



Take Action!!



November 9, 2005

Urge your Members of Congress to Sign on to the Kolbe-Smith Letter Which Supports Global Trade Rules That Work For the Poor

ACTION REQUIRED: Trade rules that could help poor countries are currently being negotiated among the 148-members of the World Trade Organization. These talks are at a crucial moment, and the United States is a key player. The US needs to show leadership in overcoming current roadblocks on the path to a more fair global trade system. **Please call your Representatives and urge them to sign a letter to President Bush authored by Representatives Kolbe (R-AZ) and Smith (D-WA) – there is a copy of the letter below.** The letter asks President Bush to take the lead in getting rich countries to take the necessary steps in making trade work for the poor. This is a key goal of the Catholic Campaign Against Global Poverty.

WHY THIS ISSUE IS IMPORTANT: International trade -- the flow of goods and services across national borders -- can be one instrument for poverty reduction and development in poor countries. Since 2001, world leaders recognized that trade was not working for the poor since most of the benefits of increased trade remained in rich countries.

The next key moment in this process is the WTO Meeting in Hong Kong in December 2005. The United States is a key player. In the lead up to the WTO meeting, Representatives Jim Kolbe (R-AZ) and Adam Smith (D-WA) have authored a letter that asks President Bush to assume leadership in getting rich countries to move towards making trade work for the poor. This letter reflects the direction USCCB and CRS believe WTO trade talks should be heading.

Take Action Now! Contact your member of Congress by mid-November. Urge them to sign the letter to President Bush being circulated by Representatives Jim Kolbe and Adam Smith in support of a successful outcome in the WTO trade negotiations that will reduce global poverty. Although the principal U.S. negotiator is the US Trade Representative, any trade agreement needs to be passed by the US Congress for it to become US law.

BACKGROUND: In November 2003, the US Catholic Bishops adopted *For I Was Hungry and You Gave Me Food: Catholic Reflections on Food, Farmers and Farmworkers*. In this letter, Bishops looked at the whole system of food and food production in the United States and around the world. As part of their reflections, the Bishop recognized that the billions of dollars that rich countries such as the US and the European Union spend on supporting their agriculture sectors prevent farmers in poor countries from selling their products on local and international markets. This prevents farmers in poor countries from becoming self-reliant and therefore decreases food security.

Behind the complicated economics and the necessary trade-offs that will need to take place to reach an agreement in Hong Kong, USCCB and CRS are reminding officials from the US Administration and the Congress to keep the needs of the poor front and center in the negotiations. We are reminded that Catholic Social Teaching calls on us to uphold the dignity of the poor and vulnerable among us, whether they live in the United States or overseas, and help meet poor people's basic needs as well as promote peace and justice.

What More You Can Do: In addition to contacting your Representatives, as suggested above, you can also take the following actions:

1. Visit CRS/USCCB's Catholic Campaign Against Global Poverty website to learn more about issues of aid, trade and debt, and what you can do. Visit the web site here www.usccb.org/globalpoverty
2. Forward this action alert to your family, friends, and fellow parishioners by visiting here <http://capwiz.com/catholicrelief/taf/>.
3. To read more about global trade issues and the role the U.S. plays, visit CRS' website www.crs.org/get_involved/advocacy/grass_roots/int_trade.cfm

For further information contact:

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Kolbe-Smith WTO Letter

The Honorable George W. Bush
The White House
Washington, D.C. 20500

Dear Mr. President:

We urge continued bold American leadership to break the deadlock in the Doha WTO Round. For the better part of a century, successive U.S. Presidents and Congresses -- Republican and Democratic alike -- have worked to expand American trade. The GATT, WTO, and post-war construction of an open, rules-based global trading system stand as abiding testaments to American leadership.

The Doha negotiation represents a once-in-a-generation opportunity to spur U.S. economic growth and to open new markets for American manufacturers, farmers, financial institutions, service providers and their managers and employees. It offers, moreover, an opportunity for the U.S. to take a leadership role in addressing developing country poverty and helping generate the economic growth envisioned by the Monterrey Consensus on the Financing for Development and essential to achieving the Millennium Development Goals. Consumers, families, and workers in developed and developing countries alike can benefit from a successful WTO Round.

In the last decade, all of us have witnessed the onward advance of the global marketplace. Trade touches the lives of all Americans and represents a key pillar of American prosperity, but also presents difficult economic and political challenges.

We are concerned that the current difficulty in the Doha Round and the increasing partisanship surrounding Congressional trade votes threatens to undermine U.S. support for open trade. The prolonged stalemate in the WTO over domestic agricultural subsidies and market access has blocked progress on industrial tariffs and services. The Round's unprecedented promises to expand opportunities for third-world development, increase environmental stewardship, and address longstanding inequities in global trade are unrealized. We welcome your commitment at the United Nations that the U.S. stands ready to eliminate its trade-distorting agricultural supports and trade barriers if only our trading partners will do the same. A healthy international trading system that more fully integrates developing countries is a critical component of a safe and secure world and a natural complement to U.S. national security.

The time has come for bold action and new ideas. Unlocking agriculture negotiations is key to moving the trade round forward, and also central to fulfilling the needs of developing countries, where more than 2.5 billion people rely on agriculture as a livelihood. Without leadership, the WTO negotiations will continue to flounder. We would welcome an opportunity to work with the Administration and the House and Senate Agriculture Committees on bipartisan reforms of U.S. farm policy, including significant reductions in trade-distorting farm subsidies.

Certain U.S. agricultural programs have drifted far from their original purpose of protecting family farmers from the ravages of the Great Depression. Though subsidies cost more than \$20 billion in some years, most farmers are ineligible for subsidies, and those who grow crops which are eligible for subsidies typically receive less than \$100 a month. Furthermore, escalating U.S. budget deficits, Hurricane Katrina, new regulatory burdens, and tightening constraints on government spending impose even greater

responsibilities on Congress and the Administration to reduce farm subsidies and to ensure that existing programs actually help family farmers and reward environmental stewardship. Recent WTO rulings also indicate that major U.S. farm subsidy programs may not withstand WTO scrutiny.

We agree that any WTO Agreement must be contingent on the broad based willingness of our trading partners to open their markets to American farm products. We welcome the recent U.S. proposals, which signal to our trading partners that the United States is prepared to take seriously their concerns about trade-distorting domestic supports. New ideas should be explored such as non-trade-distortive and environmentally conscious tools that would help all farmers and ranchers weather the ups and downs of agriculture without encouraging crop surpluses that reduce world prices.

The WTO Round holds vast promise for opening overseas markets to American exporters, including American farmers, manufacturers, and service providers, rewarding environmental stewardship, and addressing developing country poverty. As legislators, we understand the challenge of making far-reaching changes in government programs and cutting taxes and tariffs. We approach the Doha Round from different perspectives, but are committed to building common ground. At this vital juncture in the Doha negotiations, we recognize your efforts and reaffirm the call for bold WTO leadership to convert words into actions, and rhetoric and meetings into concrete commitments to open markets. We stand ready on a bipartisan basis to work with you on this vital endeavor.

Sincerely,

KOLBE
Member of Congress

ADAM SMITH
Member of Congress

JIM