.

⁸ U.S. Const. art. I, § 8, cl. 3.

⁹ U.S. Const. art. I, § 8, cl. 1.

¹⁰ *Human Rights and Trade*, *supra* note 3.

¹¹ U.S. Const. art. VI, cl. 2.

dent has negotiated, but not the law. What becomes law in the United States and what we are bound to from the legislative point of view is what Congress essentially passes and implements.

The second thing you need to recall is that agriculture is a particularly favored child of the legislature. Agricultural politics in the United States are not partisan. We don't have a situation where the Republicans are in favor of farmers and the Democrats are against farmers or visa versa. Both parties support agriculture.

All agricultural politics in the United States are regional. Republicans and Democrats elected from districts next door to one another tend to see agricultural politics in the same light. For example, Larry Combest, who was the Chairman of the House Agriculture and one of the two major authors of the 2002 farm bill,¹² cooperated on that legislation closely with Charlie Stenholm, who was the ranking Democrat on the House Agricultural Committee and also happened to be from the adjoining district in north Texas. Both of them were from huge cotton districts.

However else they saw other issues of politics, they viewed agriculture in just the same way, which is: we got to get the most we can for the cotton farmers, and we have got to do whatever else we can to arrange this. So agriculture is not a partisan political issue in the United States, it is regional. And it is part of the politics in the United States that the President generally stays away from.

The President doesn't see any political benefit from getting involved on one side of an issue or another because he is going to anger one part of his own party or the other depending on what region those things favor. So politics are not partisan in the United States, and the President stays out. Congress really is in charge.

Put those two things together, you will understand why it is often said in the United States that the farm bill will not be written in Geneva. That's a phrase that you hear often in the United States. People say, well, you can go out and negotiate and talk about what our trade agreements are, but don't come back to the United States and tell us how to write the farm bill because that is something that is solely within the purview of Congress and is very dear to our hearts.

The United States never really had a trade policy in agriculture.¹³ We had an agricultural policy that started essentially in the New Deal and extended

¹² Farm Security and Rural Investment Act of 2002, Pub. L. No. 107-171, 116 Stat. 134 (2002) (codified as amended in scattered sections of 7, 16, and 21 U.S.C.).

¹³ See Jimmye S. Hillman, *Agriculture in the Uruguay Round: A United States Perspective*, 28 TULSA L.J. 761, 761-62 (1993) (discussing inconsistencies in U.S. agricultural and trade policies).

all the way until 1970 virtually unchanged.¹⁴ Basically, we were in there to support farmers and to essentially moderate the swings in farm prices, to keep production on kind of an even keel.

We were not a big agricultural exporter during that time.¹⁵ Farming was highly regulated, and despite its many, many problems, essentially farming was an internal domestic and oriented process with the exception perhaps of PL 480, a donation program, but it was really kind of exceptional until about 1971. However, there arose a belief in the late '60s and early '70s that we were going to need greater production in the United States because there was a Malthusian nightmare in Asia about to happen.¹⁶ The population was going to outstrip people's ability, and we had not only the duty, but a great opportunity to become this great residual supplier of grain and other food stuffs to Asia. –When this began, there was sort of a unspoken alliance of interests between the people who were interested in the eleemosynary aspect of this and the people who were looking for additional farm income. That marriage of interests resulted in the farm bill of 1971,¹⁷ which, for the first time, raised support prices or target prices for the major crops to very high levels, higher than they had ever been before¹⁸ – the idea being they provide additional incentives for farmers to produce in the United States.

And between 1970 and 1981, we added 60 million acres to production in the United States,¹⁹ the first time that the United States really became a ma-

¹⁴ *Id.* at 762 (arguing that the Reciprocal Trade Agreements Act of June 1934 was enacted to “reverse isolationism and fair trade policies...”).

¹⁵ See Carrol Whitton, *Value of U.S. Agricultural Trade by Fiscal Year, 1935-Present*, U.S. DEP'T OF AGRIC. FOREIGN AGRIC. SERV. (2003), available at <http://www.ers.usda.gov/Data/FATUS/DATA/XMS1935fy.xls> (indicating by statistical data that the total value of U.S. agricultural exports went from \$0.67 billion in 1935 to \$6.96 billion in 1970, compared with \$56.19 billion in 2003).

