

IOWA: Leveling the Playing Field

“Instead of shutting down our markets, we’ll continue to open up other people’s markets. If people treat us the way we treat them, we can compete with anybody, anyplace, anywhere in the world.”

*-- President George W. Bush
Alleman, Iowa*

Trade Plays a Significant Role in Iowa’s Growing Economy: People from all over the world are buying Iowa’s products, which helps fuel Iowa’s economy and create jobs.

- Iowa exported \$5.2 billion in goods to 178 foreign markets in 2003.
- Iowa is the nation’s 2nd largest exporter of agricultural products, with exports valued at over \$3.6 billion.
- Iowa is the nation’s top exporter of soybeans, with \$1.5 billion in sales. Feed grains and machinery, each totaling nearly \$1.3 billion in exports, follow closely behind.
- 2,537 Iowa companies exported goods in 2001. Of those 79% were small and medium sized businesses.
- More than one-sixth of all manufacturing jobs in Iowa depend on exports.

Iowa Benefits as President Bush Levels the Playing Field: The Bush Administration has worked aggressively to level the playing field for Iowa’s farmers, ranchers, workers, and businesses by opening new markets, removing barriers that hurt Iowa’s exporters, enforcing our trade laws and combating unfair trade practices, and promoting Iowa’s exports.

- **Opening New Markets:** Iowa’s farmers and manufacturers benefit as the Bush Administration opens new markets by:
 - **Opening the Chinese market for Iowa soybeans.** After two years of working together, China issued final safety certificates for biotech soybeans, corn and canola assuring that China’s quick-growing multi-billion dollar market for these U.S. agricultural products will remain open to Iowa and other U.S. farmers. China is the largest market for U.S. soybeans, and U.S. soybean sales to China hit an all time high last year of \$2.9 billion.
 - **Opening new markets for Iowa’s cattlemen and pork producers.** The Administration has worked diligently to open up new markets for Iowa’s farm goods, including pork and beef.
 - The Administration reopened the Mexican market to U.S. beef exports worth over \$1 billion to Iowa and other U.S. farmers and ranchers.

- The free trade agreement that the Administration negotiated with Central America improves access to our partners' markets for Iowa pork, dairy, and beef. The American Farm Bureau estimates that this agreement could mean \$1.5 billion for American farmers and ranchers.
- The U.S.-Morocco Free Trade Agreement (FTA) negotiated by the Administration will open the Moroccan market to U.S. beef.
- The Administration negotiated an agreement with Russia that will ensure continued access to that market for Iowa pork, poultry, and beef.
- **Opening the Chinese market for Iowa hides and skins.** The Administration has worked hard to expand China's market for Iowa and other U.S. farmers and ranchers. U.S. exports of hides and skins to China have increased 372% over the last four years -- topping \$455 million in 2003. Iowa is the nation's 11th largest exporter of hides and skins, with exports of \$47.3 million last year.
- **Expanding Chilean markets for Iowa's agricultural and construction machinery.** Chilean imports of American heavy machinery increased by 71% during the first month after the U.S.-Chile FTA took affect.
- **Removing Barriers that Hurt Iowa's Exporters:** The Bush Administration's aggressive actions to remove barriers for American exporters help Iowa's farmers, ranchers, manufacturers, and workers by:
 - **Eliminating tariffs for Iowa's exports of agricultural and construction machinery and household appliances** to Australia, Morocco, Chile, Singapore, Bahrain, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic. Nearly 11% (\$142 million) of Iowa's exports of machinery manufactures goes to countries with which this Administration completed or is negotiating free trade agreements.
 - **Reducing barriers and eliminating tariffs for Iowa's exports of processed foods** to Australia, Morocco, Chile, Singapore, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic. Processed foods are Iowa's 2nd largest exports, with over \$1 billion in export sales in 2003.
 - **Removing barriers for Iowa's farmers and ranchers.** China made changes to its meat labeling regime, at the Administration's urging, removing a non-tariff barrier to Iowa's goods.
- **Enforcing Trade Laws and Combating Unfair Trade Practices:** The President's enforcement of trade laws and vigorous pursuit of allegations of unfair trade have produced real results for Iowa, including:
 - **Ensuring access to the European Union for Iowa's feed grain producers:** This Administration prevented the EU from imposing a trade restrictive regime that would have hindered U.S. feed grain exports to that market.

Iowa is the nation's largest exporter of feed grains and products, with exports valued at \$1.3 billion.

- **Ensuring fair access to Europe for Iowa's farming and biotech industries.** After the Administration brought a WTO case to end the EU ban on the importation of new agriculture biotech products, the EU approved a biotech corn product. The Administration is continuing to pursue the case to ensure that the EU ban is lifted on all biotech products.
 - **Ensuring fair access to the Mexican market for Iowa hogs.** After Mexico unfairly imposed dumping duties on hogs, this Administration brought a case to the World Trade Organization and Mexico fixed the problem. Iowa is the nation's 4th largest exporter of live animals and meat, with over \$584 million in sales abroad. It is the state's 3rd largest agricultural export.
 - **Ensuring fair treatment of Iowa's beef exports into the European Union.** As a result of Administration efforts, the European Union agreed to eliminate unnecessary and costly tests that would have hindered Iowa's beef shipments.
- **Promoting Iowa's Exports:** The Administration actively works with American businesses to promote exports by leveraging the benefits of our international trade agreements. Some Iowa export successes include:
- **Iowa Glass in Cedar Rapids, IA,** a manufacturer of automotive glass, made its first ever export sale to China with the help of the Administration's export promotion services.
 - **Kwik-Way Products Inc. in Marion, IA,** an automotive parts and equipment manufacturer, completed a successful export sale to Iraq after receiving assistance from the Administration.