Texas Plant Protection Conference
‘Climate of Change’

International Trade Relations

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The Changing Climate of Trade

- Agroterrorism
- Animal Disease Outbreaks
- New Agreements & Disputes
U.S. Agricultural Trade, 1970-2005F

Securing U.S. Infrastructure

Border/Trade Infrastructure
- 5,252 mile border with Canada
- 1,989 mile border with Mexico
- 300 Land Ports of Entry-Exit
- 95,000 miles Coastline & Waterways
- 300 U.S. Seaports
- 429 Commercial Airports

U.S. Customs/Immigration Agents in Canada & More Ag. Inspectors
Agroterror & Protective Response

- Post CUSTA/NAFTA - Who’s in Charge??
  - Increased Truck/Rail/Noncommercial Traffic
  - Focus on Drug Interdiction, Expediting Cargo & Illegal Immigration

- 9/11/01 - "Crease In History"
  - U.S. Customs in Charge at Borders

- Focus on Terrorism, Illegal Immigration, Drugs, Expediting Cargo
New Agencies & Rules

- Dept. of Homeland Security
  - APHIS Inspectors Included
  - FDA Not Included

- Bioterrorism Preparedness Act 2002
  - Administered by FDA
    - Register
    - Notify
    - Keep Records

- US Borders ‘Last Line of Defense’
  Not First
Mad Cows & Other Monsters!!
Alberta, Canada Direct Sale Steer Prices,
Mid-month Mid-point, Jan 02 - Nov 04

Source: Alberta Agriculture, Food and Rural Development, www.agric.gov.ab.ca

BSE (5/20/2003)

1,000 Metric Tons

Broiler Meat
Beef
Pork

Source: ERS/USDA 2004
U.S. Cattle and Hog Imports from Canada

Million Head

No Cattle Imports from Canada in 2004

Source: USDA/FAS
US Cattle Imports from Mexico

Annual Avg. 800,000 Head

1,000 Head

1,653
1,390

2004 is CNAS forecast
New Agreements

- U.N. Biosafety Protocol
  - United States Not a Member
- Trade Agreements: 8 Approved, 8+ Pending
- WTO Negotiations-Doha Round
- Trade Agreements w/Chile, Australia, Others
World Average Agricultural Tariffs, 2000

Bound Average

World Average

Percent

South Asia: 115
Caribbean Islands: 85
Central America: 55
South America: 40
European Union: 30
North America: 25
United States: 12

62%
Frankenfoods!

Jumping Genes!
Disputes

- Mexico Transgenic Maize
- EU & China GMO Rules
- U.S./Mexico Water Dispute
- Anti-dumping Disputes, Mostly NAFTA (lumber & hogs)
- Canadian Cattle Lawsuit
- WTO Cotton Case Ruling Due March ‘05
Implications

- Complex, Convoluted Issues
- Degree of Trade Dependence Determines Potential Severity Disruptions to Trade
- Managing U.S. Borders Huge Job
- As Trade Agreements Implemented, Expect More Disputes
- WTO Cotton Case, Major Farm Program Implications
- U.S./Mexico Water Dispute Abated, Not Solved
Thanks!
“Informed Decisions for Global Change”
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