¹⁶ See Allen H. Olson, *Federal Farm Programs – Past, Present and Future – Will We Learn from our Mistakes?*, 6 GREAT PLAINS NAT. RESOURCES J. 1, 13 (2001) (citing high world demand for U.S. agricultural products in the early 1970s and famine in Asia); see also Lorretta F. Smith, *The GATT and International Trade*, 39 BUFF. L. REV. 919, 986-87 (1991) (discussing the efforts of the U.S. government to make farms more productive); see also generally Amartya Sen, *Fertility and Coercion*, 63 U. CHI. L. REV. 1035, 1043 (1996) (discussing Paul Ehrlich's THE POPULATION BOMB); see also Andrew D. Ringel, *The Population Policy Debate and the World Bank: Limits to Growth vs. Supply-side Demographics*, 6 GEO. INT'L ENVTL. L. REV. 213, 225-26 (1993) (discussing the media attention given to Paul Ehrlich's Malthusian predictions).

¹⁷ Farm Credit Act of 1971, 12 U.S.C.A. §§ 2001-2279cc (1971).

¹⁸ See generally Thomas J. Schoenbaum, *Agricultural Trade Wars: A Threat to the GATT and Global Free Trade*, 24 ST. MARY'S L.J. 1165, 1185 (1993) (discussing the concept of a target price) [hereinafter *Agricultural Trade Wars*].

¹⁹ *Historical Track Records: April 2003*, U.S. DEP'T AGRIC. NAT'L AGRIC. STAT. SERV., 5 (2003), available at <http://usda.mannlib.cornell.edu/data-sets/crops/96120/trackrec2003.pdf>.

major, major exporter of agricultural products.²⁰ And that worked very well between 1970 and 1981. We added a lot of production. That production was eaten up in Asia by the expansion of the middle class in the Asian miracle during that decade, and then after 1981, when there was a downturn in Asia, it all crashed.²¹

There was not just the U.S. production, but similar kinds of incentives were being put into the systems in Japan and Europe.²² Other countries were coming on as producers, and all of a sudden in the early '80s, we had this tremendous crop surplus that nobody had predicted, and we had declining prices all around the world, and we had a huge jump in the U.S. budget.²³ The budget between 1981 and 1984 went from \$3 billion dollars to \$27 billion dollars for agriculture,²⁴ and the Reagan administration who was hit with this crisis concluded that there had to be a better way.

Beginning with President Reagan's Administration and through the first year of President George W. Bush's Administration – from 1981 through 1997 – we had a fairly consistent agricultural and trade policy, which was that we were trying to find a way to get these incentives back out of the agriculture system. That was going to be difficult, because farmers have gotten used to receiving payments, and their Congressmen like the idea that the federal government was going to support farming. We had to find a way out of that.

And the most obvious way out was to convince everybody that it is both good for us in the United States, and good for rest of the world also that we go back to a market-based agricultural system. Of course, we needed to other countries to do so too.

So in the 1983,-84 period, the United States began to try to talk to other countries about a multilateral negotiation that would create rules for agricultural trade and that would get rid of farm subsidies.²⁵ It was assumed in the

²⁰ See Caroly Dimitri, Anne Efland & Neilson Conklin, *The 20th Century Transformation of U.S. Agriculture and Farm Policy*, U.S. DEP'T AGRIC. ECON. RES. SERV. ECON. INFO. BULL. 3, 8 (June 2005), available at <http://www.ers.usda.gov/publications/EIB3/EIB3.pdf>.

²¹ See Patrick W. Fischer, *Sweat Equity: In re Ahlers*, 23 TULSA L.J. 37, 37 n.5 (1987) (discussing the farm crisis).

²² See *Agricultural Trade Wars*, *supra* note 18, at 1179-84.

²³ See Bethany Verhoef Brands, Thomas M. Johnston & Jill Korenevich Harker, *The Iowa Mediation Service: An Empirical Study of Iowa Attorney's Views on Mandatory Farm Mediation*, 79 IOWA L. REV. 653, 661-62 (1994) (arguing that "a number of relevant events triggered drastic changes in the economic climate for agriculture.").

²⁴ See Office of Management and Budget: Public Budget Database, (2006), available at <http://www.whitehouse.gov/omb/budget/fy2006/sheets/budauth.xls> (providing raw budget data).

