

## **OP-ED: Exchange of goods is good (Fort Worth Star Telegram – TX)**

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Pioneering free-market economist Adam Smith once said, "The answer to the question of free trade is easy once it is seen that the only reason that has ever been offered for protective tariffs or a closed market is, indeed, protection."

In just over a decade, major developments in U.S. trade policy have allowed Texas to wield trade not only as an instrument of freedom but one of productivity and prosperity for the benefit of our citizens.

In the 14 years since the passage of NAFTA, we have continued to tap international trade opportunities in the U.S., Mexico and Canada that have bolstered our state and national economies. Markets have opened and are leading to economic success in many of Texas' major industries. From prosperous agriculture and technology industries all the way down to consumer savings, free trade has been good for all of Texas.

Smith also said, "Free trade means that consumers are able to buy goods at the costs arranged by the best efforts of producers, wherever the producers happen to be producing." We are seeing this in Texas. Because our state has so much to offer in exports, we have much to gain from free-trade agreements.

In 2006, Texas exported more than \$150 billion in merchandise, including our chief exports: petroleum, coal, computers and other electronics, and chemical and manufacturing machinery. Today, the products of our thriving farms and ranches are feeding people worldwide. Texas agriculture exports to the world in 2006 brought in an estimated \$3.8 billion in revenue.

Our state's exports have continued to expand to take advantage of other recent U.S. free-trade agreements (FTAs), such as bilateral agreements with Chile and Singapore. The U.S. Department of Commerce reports that between 2002 and 2006, Texas exports rose by \$55.5 billion, or 58 percent, representing the largest dollar gain of any state. Texas also has a geographical advantage over other states, with our seaports well-positioned to directly benefit from continued expansion of global trade.

The economic benefits of free trade to Texans are not limited to cattle ranchers, dairy operators, or manufacturers. The positive impacts on our agriculture industries translate into financial gains for the more than 45,000 Texans involved in the cultivation, processing, storage, and transportation of Texas farm and ranching products. In 2003, jobs associated with manufactured goods accounted for more than 5 percent of all

private-sector jobs in the state. More than 21,000 companies exported goods from Texas in 2005.

And for all Texans, a healthy free-trade system means access to a wider range of higher-quality products at better prices, and the security of a stimulated economy.

To build on the proven benefits of free trade, Congress is weighing further opportunities to expand commerce through trade agreements, with countries like Peru, Colombia, and Panama. An agreement with Peru that passed the Senate on Tuesday will increase the trade of some of our most vital exports to the country, benefiting Texas ranchers, cotton farmers, poultry and egg producers, and dairy farmers, along with producers of petroleum, coal, chemicals, electronics and machinery.

The U.S. should continue to seek opportunities to open up markets through trade agreements with countries across the world -- not only for commerce but for security.

Although the economic stability of our state and national economies is a primary objective of FTAs, they also serve the broader purpose of building and improving international relationships. In a time when the dangerous political and economic maneuvering of dictators like Venezuela's Hugo Chavez could influence the security of U.S. interests, we must seek partnerships with nearby countries, like Peru, Colombia and Panama.

Free trade helps these countries thrive under dynamic economies, which will contribute to their stability. A vital global economy is key to countering the destructive policies of menacing regimes and protecting the U.S. from the security threats they pose.

As Americans, we are blessed to live in a society where free trade is pursued and embraced. When a Texas cattleman brands a calf, or a farmer in West Texas gins cotton, these workers and their products are part of the global commerce that strengthens our state and nation and keeps the world safer for everyone.