

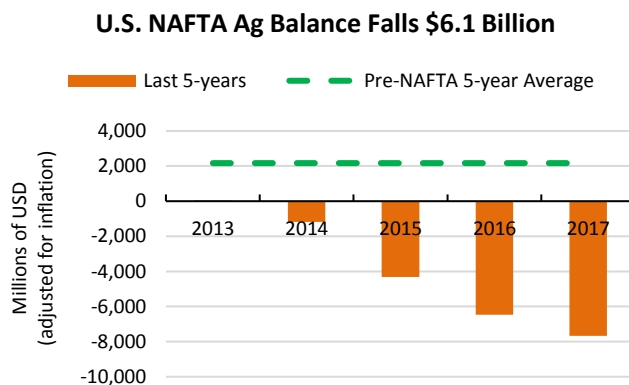
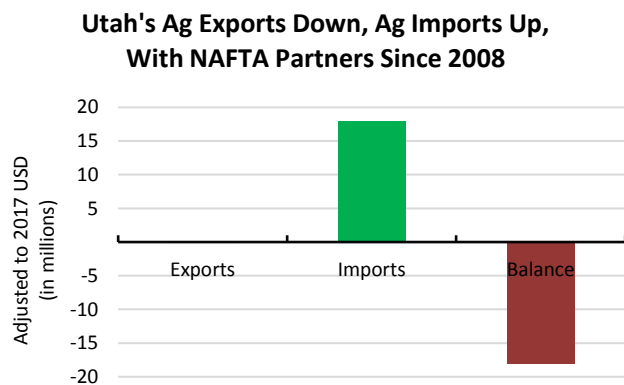
## Utah: Ag Exports Lag, Family Farms Decline Under “Free Trade” Deals

Farmers and ranchers have been lobbied to support Free Trade Agreements (FTAs) like the North American Free Trade Agreement (NAFTA) with promises that they would increase U.S. exports and thus improve farm income. The outcomes have often been the opposite: Agricultural imports have surged, and for some commodities exports slowed. Commodity price volatility has increased, and family farms have disappeared. Many of these deals also resulted in major manufacturing job loss, eliminating critical non-farm income for rural families. Now, the Trump administration is gearing up to renegotiate NAFTA. Reviewing the actual outcomes for rural American from NAFTA and other deals based on the same model is critical to determining what changes are required to make these deals work better for farmers and ranchers.

### Utah's NAFTA Failure: Ag Exports Fall, Ag Imports Grow, Ag Balance Suffers

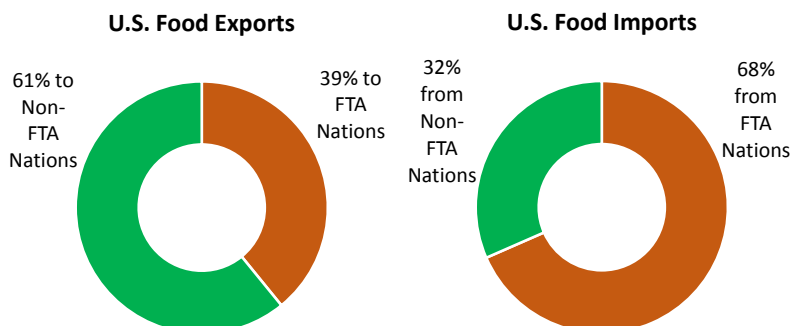
Nationwide, the U.S. agricultural trade balance with NAFTA partners has fallen from a \$2.6 billion trade surplus in the year before NAFTA to a \$7.7 billion trade deficit in 2017 – our largest NAFTA agricultural trade deficit to date. The average U.S. agricultural trade balance with NAFTA countries *over the last five years* still fell \$6.1 billion below the average balance in the five years before NAFTA.

Utah's exports of agricultural products to NAFTA partners Mexico and Canada have *fallen 5 percent* since 2008. At the same time, the state's agricultural exports to the rest of the world increased 163 percent. Meanwhile, Utah's agricultural imports from NAFTA countries have nearly doubled. As a result, Arkansas' NAFTA agricultural balance has dropped 99 percent since 2008 (State-level agricultural trade data are not publicly available prior to 2008.)



