



June 5, 2015

Dear Member of Congress:


On behalf of National Farmers Union (NFU) and its 200,000 family farmer and rancher members across the country, I write with our steadfast opposition to Trade Promotion Authority. As the House of Representatives considers this impactful piece of legislation, I encourage you to consider the impacts that trade agreements have had on the domestic economy and vote “no” on TPA.

When considering agreements of this magnitude, the overall trade deficit must be considered. Past trade agreements have served to increase the trade deficit. For thirty years and after several free trade agreements, including the North American Free Trade Agreement and the U.S.-Korea Trade Agreement, the U.S. has grown a significant trade deficit. In 2014, the trade deficit increased to \$505 billion, representing nearly 3 percent of GDP and slowing growth of the U.S. economy. The positive trade balance of U.S. agriculture trade is good news – but it is massively overshadowed by the alarming overall U.S. trade deficit.

A major factor impacting the trade deficit is currency manipulation. Several countries involved in the TPP negotiations are known currency manipulators including Malaysia, Singapore, and Japan. The U.S.-Japan trade deficit reached nearly \$80 billion in 2013, and currency manipulation was the most significant cause of the deficit. Recent reports indicate that China may also want to join the Trans Pacific Partnership. China is the largest currency manipulator in the world and our trade deficit with China was over \$343 billion in 2014. If currency manipulation is not addressed in TPA, the opportunity to deal with it in any meaningful way will likely be lost.

The Economic Policy Institute estimates that the trade deficit with Japan resulted in 896,600 jobs eliminated in the U.S, in nearly every congressional district and the trade deficit with China cost 3.2 million jobs between 2001 and 2013. Job losses due to the trade deficit are a primary concern of NFU. Many farmers rely on off-farm jobs to supplement their income. Future trade agreements, including TPP, should directly address currency manipulation and include binding consequences for those that continue to manipulate currency.

For the reasons described above, I urge you to oppose trade promotion authority. NFU will be scoring this vote. Please do not hesitate to contact me or NFU’s Government Relations Representative Barbara Patterson at bpatterson@nfudc.org or 202-554-1600.

Sincerely,

Roger Johnson
President