

## Want to Protect Agriculture Here? Protect Forests There.

Illegal overseas agriculture and timber operations in tropical countries are depressing commodity prices and undercutting U.S. competitiveness. We can level the playing field and save American farms and jobs by protecting tropical forests for future generations.

A merican farmers and ranchers know the importance of being good stewards – not just for the sake of our natural resources, but for the productivity of their land. Unfortunately, these values are not held by their competitors everywhere.

Throughout the tropics, rainforests aren't valued for the immense amounts of carbon they store, effectively giving foreign ag, livestock and logging operations a massive subsidy in cheap timber and land. After slashing and burning



these natural resources, foreign businesses import cheap (and often illegal) beef, leather, wood, soybeans, palm oil, and other products into the United States – undercutting goods from more sustainably and responsibly managed American farms and forests.

Just one company – Asia Pulp and Paper – was found to have put 9,000 American workers out of jobs by dumping timber in the U.S. market. And a recent study for the American Forest and Paper Association found that illegal

logging alone depresses world wood prices an average of 7-16 percent per year and that U.S. exports could increase by approximately \$460 million annually if illegal logging was eliminated.<sup>2</sup>

According to USDA, increases in South American soybean production due to deforestation have put downward pressure on US soybean prices – with similar trends seen for corn, pork, and cattle.<sup>3</sup>

There is a simple solution that is fast, effective and affordable. Provisions in climate legislation would finally value the world's rainforests for the carbon they store – and help governments shut down illegal cattle, ag, and timber operations. Bringing global agriculture and forestry up to U.S. standards will also create millions of good-paying jobs in conservation for people in rainforest nations – jobs that don't compete with Americans.<sup>4</sup> At the same time, protecting rainforests will reduce concerns about indirect land use impacts of biofuels – bringing more stability to U.S. commodity markets and new prosperity to America's farmers.

Finally, American forests and farms will get a fair chance to compete.

Food and Agriculture Organization of the United Nations. "Forests and the global economy: 10 million new jobs" and "State of the World's Forests, 2009" March 10, 2009. (http://www.fao.org/news/story/en/item/10442/icode/).





<sup>&</sup>lt;sup>1</sup> Foster, David. "Indonesia's Forestry Workers – Another Endangered Species." AFL-CIO blog (http://blog.aflcio.org/2007/12/11/indonesias-forestry-workersanother-endangered-species/) and United Steelworkers. "USW Applauds Commerce Dept. Duties on Glossy Paper Importats Anti-subsidy, Dumping Tariffs Placed on China, Indonesia, S. Korea Producers" October 18, 2007.

<sup>&</sup>lt;sup>2</sup> Seneca Creek Associates and Wood Resources International. "Illegal" Logging and Global Wood Markets: The Competitive Impacts on the U.S. Wood Products Industry.' November, 2004 and Sheikh, Pervaze A. "Illegal Logging: Background and Isssues" Congressional Research Service. June 9, 2008.

<sup>&</sup>lt;sup>3</sup> "REDD and Agriculture" http://www.agcarbonmarkets.com/documents/TCG%20White%20Paper\_Agriculture%20and%20Deforestation\_FINAL.pdf and Plato, Gerald and William Chambers. "How Does Structural Change in the Global Soybean Market Affect the U.S. Price?" U.S. Department of Agriculture. April, 2004 and USDA. Agricultural Baseline Projections: U.S. Livestock, 2009-2018.