²⁵ See Alice M. Rivlin, *Agricultural Export Markets and the Potential Effects of Export Subsidies* 1-3, Cong. Budget Off. (June 1983), available at <http://www.cbo.gov/ftpdocs/50xx/doc5024/doc03-Entire.pdf> (scrutinizing farm subsidies).

Reagan Administration that we would be able to convince our farmers to accept liberalization if we could show them that other farmers in the world would no longer be subsidized and that other countries would open their markets to U.S. exports.

So the trade liberalization through the multilateral process was a key component of reforming U.S. agriculture policy as well. And at first this went pretty well. In '85, we passed a new farm bill.²⁶ We made some improvements domestically; couldn't make too many, but as the trade rounds started to move and things started getting more positive, we made better improvements in 1990. And by the time the Uruguay round got passed and we did have some disciplines finally for agricultural trade in the world, the U.S. Congress was ready in 1996 to pass what was really a revolutionary farm bill, the Freedom to Farm Act of 1996,²⁷ which for the first time gave farmers payments on what we call a "decoupled" basis.²⁸

In other words, Freedom to Farm created a mechanism to continue to provide farmers with income support, but not on the basis of their current production; we were just going to say we are going to give you a payment just based on the fact that you were a farmer, and we are going to do this based on what you did in the past, not based on current production.²⁹ And the idea that the bill's authors had was that over seven years, to the levels of payment would decline until the Government finally got out of the production subsidy business altogether.³⁰ That proved to be a bit idealistic.

I would say 1996 was the high mark of our agricultural policy. Really there was a coordination between what we were trying to do internationally and what we were trying to do on the domestic front. And we needed that international aspect of it because in the United States no politician in the United States or Congress that would have been willing to do this without the idea that the farmers could turn from the Government to the market in a

²⁶ Farm Credit Amendments Act of 1985, Pub. L. No. 99-205, 99 Stat. 1678, (1985) (codified in scattered sections of 12 U.S.C.).

²⁷ Federal Agriculture Improvement and Reform Act of 1996 (FAIR), Pub. L. No. 104-127, 110 Stat. 888, (1996) (codified as amended in scattered sections of 7, 16, 20, and 21 U.S.C.).

²⁸ See generally Neil D. Hamilton, *Feeding Our Future: Six Philosophical Issues Shaping Agricultural Law*, 72 NEB. L. REV. 210, 237-238 (1993) (defining recoupled basis and contrasting it with a decoupled basis) [hereinafter *Feeding Our Future*]; see also Giancarlo Moschini & Paolo Sckokai, *Efficiency of Decoupled Farm Programs Under Distortionary Taxation*, AM. J. AGRIC. ECON. 362, 362 (Aug. 1994) for a discussion of decoupling and lump-sum taxation, available at http://chla.library.cornell.edu/cgi/t/text/pageviewer-idx?sid=d86cb205283e30b0afc062d97e3fa5e2&idno=5032826_76_003&c=chla&cc=chla&seq=21&view=pdf.

²⁹ See *Feeding Our Future*, supra note 28, at 238.

³⁰ See Jon Lauck, *After Deregulation: Constructing Agricultural Policy in the Age of "Freedom to Farm,"* 5 DRAKE J. AGRIC. L. 3, 23 (2000).

fairly effective way, and there would be open markets in the rest of the world.

The problem was that prices collapsed in 1998.³¹ Late '97, and through early '98, farm commodity prices declined precipitously,³² and by that time, the Regan Administration was out. The Clinton Administration was in, and we had a mid-term election coming up.

And I don't think there was anybody in the Clinton Administration who ever really understood what had been going on for the last 15 years and what this was all about. They saw it very much in terms of partisan politics, the opportunity to go out there and to tell farmers that this Administration was willing to do for them whatever they wanted to do, and there became a great bidding war.

I was working for Senator Lugar at that time. I don't think Senator Lugar could believe what was happening, but in fact, there was an all-out bidding war between the two parties to curry favor with the farm belt, and Congress essentially reversed track. And in the first year, Congress voted emergency payments of \$4 and-a-half billion dollars and the next year emergency payments of about \$8 billion dollars.³³

Now, in 1998 when Congress voted farmers so-called "emergency payments" of \$4.5 billion dollars, had they not given farmers a penny, the agricultural sector still would have had above average net farm income for that year.³⁴ And when they voted them the \$4.5 billion dollars additional money, we had the second highest farm income year in American history.³⁵

That was the "emergency" that was out there. It was a totally political situation, and it really had to do very much with the fact that the Republican Administration that had started this process of agricultural liberalization had left office, and the Democratic Administration that replaced it really had very little interest in pursuing that policy.

