



November 4, 2004

The Honorable Donald L. Evans
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Re: Shrimp Antidumping Investigations

Dear Secretary Evans:

I am compelled to write to you on behalf of the 70,000 U.S. workers and their families that depend on fair trade in shrimp. The Southern Shrimp Alliance (SSA) is very concerned by recent attempts by foreign interests and domestic lobbying groups to undermine U.S. trade laws through extortion. In particular, we are disturbed by the October 29, 2004 request by the American Soybean Association for the United States to avoid imposing any further duties on foreign shrimp producers preliminarily found to violate our trade laws due to Thailand's illegal threats of retaliation. The SSA supports your stated commitment to vigorously enforce our trade laws "[w]here inappropriate subsidies or illegal dumping occur." We encourage the Department of Commerce to objectively evaluate the facts and apply the law in determining final antidumping margins.

The United States should never allow its trading partners to violate our trade laws. Dumping is the only private practice explicitly condemned by the World Trade Organization agreements. U.S. law and WTO rules allow for the lawful imposition of antidumping duties when products are dumped and the domestic industry is injured. Thus, the United States is merely enforcing trade laws that have been on its books for close to one hundred years. Yet the United States is not alone in the use of these measures. Thailand imposes antidumping measures at a rate two-and-a-half times that of the United States (as a ratio to imports), without retaliation.

A boycott of U.S. soybean products in reaction to enforcement of U.S. and international trade laws is essentially economic terrorism. It is inappropriate for Thailand, which is privileged to have a \$11 billion trade surplus with the United States, to threaten a trade war in a blatant effort to obstruct justice. The Department of Commerce should not allow such threats to obscure the facts in the shrimp trade actions or the U.S. laws against free trade violations.

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Three separate U.S. government agencies have analyzed the effect of low-priced imports on domestic shrimp producers. In February 2004, the U.S. International Trade Commission found that shrimp imports from Thailand are injuring U.S. producers. The Commerce Department investigated several Thai exporters and in July announced that every company investigated is dumping shrimp into the U.S. market. Moreover, in seven separate investigations, the U.S. Department of Agriculture found such imports are significantly depressing U.S. dockside shrimp prices.

The foreign shrimp industry has received in excess of \$8.9 billion in subsidies up to 1997, according to World Bank data and independent reports. For every \$1 a U.S. shrimp fishermen received for his catch, foreign shrimp farmers received more than \$1 in subsidies from governments and international institutions. In just a five year period, 1998-2002, U.S. soybean producers received \$10.9 billion in subsidies from the U.S. Government, or \$33,500 in subsidies per hired worker (according to data from the U.S. Department of Agriculture and the Environmental Working Group). By contrast, the hard working crews on domestic shrimp boats only made about \$17,400 in wages for a full years' work (U.S. International Trade Commission data). The suggestion by U.S. soybean producers that the United States should capitulate to those who violate our trade laws -- favoring two subsidized industries over U.S. jobs operating under market forces -- is absurd.

Absent foreign subsidies and pervasive dumping of imports, the domestic shrimp industry produces a product that can compete against any foreign competitor. Because of these trade violations, however, the U.S. shrimp industry is on the verge of collapse. Entire communities are at risk. I urge you to continue to vigorously enforce U.S. trade laws.

Warm regards,

Eddie Gordon
Southern Shrimp Alliance

cc: Robert Zoellick, U.S. Trade Representative