### 68% of U.S. Food Imports Are From FTA Partner Nations, But Just 39% of Exports Go There

Most U.S. food imports come from nations with which we have “free trade” agreements. But our FTA partners are not the main purchasers of U.S. agricultural exports. This may seem counterintuitive – certainly it is the opposite of what FTA proponents promised U.S. farmers and ranchers. **In 2017, the 20 U.S. FTA partners were the source of 68 percent of all U.S. food imports, but were the destination of just 39 percent of all U.S. food exports** (measuring by volume). Indeed, nearly two-thirds of all U.S. agricultural exports were sold to nations without U.S. FTAs.

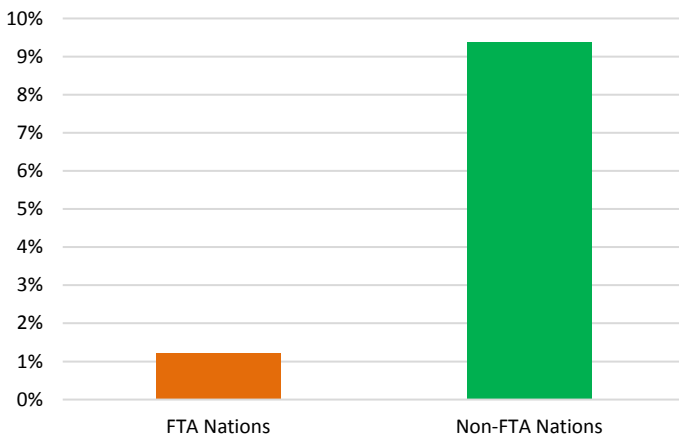


# Replace NAFTA: Utah Cannot Afford Mere Tweaks to “Trade” Deals

## U.S. Food Trade Balance Rises Only 1.2% With FTA Partners, and Rises 9.4% With Rest of World

Counterintuitively, the U.S. food trade balance (by volume) with FTA countries has risen by 1.2 percent since 2008, the year before the drop in global trade following the financial crisis. In contrast, the U.S. food trade surplus with the rest of the world – countries with which we do not have FTAs – has risen 9.4 percent since 2008. The reason is stagnant U.S. food exports to the countries with which we have FTAs and a surge in food imports from those countries.

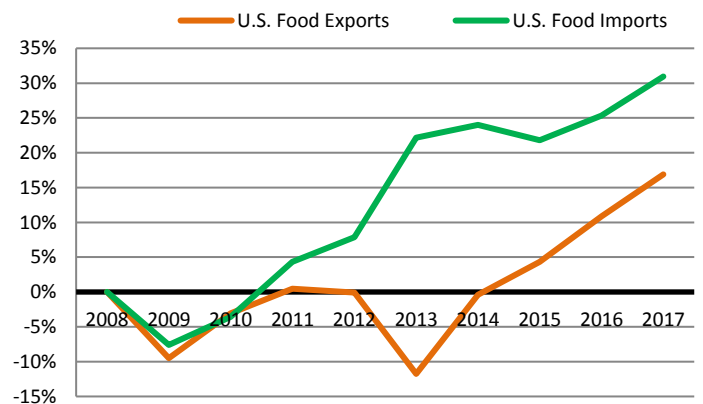
**Change in U.S. Food Trade Balance since 2008  
(pre-crisis)**



## Food Imports From NAFTA Nations Grow Faster Than U.S. Exports Under NAFTA

USDA data show imports of food into the United States from Mexico and Canada have risen more steadily and to a greater degree than U.S. food exports to those nations in recent years. U.S. food exports to NAFTA nations have increased at only half the rate that food imports have grown, relative to 2008, when exports declined significantly during the global financial crisis. Today, the U.S. is importing 31 percent more food from Canada and Mexico than it was prior to the financial crisis.

**U.S. Food Imports From NAFTA Nations Outpace  
U.S. Food Exports (relative to 2008)**



## More Than 240,000 Small-scale U.S. Farms Disappear in the FTA Era

Smaller-scale U.S. family farms have been hardest hit by rising agricultural imports and declining agricultural trade balances under FTAs. Since 1998 (the latest available data for small farms), one out of every 10 small U.S. farms has disappeared. By 2017, more than 240,000 small-scale U.S. farms had been lost.

**More Than 240,000 Small-scale U.S. Farms  
Disappear in the FTA Era**

