



May 15, 2018

The Honorable Sonny Perdue
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, D.C. 20250

Dear Secretary Perdue:

On behalf of the over 1.3 million collective member families of the state Farm Bureau's we represent, we are writing to express our concerns with the escalation of trade disputes with China. The agricultural community has diligently worked to impress upon the administration the importance of international trade to the bottom lines of America's farm and ranch families. We have sent letters, held meetings with administration officials, and offered data to help explain our case. We all recognize there are issues that need to be addressed in the trading relationship between the United States and China. However, it is important to remember actions have consequences, and we are worried about the potential consequences of a trade war with China.

For decades, farmers and ranchers have understood that growing our customer base outside our borders is critical to our economic survival. The development of international trade rules and the passage of free trade agreements, while never perfect, have helped the United States, the Midwest in particular, grow into the breadbasket of the world. In 2017, agricultural trade between China and our states amounted to just under \$4.5 billion according to data from the U.S. Census Bureau.

We have invested heavily in checkoff programs, trade missions, and other activities to grow our international markets. However, despite our successes, the tariffs on steel and aluminum, the initial \$50 billion in tariffs on Chinese goods, the talk of an additional \$100 billion in retaliatory tariffs on other Chinese goods, places our economic future at risk.

It is our understanding the President has tasked you to develop a plan to provide monetary compensation to farmers and ranchers who may be hurt by retaliatory measures that may be taken in response to these new tariffs. While we appreciate the sentiment behind such a request, this effort seems to negate the work our organizations have done to reduce the need for taxpayer assistance for agriculture. As you know, our farm and ranch families prefer access to markets, not checks from the federal government in lieu of trade opportunities.

It is also important to note that while the exact losses will be difficult to fully calculate, the size of the potential payments are likely to fall far short of the losses farmers and ranchers could experience as a result of this potential trade dispute.

Mr. Secretary, you and President Trump have done great things for rural America in your short time in office. Please don't risk the gains we have made on so many fronts by making agricultural producers casualties of this trade dispute.

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Thank you for your leadership and all you do for the farmers and ranchers of our great nation.

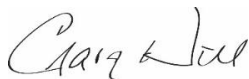
Sincerely,



Richard L. Guebert, Jr, President, Illinois Farm Bureau



Randall C. Kron, President, Indiana Farm Bureau



Craig Hill, President, Iowa Farm Bureau Federation



Rich Felts, President, Kansas Farm Bureau Federation



Kevin Paap, President, Minnesota Farm Bureau Federation



Blake Hurst, President, Missouri Farm Bureau



Steve Nelson, President, Nebraska Farm Bureau Federation



Frank Burkett III, President, Ohio Farm Bureau Federation



Scott VanderWal, President, South Dakota Farm Bureau Federation



Jim Holte, President, Wisconsin Farm Bureau