



The trade wars' high costs

THE TRUMP ADMINISTRATION'S announcement Tuesday that the Agriculture Department will provide up to \$12 billion in aid to farmers hurt by the president's trade wars is a sure signal that Republicans are desperately worried about the impact of declining commodity prices and reduced exports on the congressional elections.

President Trump's tariffs on steel and aluminum have led China, Mexico, Canada, and the European Union to impose retaliatory tariffs on U.S. farm products and have resulted in reduced exports and lower prices.

For several months, Agriculture Secretary Sonny Perdue has talked about payments and indirect assistance through the Commodity Credit Corporation, a 1930s entity whose spending does not require congressional approval. That idea has never been popular on Capitol Hill or with the heads of farm groups, who believe that any amount of payments cannot make up for lost exports in the short term and damage to American farmers' reputations as reliable suppliers in the long run.

Perdue had said he was hoping to come up with a plan by September, but the White House obviously decided that Trump could not travel to Missouri, Iowa, and Illinois this week and face questions without some answers.

The farmers' frustration with the administration was evident last week at a House Ways and Means Trade Subcommittee hearing on the impact of tariffs on agriculture and rural America.

Cass Gebbers, an apple, pear, and cherry farmer from Brewster, Washington, told the subcommittee, "If the tariffs remain in place for the 2019 crop, buyers in China will look to secure supply from other origins such as the European Union or Turkey."

Michelle Erickson-Jones, a farmer and rancher from Broadview, Montana, testified that the tariff on imported steel caused the cost of grain bins to go up so much that she and her family did not buy one. That decision had repercussions for local businesses and the laborers who would have put up the bins, she added.

Scott VanderWal, a South Dakota farmer who is vice president of the American Farm Bureau Federation, added that farmers still trust Trump but "patience is running out as we get closer to the main selling season."

Farmers are also wondering whether House Republicans' intense focus on work requirements for food-stamp beneficiaries will mean the farm bill won't be passed before the current one expires on Sept. 30.

When the House passed its bill and headed to conference, Speaker Paul Ryan issued a statement making no mention of the safety net for farmers, emphasizing that the bill is "a main plank of our workforce-development agenda."

The Wisconsin Republican was referring to the nutrition title of the bill, which would require adult beneficiaries of the Supplemental Nutrition Assistance Program to prove they work 20 hours per week and use the "savings" from people who drop out of the program for workforce training.

Republicans have portrayed House Minority Leader Nancy Pelosi as a "San Francisco Democrat" who doesn't care about rural America. But, in a statement, Pelosi said, "With America's farmers, producers and ranchers facing plummeting prices, rising retaliatory tariffs and a struggling farm economy, we need a real robust, bipartisan farm bill more than ever."

Pelosi referred to the Senate farm bill, which included some provisions to tighten up on the Agriculture Department's management of the SNAP program but no work requirements. The Senate bill is indeed bipartisan, having passed by a vote of 86 to 11. Senate Agriculture Committee Chairman Pat Roberts of Kansas and ranking member Debbie Sta-

benow of Michigan have said that a conference report with the House SNAP provisions can't pass the Senate.

Campaigns against her have made Pelosi's name so toxic in farm country that her statement won't help her party win rural House seats. But smart, rural Democratic candidates may find ways to build on her message.

Trump's trade aid may help, but Republican Senate free-traders, including Roberts, signaled on Tuesday that they are skeptical. Farm leaders were polite but skeptical, too.

North Dakota farmer Kevin Skunes, president of the National Corn Growers Association, said his group "appreciates the administration's recognition of the harm to producers caused by tariffs and trade uncertainty. The fine print will be important. We know the package won't make farmers whole but look forward to working with USDA on the details and implementation of this plan."

The August recess may tell whether farmers think the Republican approach to the farm bill and trade still warrants their support in November. □



Farmers are frustrated with Trump's tariffs.

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