In 2000, we had in the Republicans return to the White House, but things have not particularly improved. I was very surprised because there were high hopes when Ambassador Zoellick came in. I was part of the transition team for the Bush Administration. I will tell you what it is like to be part of a transition team if anybody has never done that before.

³¹ C.P. Chandrasekhar & Jayati Ghosh, *Global Commodity Prices: High Volatility, Low Income*, MACROSCAN, Apr. 18, 2000, available at http://www.macroskan.com/the/trade/apr00/print/prnt180400Global_Comm_Prices.htm.

³² *Id.*

³³ *Legislation Boosts Farm Assistance to Highest Level Since 1993*, RURAL CONDITIONS AND TRENDS, vol. 10 issue 1, at 40.

³⁴ *Id.*

³⁵ News Release, Iowa State University Extension, Government Support Helps Iowa Farm Businesses Maintain Net Worth (Nov. 6, 2001), available at <http://www.extension.iastate.edu/newsrel/2001/nov01/nov0107.html>.

The first stage is what I would call the flattering approach stage. You get a wonderful letter that tells what a great expert you are and how they need you, and they are going to really depend upon you to set policy. The second stage is about two weeks later when you get a flurry of requests to write papers: "Please, no more than a page long, but please, we need a paper on this, and that, and the other..." During that stage, you write 15, 20 of those in two or three weeks. The third stage is when they totally ignore everything you have written and sent to them. And the fourth stage is when you get a plaque from the President himself thanking you for your valuable service.

(Laughter.)

And that's – that was my experience. I have got only one minute. That was my experience during that time.

My advice to get back into a serious liberalization process through the WTO. To do that, we needed to work on the next farm bill to realign our policy, our agricultural policy with our trade policy, and I said the one thing that we don't want to do really, the one thing that we can't afford to do is get involved in too many of these free trade agreements.

Any more free trade agreements are not going to work, and if I had more time, I could expound on why that is, but let me just tell you, we heard a lot about free trade agreements this morning.

From an agricultural perspective in the United States, multiple free trade agreements do not work in my view. And if anyone wants to talk about that later, I would be glad to get into that discussion. We had, unfortunately, the 2002 farm bill where the President was a minority president. He didn't – he didn't have time to worry about this, and so he basically sat on the sidelines and let Congress write the farm bill, and with a huge budget surplus at that time and fear that surplus was going to go away, the agriculture committee rewrote a farm bill that just was a block-buster problem for the rest of the world.³⁶

If anybody wonders about how far off course agricultural policy has gone in the United States, all you have to do is read the WTO decision in the Brazil challenge to our U.S. cotton programs.³⁷ The cotton case essentially tells you in a very long difficult way what I am telling you in a short way – which is the drift between U.S. domestic policy and U.S. agricultural trade policy has widened substantially to a point that it is no longer the same policy at all.

I know this is all sort of a downer. But I would just suggest this one thing, which is there has been a lot of discussion earlier today about U.S.-Canada bilateral relations in the NAFTA. You notice that almost all the disputes have

³⁶ Farm Security And Rural Investment Act of 2002, Pub. L. No. 107-171, 116 Stat. 134 (2002) (codified as amended in scattered sections of 7, 16, and 21 U.S.C.).

³⁷ Appellate Body Report, *United States- Subsidies on Upland Cotton*, WT/DS267/AB/R (Mar. 3, 2005).

to do with either lumber or agriculture. When people talked this morning, they talked about wheat. They talked about lumber. They talked about pork, dairy, eggs, poultry, and I could add beef and potatoes.

I didn't hear much discussion that was anything outside that context. I'd suggest to you we don't really have a NAFTA problem between the United States and Canada. We have an agriculture policy problem between the United States and Canada, and if that were worked on, I think we would be bragging about NAFTA rather than wringing our hands about it.

Thank you very much.

MR. SMITH: Thank you very much, Kevin. We are going to have Jim McLandress speak to you. He has got his papers there for distribution. If you haven't got a copy, you can get one after. The two of us are going to move off and let him do his thing.

